



1st Quarterly Report
30 September 2024

Sapphire Textile Mills Limited

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COMPANY INFORMATION

BOARD OF DIRECTORS

Mr. Mohammad Abdullah - Chairman
Mr. Nadeem Abdullah - Chief Executive
Mr. Shahid Abdullah
Mr. Amer Abdullah
Mr. Yousuf Abdullah
Mr. Nabeel Abdullah
Mr. Umer Abdullah
Mr. Mirza Saleem Baig
Mr. Shahid Shafiq
Ms. Mashmooma Zehra Majeed

AUDIT COMMITTEE

Mr. Shahid Shafiq - Chairman
Mr. Amer Abdullah - Member
Mr. Yousuf Abdullah - Member
Mr. Mirza Saleem Baig - Member

HUMAN RESOURCE & REMUNERATION COMMITTEE

Ms. Mashmooma Zehra Majeed - Chairperson
Mr. Nadeem Abdullah - Member
Mr. Nabeel Abdullah - Member
Mr. Umer Abdullah - Member
Mr. Shahid Shafiq - Member

SHARES REGISTRAR

Hameed Majeed Associates (Pvt.) Ltd.

CHIEF FINANCIAL OFFICER

Mr. Abdul Sattar

COMPANY SECRETARY

Mr. Zeeshan

TAX CONSULTANTS

Yousuf Adil
Chartered Accountants

AUDITORS

ShineWing Hameed Chaudhri & Company
Chartered Accountants

LEGAL ADVISOR

A. K. Brohi & Company

BANKERS

Allied Bank Limited
Bank Alfalah Limited
Bank Al Habib Limited
BankIslami Pakistan Limited
Faysal Bank Limited
Habib Bank Limited
Habib Metropolitan Bank Limited
Industrial and Commercial Bank of China
Meezan Bank Limited
MCB Bank Limited
National Bank of Pakistan
Soneri Bank Limited
Standard Chartered Bank (Pakistan) Limited
The Bank of Punjab
United Bank Limited

MILLS

Spinning Units

A-17, SITE, Kotri.
A-84, SITE Area, Nooriabad.
63/64-KM, Multan Road, Jumber Khurd, Chunian,
District Kasur.
1.5-KM, Warburton Road, Feroze Wattoan,
Sheikhupura.

Weaving Unit, Yarn Dyeing Unit, Printing & Processing Unit, Home Textile and stitching Unit

2-KM, Warburton Road, Feroze Wattoan,
Sheikhupura.

Stitching Unit

1.5-KM, Off. Defence Road, Bhutian Chowk,
Raiwind Road, Lahore.

REGISTERED OFFICE

212, Cotton Exchange Building
I. I. Chundrigar Road, Karachi.
Tel: +92 21 111 000 100

www.sapphire.com.pk/stml



**UNCONSOLIDATED
CONDENSED INTERIM
FINANCIAL STATEMENTS
FOR THE FIRST QUARTER ENDED
SEPTEMBER 30, 2024**

DIRECTORS' REPORT TO THE SHAREHOLDERS

The Directors of the Company have pleasure in submitting their Report together with the un-audited financial statements of the Company for the Quarter ended September 30, 2024.

Financial Review

The Summary of key financial numbers are presented below:

	September 30,	
	2024	2023
	Rupees in thousand	
Net turnover	23,559,078	19,747,025
Gross profit	3,768,532	3,209,287
Profit from operations	2,890,292	2,804,735
Other income	325,256	450,017
Finance cost	(1,281,324)	(1,754,344)
Profit before taxation	1,608,968	1,050,391
Profit after taxation	1,033,555	712,576

During the period under review the Company's net turnover increased from Rs.19.747 billion to Rs.23.559 billion. Turnover increased due to increase in product prices and increase in capacity of valued added segment. The gross profit as a percentage of sales for the current period remain 16% in comparison of 16.25% of the corresponding period. The finance cost during the period decreased to Rs. 1.281 billion from Rs. 1.754 billion in the corresponding period. The Company's finance cost primarily decreased due to decrease in policy rate by State Bank of Pakistan and decreased in bank finance. The Company's profit after tax increased to Rs.1,034 million from Rs.713 million.

Earnings per Share

The earnings per share for the first quarter ended September 30, 2024 is Rs. 47.65 as compared to Rs. 32.85 for previous year's corresponding period.


Future Prospects

Management is optimistic to achieve sustainable profitability in current competitive environment due to Company's diversified business operations. Our products are facing severe competition in the international market due to high cost of production in Pakistan in comparison with other textile producing countries. The company is trying its best to achieve optimum cost levels. Decrease in finance cost due to reduction in policy rate by State Bank of Pakistan is also contributing to improved profitability.

Acknowledgment

The Management would like to place on record its appreciation for the support of Board of Directors, regulatory authorities, shareholders, customers, financial institutions, suppliers and dedication & hard work of the Staff and Workers.

On behalf of the Board



NADEEM ABDULLAH
CHIEF EXECUTIVE

Lahore

Dated: October 29, 2024



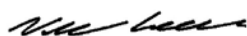
MOHAMMAD ABDULLAH
CHAIRMAN / DIRECTOR

UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION

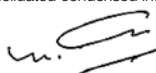
AS AT SEPTEMBER 30, 2024

	Note	Un-audited September 30, 2024 Rupees	Audited June 30, 2024 Rupees
ASSETS			
Non-Current Assets			
Property, plant and equipment	4	25,568,416,325	25,066,182,723
Investment property		164,757,444	168,394,648
Long term investments		16,626,449,512	16,201,205,623
Long term loans and advances		62,523,098	56,168,867
Deferred tax assets		228,222,243	175,222,497
Long term deposits		98,130,646	92,390,956
		42,748,499,268	41,759,565,314
Current Assets			
Stores, spares and loose tools		918,241,357	693,108,108
Stock in trade		24,601,354,954	24,533,274,861
Trade debts		10,507,920,281	8,938,814,406
Loans and advances		298,597,268	163,741,461
Trade deposits and short term prepayments		94,854,302	1,015,000
Other receivables		1,343,805,016	1,287,506,274
Short term investments		4,051,032,003	4,251,400,468
Tax refunds due from Government		1,285,781,072	1,057,328,166
Cash and bank balances		330,354,591	330,173,801
		43,431,940,844	41,256,362,545
Total Assets		86,180,440,112	83,015,927,859
EQUITY AND LIABILITIES			
Share Capital And Reserves			
Authorised share capital			
35,000,000 ordinary shares of Rs.10 each		350,000,000	350,000,000
Issued, subscribed and paid up capital			
21,689,791 ordinary shares of Rs.10 each		216,897,910	216,897,910
Reserves	5	37,812,780,529	36,699,955,373
Total Equity		38,029,678,439	36,916,853,283
LIABILITIES			
Non-Current Liabilities			
Long term loan and other payables		15,518,896,902	16,285,617,462
Lease liabilities		114,628,685	21,801,671
Deferred income - Government grant		215,531,266	231,865,017
Staff retirement benefit - gratuity		752,431,658	694,238,165
		16,601,488,511	17,233,522,315
Current Liabilities			
Trade and other payables		9,247,631,662	7,369,596,779
Contract liabilities		1,570,742,358	2,157,678,658
Accrued mark-up		679,087,727	790,101,417
Short-term borrowings		15,836,585,842	14,475,916,882
Current portion of long-term liabilities		4,213,191,793	4,070,224,745
Unclaimed dividend		2,033,780	2,033,780
		31,549,273,162	28,865,552,261
Total Liabilities		48,150,761,673	46,099,074,576
Contingencies And Commitments	6		
Total Equity And Liabilities		86,180,440,112	83,015,927,859

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



CHIEF EXECUTIVE OFFICER



CHAIRMAN/DIRECTOR




CHIEF FINANCIAL OFFICER

UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS (UN-AUDITED)

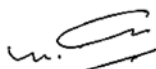
FOR THE FIRST QUARTER ENDED SEPTEMBER 30, 2024

	Note	September 30,	
		2024 Rupees	2023 Rupees
Net turnover	7	23,559,078,118	19,747,024,628
Cost of sales	8	(19,790,546,414)	(16,537,737,927)
Gross profit		3,768,531,704	3,209,286,701
Distribution cost		(831,494,692)	(568,733,536)
Administrative expenses		(266,785,622)	(218,745,473)
Other operating expenses		(105,215,307)	(67,089,075)
Other income		325,255,539	450,016,519
Profit from operations		2,890,291,622	2,804,735,136
Finance cost		(1,281,324,102)	(1,754,344,208)
Profit before revenue tax, income tax and levy		1,608,967,520	1,050,390,928
Final taxes - levy		(56,447,437)	(337,139,895)
Profit before income tax		1,552,520,083	713,251,033
Income tax expense		(518,965,161)	(675,000)
Profit for the period		1,033,554,922	712,576,033
Earnings per share - basic and diluted		47.65	32.85

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



CHIEF EXECUTIVE OFFICER



CHAIRMAN/DIRECTOR




CHIEF FINANCIAL OFFICER

UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)

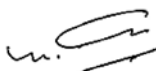
FOR THE FIRST QUARTER ENDED SEPTEMBER 30, 2024

	September 30,	
	2024 Rupees	2023 Rupees
Profit after taxation for the period	1,033,554,922	712,576,033
Other comprehensive income:		
Items that will be reclassified to statement of profit or loss subsequently:		
Forward foreign currency contracts		
Net gain on remeasurement of forward foreign currency contracts	11,161,058	15,644,038
Items that will not be reclassified to statement of profit or loss subsequently:		
Unrealised (loss) / gain on equity instruments at fair value through other comprehensive income	(525,293,229)	1,149,211,095
Impact of deferred tax	138,992,388	-
	(386,300,841)	1,149,211,095
Realised gain / (loss) on sale of investment at fair value through other comprehensive income	454,410,017	(506,775,482)
Other comprehensive income for the period	79,270,234	658,079,651
Total comprehensive income for the period	1,112,825,156	1,370,655,684

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



CHIEF EXECUTIVE OFFICER



CHAIRMAN/DIRECTOR



CHIEF FINANCIAL OFFICER

UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)

FOR THE FIRST QUARTER ENDED SEPTEMBER 30, 2024

	Reserves							Sub-total	Total	
	Capital				Revenue					
	Issued subscribed and paid-up capital	Share premium	Fixed assets replacement	Capital reserve against capac- ity expansions and long term investments	Fair value reserve of financial asset at fair value through OCI	Cash flow hedge reserve	General reserves			Unappropri- ated profit
Balance as at July 01, 2023 (Audited)	216,897,910	782,796,090	65,000,000	-	(3,588,403,719)	-	1,330,000,000	29,412,164,103	28,021,556,474	28,238,454,384
Total comprehensive income for the quarter ended September 30, 2023	-	-	-	-	642,435,613	15,644,038	-	712,576,033	658,079,651	712,576,033 658,079,651
Profit after taxation for the period	-	-	-	-	642,435,613	15,644,038	-	712,576,033	1,370,655,684	1,370,655,684
Other comprehensive income	-	-	-	-	-	-	-	-	-	-
Reclassification adjustment of realised loss on sale of equity instrument at fair value through other comprehensive income	-	-	-	-	506,775,482	-	-	(506,775,482)	-	-
Balance as at September 30, 2023 (Un-audited)	216,897,910	782,796,090	65,000,000	-	(2,419,192,824)	15,644,038	1,330,000,000	29,617,964,654	29,392,212,158	29,609,110,068
Balance as at July 01, 2024 (Audited)	216,897,910	782,796,090	65,000,000	-	1,459,803,446	60,421,094	1,330,000,000	33,001,934,741	36,689,955,373	36,916,853,283
Reclassification (Refer to Note 5)	-	-	-	30,730,000,000	-	-	(1,330,000,000)	(29,400,000,000)	-	-
Total comprehensive income for the period ended September 30, 2024	-	-	-	-	-	-	-	-	-	-
Profit after taxation for the period	-	-	-	-	66,109,176	11,161,058	-	1,033,554,922	79,270,234	1,033,554,922 79,270,234
Other comprehensive income	-	-	-	-	-	-	-	-	-	-
Reclassification adjustment of realised gain on sale of equity instrument at fair value through other comprehensive income	-	-	-	-	66,109,176	11,161,058	-	1,033,554,922	1,112,825,156	1,112,825,156
Balance as at September 30, 2024 (Un-audited)	216,897,910	782,796,090	65,000,000	30,730,000,000	1,073,502,607	71,582,152	-	5,089,899,680	37,812,780,529	38,029,678,439

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


CHIEF EXECUTIVE OFFICER


CHAIRMAN/DIRECTOR


CHIEF FINANCIAL OFFICER

UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF CASH FLOWS (UN-AUDITED)

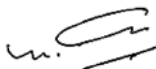
FOR THE FIRST QUARTER ENDED SEPTEMBER 30, 2024

	Note	September 30,	
		2024 Rupees	2023 Rupees
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash generated from / (used in) operations	9	2,417,098,067	(646,833,512)
Long term loans, advances and deposits- net		(12,093,921)	(13,958,389)
Finance cost paid		(1,388,089,753)	(1,882,613,843)
Staff retirement benefits - gratuity paid		(33,229,949)	(22,942,814)
Taxes (paid) / refund		(748,839,814)	1,755,364,135
Net cash generated from / (used in) operating activities		234,844,630	(810,984,423)
CASH FLOWS FROM INVESTING ACTIVITIES			
Fixed capital expenditures		(966,759,283)	(879,298,982)
Purchase of equity instruments		(995,770,099)	(504,168,005)
Proceeds from disposal of operating fixed assets		6,000,423	213,018,130
Investments in subsidiary companies		(250,000,000)	(100,000,000)
Proceeds from sale of equity instruments		950,011,464	513,281,628
Dividend income received		252,789,746	228,058,934
Interest income received		4,645,641	649,172
Rental income received		51,984,510	15,166,222
Net cash used in investing activities		(947,097,598)	(513,292,901)
CASH FLOWS FROM FINANCING ACTIVITIES			
Short term borrowings - net		1,360,668,960	1,931,453,976
Repayment of long term loans		(638,063,706)	(578,267,778)
Repayment of lease liabilities		(10,171,496)	(4,534,005)
Net cash generated from financing activities		712,433,758	1,348,652,193
Net increase in cash and cash equivalents		180,790	24,374,869
Cash and cash equivalents - at beginning of the period		330,173,801	413,088,085
Cash and cash equivalents - at end of the period		330,354,591	437,462,954

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



CHIEF EXECUTIVE OFFICER



CHAIRMAN/DIRECTOR



CHIEF FINANCIAL OFFICER

NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)

FOR THE FIRST QUARTER ENDED SEPTEMBER 30, 2024

1. LEGAL STATUS AND OPERATIONS

Sapphire Textile Mills Limited (the Company) was incorporated in Pakistan on March 11, 1969 as a public limited company under the Companies Act, 1913 (now the Companies Act, 2017). The shares of the Company are listed on Pakistan Stock Exchange.

The Company is principally engaged in manufacturing and sale of yarn, fabrics, home textile products, finishing, stitching and printing of fabrics. Following are the business units of the Company along with their respective locations:

BUSINESS UNIT	LOCATION
Registered Office	
Karachi	212, Cotton Exchange Building, I. I. Chundrigar Road, Karachi.
Lahore Office	4th Floor Tricon Corporate Center, 73-E Main Jail Road, Gulberg II, Lahore.
Production Plants	
Spinning	A-17, SITE, Kotri.
Spinning	A-84, SITE Area, Nooriabad.
Spinning	63/64-KM, Multan Road, Jumber Khurd, Chunion, District Kasur.
Spinning	1.5-KM, Warburtan Road, Feroze Wattoan, Sheikhpura.
Weaving and Yarn Dyeing, Printing, Processing, Home Textile and Stitching	2-KM, Warburtan Road, Feroze Wattoan, Sheikhpura.
Stitching	1.5-KM Off, Defence Road, Bhubtian Chowk, Raiwind Road, Lahore.

2. BASIS OF PREPARATION

2.1 Statement of compliance

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

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

These unconsolidated condensed interim financial statements does not include all the information and disclosures as required in an annual audited financial statements, and these should be read in conjunction with the Company's annual audited financial statements for the year ended June 30, 2024. These unconsolidated condensed interim financial statements are being submitted to the shareholders as required by the section 237 of the Companies Act, 2017.

2.1.2 These are separate financial statements, where the investment in subsidiaries and associates is shown at cost less impairment (if any); consolidated financial statements are separately presented.

2.2 Standards, amendments to approved accounting standards effective in current period and are relevant

Certain standards, amendments and interpretations to IFRSs are effective for accounting periods beginning on July 01, 2024 but are considered not to be relevant or to have any significant effect on the Company's operations (although they may affect the accounting for future transactions and events) and are, therefore, not detailed in these unconsolidated condensed interim financial statements.

2.3 Standards, amendments to approved accounting standards and interpretations that are not yet effective and have not been early adopted by the Company

There are certain standards, amendments to the accounting standards and interpretations that are effective for accounting periods beginning on July 01, 2024 but are considered not to be relevant or to have any significant effect on the Company's operations and are, therefore, not detailed in these unconsolidated condensed interim financial statements.

2.4 Accounting policies

All the accounting policies and the methods of computation adopted in the preparation of these unconsolidated condensed interim financial statements are consistent with those applied in the preparation of audited annual financial statements for the year ended June 30, 2024.

3. ACCOUNTING ESTIMATES, JUDGMENTS

The preparation of unconsolidated condensed interim financial statements require management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates.

In preparing these unconsolidated condensed interim financial statements, the significant judgements made by management in applying the Company's accounting policies and the key sources of estimation and uncertainty were the same as those that applied to the audited annual financial statements for the year ended June 30, 2024.

	Note	Un-audited September 30, 2024 Rupees	Audited June 30, 2024 Rupees
4. PROPERTY, PLANT AND EQUIPMENT			
Operating fixed assets	4.1	24,052,850,090	23,524,817,361
Right-of-use asset		144,410,196	33,062,731
Capital work-in-progress	4.2	1,371,156,039	1,508,302,631
		25,568,416,325	25,066,182,723
4.1 Operating Fixed Assets			
Net book value at beginning of the period / year		23,524,817,361	20,469,781,334
Additions during the period / year	4.1.1	1,103,905,875	5,691,407,579
Transfer to investment property		-	(157,418,410)
Disposals during the period / year	4.1.1	(6,000,423)	(216,617,109)
Depreciation charge for the period / year		(569,872,723)	(2,262,336,033)
Net book value at end of the period / year		24,052,850,090	23,524,817,361

NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)

FOR THE FIRST QUARTER ENDED SEPTEMBER 30, 2024

	(Un-Audited) September 30, 2024		(Audited) June 30, 2024	
	Addition Cost	Disposal Book Value	Addition Cost	Disposal Book Value
	Rupees			
Free hold land	-	-	559,655,123	25,315,740
Buildings on free-hold land :				
- Factory building	80,879,485	-	1,080,095,933	20,587,296
- Labour, staff colony and others	16,918,823	-	161,715,027	30,386,812
- Office building	-	-	199,629,245	45,318,054
Buildings on lease-hold land :				
- Leased building improvements			-	1,239,868
Plant and machinery	827,392,288	-	3,117,596,550	36,013,081
Electric installation	11,843,710	-	102,101,593	6,801,056
Equipment :				
- Fire fighting	-	-	-	109,973
- Electric	11,823,783	-	5,320,000	158,602
- Office	209,000	-	710,000	869,682
- Mills	7,099,950	-	45,533,404	1,173,813
Computer	12,218,515	131,318	93,327,353	1,459,760
Furniture & fixtures	25,532,241	-	181,252,810	575,053
Vehicles	109,988,080	5,869,105	144,470,541	46,608,319
	<u>1,103,905,875</u>	<u>6,000,423</u>	<u>5,691,407,579</u>	<u>216,617,109</u>
			Un-audited September 30, 2024 Rupees	Audited June 30, 2024 Rupees
4.2 Capital Work-In-Progress				
Civil works and buildings			617,427,711	538,842,800
Plant and machinery (including in transit aggregating Rs.74.948 million (June 30, 2024: Rs.29.357 million))			749,349,848	969,459,831
Furniture and fixture			4,378,480	-
			<u>1,371,156,039</u>	<u>1,508,302,631</u>
5 RESERVES				
Capital reserves				
Share Premium			782,796,090	782,796,090
Fixed asset replacement			65,000,000	65,000,000
Capital reserve against capacity expansions and long term investments		5.1	30,730,000,000	-
Fair value reserve of financial asset at fair value through OCI			1,073,502,607	1,459,803,448
			<u>32,651,298,697</u>	<u>2,307,599,538</u>
Revenue reserves				
Cash flow hedge reserve			71,582,152	60,421,094
General reserves			-	1,330,000,000
Unappropriated profit			5,089,899,680	33,001,934,741
			<u>5,161,481,832</u>	<u>34,392,355,835</u>
			<u>37,812,780,529</u>	<u>36,699,955,373</u>

5.1 The Company during the period transferred Rs. 30.730 billion from general reserve and unappropriated profit to capital reserve against capacity expansions and long term investments as approved by board of directors in its meeting held on September 26, 2024.

6. CONTINGENCIES AND COMMITMENTS

6.1 Contingencies

6.1.1 There are no contingencies to be reported as at September 30, 2024 and June 30, 2024.

6.2 Commitments

6.2.1 Guarantees aggregating Rs.3,233.555 million (June 30, 2024: Rs.3,083.555 million) have been issued by banks of the Company.

6.2.2 Post dated Cheques have been issued to Collector of Customs as an indemnity to adequately discharge the liabilities for taxes and duties leviable on imports. As at September 30, 2024 the value of these cheques amounted to Rs.11,968.254 million (June 30, 2024: Rs.12,021.284 million).

6.2.3 There is no change in status of the commitments as disclosed in note 32.2.3 to 32.2.5 of the audited annual financial statements of the Company for the year ended 30 June 2024.

	Un-audited September 30, 2024 Rupees	Audited June 30, 2024 Rupees
6.2.4 Commitments in respect of:		
- letter of credit for capital expenditure	636,472,995	299,757,010
- letter of credit for raw material, stores, spare parts and chemicals	6,513,491,525	1,835,511,723
- capital expenditure other than letter of credit	163,996,937	224,835,904
- forward foreign currency contracts	7,181,567,212	4,725,097,032

7. NET TURNOVER

Set out below is the disaggregation of the Company's revenue from contracts with customers:

	Export Sales		Local Sales		Total	
	September 30,		September 30,		September 30,	
	2024	2023	2024	2023	2024	2023
	-----Rupees-----					
Yarn	1,612,277,447	5,294,340,325	8,519,781,511	3,551,524,244	10,132,058,958	8,845,864,569
Fabric	5,554,005,383	4,797,493,733	1,690,741,398	1,540,351,868	7,244,746,781	6,337,845,601
Home textile products / Garments	4,287,199,906	3,171,738,990	542,031,717	83,257,549	4,829,231,623	3,254,996,539
Raw material	-	-	20,702,679	29,461,060	20,702,679	29,461,060
Waste	-	21,898,227	256,678,050	295,493,842	256,678,050	317,392,069
Processing income	-	-	1,044,124,520	936,259,312	1,044,124,520	936,259,312
	11,453,482,736	13,285,471,275	12,074,059,875	6,436,347,875	23,527,542,611	19,721,819,150
Export rebate					31,535,507	25,205,478
					23,559,078,118	19,747,024,628

7.1 Revenue is recognized at point in time as per the terms and conditions of underlying contracts with customers.

	Note	(Un-audited) September 30,	
		2024 Rupees	2023 Rupees
8. COST OF SALES			
Finished goods at beginning of the period		6,523,909,035	5,337,719,713
Cost of goods manufactured	8.1	19,188,794,746	16,867,071,116
Cost of raw materials sold		14,011,374	18,498,464
		19,202,806,120	16,885,569,580
		25,726,715,155	22,223,289,293
Finished goods at end of the period		(5,936,168,741)	(5,685,551,366)
		19,790,546,414	16,537,737,927

NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)

FOR THE FIRST QUARTER ENDED SEPTEMBER 30, 2024

		(Un-audited) September 30,	
	Note	2024 Rupees	2023 Rupees
8.1	Cost of goods manufactured		
	Work-in-process at beginning of the period	1,692,571,224	1,332,041,251
	Raw materials consumed	12,712,986,871	12,673,122,037
	Direct labour and other overheads	6,474,769,064	4,473,815,584
		<u>19,187,755,935</u>	<u>17,146,937,621</u>
		20,880,327,159	18,478,978,872
	Work-in-process at end of the period	<u>(1,691,532,413)</u>	<u>(1,611,907,756)</u>
		<u>19,188,794,746</u>	<u>16,867,071,116</u>
9	CASH FLOWS FROM OPERATIONS		
	Profit before revenue tax, income tax and levy	1,608,967,520	1,050,390,928
	Adjustments for non-cash items:		
	Depreciation on operating fixed assets	569,872,723	521,817,466
	Depreciation on right-of-use asset	6,090,134	4,132,841
	Depreciation of investment property	3,637,204	-
	Amortisation of Government grant	(20,710,686)	(22,986,597)
	Unwinding of liability related to GIDC	-	5,003,212
	Unwinding of lease liability	4,248,039	1,007,368
	Gain on sale of operating fixed assets	-	(156,654,005)
	Interest income	(4,645,641)	(649,172)
	Dividend income	(243,789,746)	(229,111,934)
	Provision for gratuity	91,423,442	64,633,846
	Reversal of provision for stores, spares and loose tools	(1,039,872)	(159,311)
	Provision against doubtful sales tax refundable	30,966,952	15,989,148
	Unrealized exchange loss on translation of receivable	(2,660,000)	(10,260,000)
	Finance cost	1,277,076,063	1,771,320,225
	Rental income	(51,484,440)	(20,980,440)
	Working capital changes	9.1 (850,853,625)	(3,640,327,087)
		<u>2,417,098,067</u>	<u>(646,833,512)</u>
9.1	Working capital changes		
	Decrease in current assets		
	- stores, spares and loose tools	(224,093,377)	(46,886,042)
	- stock-in-trade	(68,080,093)	(3,448,560,865)
	- trade debts	(1,570,770,779)	(323,732,917)
	- loans and advances	(134,855,807)	(138,755,524)
	- trade deposits and short term prepayments	(93,839,302)	(37,850,218)
	- other receivables	(50,312,850)	(46,403,370)
		<u>(2,141,952,208)</u>	<u>(4,042,188,936)</u>
	Increase / (decrease) in current liabilities		
	- trade and other payables	1,878,034,883	332,438,804
	- contract liabilities	(586,936,300)	69,423,045
		<u>1,291,098,583</u>	<u>401,861,849</u>
		<u>(850,853,625)</u>	<u>(3,640,327,087)</u>

10 RELATED PARTIES DISCLOSURES

	(Un-audited) September 30,	
	2024 Rupees	2023 Rupees
Subsidiaries:		
- sales / processing	2,374,503,128	2,319,930,971
- purchases	4,860,784	-
- investment made	250,000,000	100,000,000
- expenses charged to	4,387,976	4,231,455
- rental income	48,157,500	17,653,500
Associates:		
- sales / processing	1,552,605,769	1,857,810,007
- purchases / processing / rent	215,692,118	77,122,589
- expenses charged to	25,294,050	21,142,419
- mark-up charged by	49,677,666	58,855,917
- dividend received	18,000,000	9,000,000
- loans obtained - net	32,365,610	189,035,982
Others:		
- contribution to provident fund	29,417,609	23,222,015
- remuneration to key management personnel	29,832,224	27,621,595

11 FINANCIAL INSTRUMENTS

-----Un-audited----- As at September 30, 2024			
	Amortised cost	At fair value through OCI	Total
-----Rupees-----			
11.1 Financial Instruments by Category			
Financial assets as per statement of financial position			
Long-term investments	-	3,729,347,577	3,729,347,577
Long-term loans and advances	62,523,098	-	62,523,098
Long-term deposits	98,130,646	-	98,130,646
Trade debts	10,555,385,690	-	10,555,385,690
Loans to employees	93,194,318	-	93,194,318
Trade deposits	94,854,302	-	94,854,302
Other receivables	1,343,805,016	-	1,343,805,016
Short-term investments	-	4,051,032,003	4,051,032,003
Cash and bank balances	330,354,591	-	330,354,591
	12,578,247,661	7,780,379,580	20,358,627,241

NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)

FOR THE FIRST QUARTER ENDED SEPTEMBER 30, 2024

	-----Audited----- As at June 30, 2024		Total
	Amortised cost	At fair value through OCI	
	-----Rupees-----		
Financial assets as per statement of financial position			
Long-term investments	-	3,554,103,688	3,554,103,688
Long-term loans and advances	56,168,867	-	56,168,867
Long-term deposits	92,390,956	-	92,390,956
Trade debts	8,986,279,815	-	8,986,279,815
Loans to employees	90,686,555	-	90,686,555
Trade deposits	1,015,000	-	1,015,000
Other receivables	1,287,506,274	-	1,287,506,274
Short-term investments	-	4,251,400,468	4,251,400,468
Cash and bank balances	330,173,801	-	330,173,801
	10,844,221,268	7,805,504,156	18,649,725,424

	Financial liabilities measured at amortised cost	
	Un-audited September 30, 2024 Rupees	Audited June 30, 2024 Rupees
Financial liabilities as per statement of financial position		
Long-term loans and other payables	15,518,896,902	16,285,617,462
Deferred income - Government grant	215,531,266	231,865,017
Trade and other payables	7,957,854,042	6,137,133,363
Current portion of long-term liabilities	4,213,191,793	4,070,224,745
Unclaimed dividend	2,033,780	2,033,780
Short term borrowings	15,836,585,842	14,475,916,882
Accrued mark-up	679,087,727	790,101,417
	44,423,181,352	41,992,892,666

11.2 Fair value of financial instruments

Carrying values of the financial assets and financial liabilities approximate their fair values. Fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction.

11.3 Fair value measurement of financial instruments

Fair value is the price that would be received upon sale of an asset or paid upon transfer of a liability in an orderly transaction between market participants at the measurement date. Underlying the definition of fair value is the presumption that the Company is a going concern and there is no intention or requirement to curtail materially the scale of its operation or to undertake a transaction on adverse terms.

The table below analyse financial instruments carried at fair value, by valuation method. The different levels have been defined as follows:

Quoted prices (unadjusted) in active markets for identical assets or liabilities [Level 1].

Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) [Level 2].

Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) [Level 3].

The Company's financial assets measured at fair value consists of level 1 financial assets amounting to Rs.7,770.061 million (June 30, 2024: Rs.7,796.024 million). The carrying values of other financial assets and liabilities reflected in the financial statements approximate their fair values.

Valuation techniques used to determine fair values

Level 1: The fair value of financial instruments traded in active markets is based on quoted market prices at the reporting date. A market is regarded as active if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis. These instruments are included in Level 1.

Level 2: The fair value of financial instruments that are not traded in an active market is determined by using valuation techniques. These valuation techniques maximize the use of observable market data where it is available and rely as little as possible on entity-specific estimates. If all significant inputs required to measure the fair value of 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.

12 CORRESPONDING FIGURES

In order to comply with the requirements of International Accounting Standard 34 - 'Interim Financial Reporting', the unconsolidated condensed interim statement of financial position has been compared with the balances of audited annual financial statements of the Company for the year ended June 30, 2024, whereas, the unconsolidated condensed interim statement of profit or loss, unconsolidated condensed interim statement of other comprehensive income, unconsolidated condensed interim statement of cash flows and unconsolidated condensed interim statement of changes in equity have been compared with the balances of comparable period of condensed interim financial statements of the Company for the first quarter ended September 30, 2023.

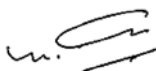
Comparative information has been re-classified, re-arranged or additionally incorporated in these interim financial statements, where necessary, to facilities better comparison and to conform with the changes in presentation.

13 DATE OF AUTHORIZATION FOR ISSUE

These unconsolidated condensed interim financial statements were approved by the Board of Directors and authorised for issue on October 29, 2024.



CHIEF EXECUTIVE OFFICER



CHAIRMAN/DIRECTOR



CHIEF FINANCIAL OFFICER



**CONSOLIDATED
CONDENSED INTERIM**
FINANCIAL STATEMENTS
FOR THE FIRST QUARTER ENDED
SEPTEMBER 30, 2024

DIRECTORS' REPORT TO THE SHAREHOLDERS

On behalf of Board of Directors of Holding Company of, Sapphire Wind Power Company Limited, Sapphire Retail Limited, Triconboston Consulting Corporation (Private) Limited, Sapphire International APS, Designtex (SMC-Private) Limited, Sapphire Real Estate (Private) Limited, Sapphire Chemicals (Private) Limited, Sapphire Green Energy (Private) Limited, Creek Properties (Private) Limited, Sapphire Retail International Limited, Sapphire Retail Trading One Person Company L.L.C and Sapphire Retail US Corporation, it is our pleasure to present Directors' Report with un-audited Consolidated Financial Statements for the Quarter ended September 30, 2024.

Sapphire Wind Power Company Limited

The Company is 70% owned by Sapphire Textile Mills Ltd and 30% by Bank Alfalah Limited. The Company has set up a wind farm with capacity of 52.80 MW at Jhimpir which started Commercial operations in November 2015 – the project is operating following best industry practices and is yielding satisfactory results.

Sapphire Retail Limited

Sapphire Retail Limited (SRL) is a wholly owned subsidiary of Sapphire Textile Mills Limited. The principal business of SRL is to operate “Sapphire” brand retail outlets for the sale of textile and other products. SRL is principally engaged in carrying out a business of trading of textile products that includes buying, selling, import and export of textile and other allied products. SRL operates through retail outlets in Pakistan and e-stores. SRL operates 48 retail outlets throughout the country.

Tricon Boston Consulting Corporation (Private) Limited

Tricon Boston Consulting Corporation (Private) Limited is 57.125% owned by Sapphire Textile Mills Limited. The company was incorporated under the laws of Pakistan and operating 3 projects having capacity of 50 MW each in Jhimpir. All the three projects have successfully commenced commercial operation in September, 2018.

Sapphire International APS

Sapphire International APS is wholly owned subsidiary of Sapphire Textile Mills Limited and a limited liability Company incorporated in Denmark formed to strengthen exports.

Designtex SMC-Private Limited

Designtex SMC-Private Limited (the company) was incorporated as SMC Private Company limited by shares under Companies Act, 2017. It is wholly owned subsidiary of Sapphire Retail Limited which is wholly owned subsidiary of Sapphire Textile Mills Limited. The principal business of the company is manufacturing of textile and ancillary products.

Sapphire Real Estate (Private) Limited

Sapphire Real Estate (Private) Limited is a wholly owned subsidiary of Sapphire Textile Mills Limited and formed for the purpose of investment in real estate projects.

Sapphire Chemicals (Private) Limited

Sapphire Chemicals (Private) Limited is a wholly owned subsidiary company and formed for the purpose of manufacture and sale of chemical products. The company is in process of discussions with machinery suppliers and financial institutions to setup soda ash manufacturing facility with capacity of 220,000 tons per annum.

Sapphire Green Energy (Private) Limited

Sapphire Green Energy (Private) Limited, a wholly owned subsidiary, has been incorporated during the year 2023 with the purpose to make investment in Renewable Energy Projects.

Creek Properties (Private) Limited

Creek Properties (Private) Limited (the company) was incorporated as a private Company limited under Companies Act, 2017. Sapphire Real Estate (Private) Limited holds 65% shareholding of the company which is wholly owned subsidiary of Sapphire Textile Mills Limited. The principal business of the company is marketing and development of real estate projects.

Sapphire Retail International Limited

Sapphire Retail International Limited, a wholly owned subsidiary, has been incorporated with the purpose of textile retail operations in United Kingdom. The company has opened its first retail outlet in Bradford, United Kingdom.

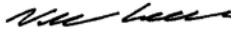
Sapphire Retail Trading One Person Company L.L.C

Sapphire Retail Trading One Person Company L.L.C, a wholly owned subsidiary, has been incorporated with the purpose of textile retail operations in United Arab Emirates.


Sapphire Retail US Corporation

Sapphire Retail US Corporation, a wholly owned subsidiary, has been incorporated during the current period with the purpose of textile retail operations in United States of America.

On behalf of the Board



NADEEM ABDULLAH
CHIEF EXECUTIVE
Lahore
Dated: October 29, 2024



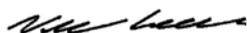
MOHAMMAD ABDULLAH
CHAIRMAN / DIRECTOR

CONSOLIDATED CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION

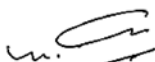
AS AT SEPTEMBER 30, 2024

	Note	Un-audited September 30, 2024 Rupees	Audited June 30, 2024 Rupees
ASSETS			
Non-Current Assets			
Property, plant and equipment	4	88,720,687,117	89,205,020,831
Investment property		1,575,011,655	1,645,003,518
Intangible assets		471,789,207	473,371,621
Exploration and evaluation assets		135,428,274	130,928,274
Long-term investments		5,948,788,998	5,731,684,160
Long-term loans and advances		62,523,098	56,168,867
Long-term deposits		235,180,726	206,699,068
Deferred tax asset		591,743,643	560,483,654
		97,741,152,718	98,009,359,993
Current Assets			
Stores, spares and loose tools		1,258,780,269	979,660,671
Stock in trade		36,638,653,572	35,744,403,520
Trade debts		21,923,520,895	22,357,299,246
Loans and advances		518,949,153	393,632,520
Trade deposits and short term prepayments		280,989,451	106,648,789
Other receivables		2,460,456,705	2,768,669,455
Short-term investments		4,280,029,610	4,480,398,075
Tax refunds due from Government		3,176,841,965	2,796,342,932
Cash and bank balances		19,762,536,385	17,533,563,165
		90,300,758,005	87,160,618,373
Total Assets		188,041,910,723	185,169,978,366
EQUITY AND LIABILITIES			
Share Capital And Reserves			
Authorised share capital			
35,000,000 ordinary shares of Rs.10 each		350,000,000	350,000,000
Issued, subscribed and paid-up capital			
21,689,791 ordinary shares of Rs.10 each		216,897,910	216,897,910
Reserves	5	66,777,758,683	63,270,178,387
Equity attributable to equity holders of the parent		66,994,656,593	63,487,076,297
Non-controlling interest		21,620,301,387	20,176,661,419
Total Equity		88,614,957,980	83,663,737,716
LIABILITIES			
Non-Current Liabilities			
Long-term loans and other payables		41,730,015,346	46,035,980,643
Lease liabilities		3,240,353,136	3,221,082,755
Deferred income - Government grant		215,531,266	231,865,017
Staff retirement benefits - gratuity		881,482,635	813,216,251
		46,067,382,383	50,302,144,666
Current Liabilities			
Trade and other payables		19,801,339,835	18,179,234,210
Contract liabilities		1,577,477,813	2,164,431,058
Accrued mark-up		886,923,537	1,048,890,952
Short-term borrowings		16,314,149,718	14,921,225,830
Current portion of long-term liabilities		14,777,645,677	14,557,530,151
Unclaimed dividend		2,033,780	332,783,783
		53,359,570,360	51,204,095,984
Total Liabilities		99,426,952,743	101,506,240,650
Contingencies And Commitments	6		
Total Equity And Liabilities		188,041,910,723	185,169,978,366

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



CHIEF EXECUTIVE OFFICER



CHAIRMAN/DIRECTOR




CHIEF FINANCIAL OFFICER

CONSOLIDATED CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS (UN-AUDITED)

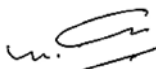
FOR THE FIRST QUARTER ENDED SEPTEMBER 30, 2024

		September 30,	
	Note	2024 Rupees	2023 Rupees
Net turnover	7	38,454,630,175	37,431,074,643
Cost of sales	8	(27,809,248,062)	(25,328,488,300)
Gross profit		10,645,382,113	12,102,586,343
Distribution cost		(2,170,726,259)	(1,479,010,709)
Administrative expenses		(732,882,382)	(472,425,534)
Other operating expenses		(128,967,197)	(95,852,390)
Other income		624,023,834	616,764,187
Profit from operations		8,236,830,109	10,672,061,897
Finance cost		(2,638,601,045)	(3,325,291,511)
Share of profit of associated companies		40,358,297	58,413,070
Profit before revenue tax, income tax and levy		5,638,587,361	7,405,183,456
Final taxes - levy		(56,447,437)	(337,139,895)
Profit before income tax		5,582,139,924	7,068,043,561
Income tax expense		(736,340,709)	(187,798,928)
Profit after taxation for the period		4,845,799,215	6,880,244,633
Attributable to:			
Equity holders of the parent		3,402,159,247	4,519,532,476
Non-controlling interest		1,443,639,968	2,360,712,157
		4,845,799,215	6,880,244,633
Earnings per share - basic and diluted		156.86	208.37

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



CHIEF EXECUTIVE OFFICER



CHAIRMAN/DIRECTOR




CHIEF FINANCIAL OFFICER

CONDENSED INTERIM CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)

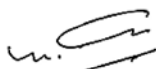
FOR THE FIRST QUARTER ENDED SEPTEMBER 30, 2024

	September 30,	
	2024 Rupees	2023 Rupees
Profit after taxation for the period	4,845,799,215	6,880,244,633
Other comprehensive income:		
Items to be reclassified to statement of profit or loss subsequently:		
Net gain on remeasurement of forward foreign currency contracts	11,161,058	15,644,038
Unrealised gain on remeasurement of forward foreign currency contracts of - associates	149,533	159,329
	11,310,591	15,803,367
Exchange difference on translation of foreign operations	24,803,487	(11,025,765)
Items not be reclassified to statement of profit or loss subsequently:		
Unrealised (loss) / gain on equity instruments at fair value through other comprehensive income	(525,293,211)	1,149,211,095
Impact of deferred tax	138,992,388	-
	(386,300,823)	1,149,211,095
Realised gain / (loss) on sale of investment at fair value through other comprehensive income	454,410,004	(506,775,482)
	68,109,181	642,435,613
Gain on equity instruments at fair value through other comprehensive income - associates	1,361,251	6,937,030
Other comprehensive income for the period	105,584,510	654,150,245
Total comprehensive income for the period	4,951,383,725	7,534,394,878
Attributable to:		
Equity holders of the parent	3,507,743,757	5,173,682,721
Non- controlling interest	1,443,639,968	2,360,712,157
	4,951,383,725	7,534,394,878

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



CHIEF EXECUTIVE OFFICER



CHAIRMAN/DIRECTOR



CHIEF FINANCIAL OFFICER

CONDENSED INTERIM CONSOLIDATED STATEMENT OF

CHANGES IN EQUITY (UN-AUDITED)

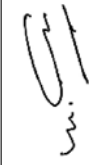
FOR THE FIRST QUARTER ENDED SEPTEMBER 30, 2024

	Reserves										Sub - total	Non-Controlling Interest	Total
	Capital				Revenue		Unappropriated profit	General reserves	Share premium	OCI			
	Share Capital	Fixed assets replacement	Capital reserve against capacity expansions and long term investments	Fair value reserve of financial asset at fair value through OCI	Unrealized gain/(loss) on translation of foreign operations	Cash flow hedge reserve							
21,68,87,910	782,796,090	65,000,000	-	(3,608,764,420)	343,508,955	1,349,256	1,330,000,000	47,587,509,529	46,501,399,410	16,209,725,347	62,928,022,667		
	-	-	-	649,372,643	(11,025,765)	15,803,367	-	4,519,532,476	4,519,532,476	2,380,712,157	6,880,244,633		
	-	-	-	649,372,643	(11,025,765)	15,803,367	-	4,519,532,476	4,519,532,476	2,380,712,157	7,534,394,878		
	-	-	-	506,775,482	-	-	-	(506,775,482)	-	-	-		
	-	-	-	-	-	-	-	6,436	6,436	-	6,436		
Balance as at September 30, 2023 (Un-audited)	21,68,87,910	782,796,090	65,000,000	(2,452,616,295)	332,483,190	17,152,623	1,330,000,000	51,600,272,959	51,675,088,567	18,570,437,504	70,482,423,981		
Balance as at July 01, 2024 (audited)	21,68,87,910	782,796,090	65,000,000	1,483,136,294	3,15,839,718	61,986,797	1,330,000,000	59,251,417,488	63,270,176,387	20,176,661,419	83,663,737,716		
Reclassification (Refer to Note 5)	-	-	30,730,000,000	-	-	-	(1,330,000,000)	(29,400,000,000)	-	-	-		
Total comprehensive income for the first quarter ended September 30, 2024	-	-	-	69,470,432	24,803,487	11,310,591	-	3,402,159,247	3,402,159,247	1,443,639,988	4,845,799,215		
Profit after taxation for the period	-	-	-	69,470,432	24,803,487	11,310,591	-	3,402,159,247	3,402,159,247	1,443,639,988	4,845,799,215		
Other comprehensive income for the period	-	-	-	69,470,432	24,803,487	11,310,591	-	3,402,159,247	3,402,159,247	1,443,639,988	4,845,799,215		
Reclassification adjustment of realised gain on sale of equity instrument at fair value through other comprehensive income	-	-	-	(454,410,004)	-	-	-	454,410,004	-	-	-		
Share of decrease in reserves of associated companies under equity method	-	-	-	-	-	-	-	(163,461)	(163,461)	-	(163,461)		
Balance as at September 30, 2024 (Un-audited)	21,68,87,910	782,796,090	65,000,000	1,078,196,722	340,643,205	73,297,388	-	33,707,823,276	66,777,756,683	21,620,301,387	88,614,957,960		

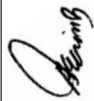
The annexed notes form an integral part of these consolidated condensed interim financial statements.



CHIEF EXECUTIVE OFFICER



CHAIRMAN/DIRECTOR



CHIEF FINANCIAL OFFICER

CONDENSED INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS (UN-AUDITED)

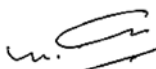
FOR THE FIRST QUARTER ENDED SEPTEMBER 30, 2024

		September 30,	
	Note	2024 Rupees	2023 Rupees
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash generated from operations	9	10,047,088,145	6,916,581,587
Long term loans, advances and deposits - net		(34,835,889)	(143,980,610)
Finance cost paid		(2,678,012,063)	(3,074,017,068)
Staff retirement benefits - gratuity paid		(33,229,949)	(22,942,814)
Taxes (paid) / refund		(1,103,152,774)	1,325,228,088
Net cash generated from operating activities		6,197,857,470	5,000,869,183
CASH FLOWS FROM INVESTING ACTIVITIES			
Fixed capital expenditure		(1,330,078,904)	(1,113,964,701)
Purchase of equity instruments		(995,770,115)	(505,168,005)
Exploration and evaluation expenditure		(4,500,000)	-
Purchase of investment property		-	(4,645,470)
Dividend received from associate		18,000,000	9,000,000
Proceeds from disposal of operating fixed assets		6,526,453	213,018,130
Proceeds from sale of equity instruments		950,011,464	513,281,628
Dividend received		234,789,746	219,058,934
Rent received		3,827,010	3,176,503
Interest received		362,116,777	202,435,265
Net cash used in investing activities		(755,077,569)	(463,807,716)
CASH FLOWS FROM FINANCING ACTIVITIES			
Short term borrowings - net		1,392,923,888	2,265,808,431
Repayment of long term loans		(4,093,003,477)	(3,970,910,658)
Proceeds from long term loans		130,287,500	-
Exchange gain on translation of foreign subsidiaries		6,648,159	894,292
Repayment of lease liabilities		(319,912,751)	(212,109,532)
Dividend paid		(330,750,000)	-
Net cash used in financing activities		(3,213,806,681)	(1,916,317,467)
Net increase in cash and cash equivalents		2,228,973,220	2,620,744,000
Cash and cash equivalents at the beginning of the period		17,533,563,165	14,542,732,395
Cash and cash equivalents at the end of the period		19,762,536,385	17,163,476,395

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



CHIEF EXECUTIVE OFFICER



CHAIRMAN/DIRECTOR



CHIEF FINANCIAL OFFICER

NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)

FOR THE FIRST QUARTER ENDED SEPTEMBER 30, 2024

1. LEGAL STATUS AND OPERATIONS

Sapphire Textile Mills Limited (the Holding Company) was incorporated in Pakistan on 11 March 1969 as a public limited company under the Companies Act, 1913 (now the Companies Act, 2017). The shares of the Company are listed on Pakistan Stock Exchange.

The Holding Company is principally engaged in manufacturing and sale of yarn, fabrics, home textile products, finishing, stitching and printing of fabrics. Following are the business units of the Holding Company along with their respective locations:

BUSINESS UNIT	LOCATION
Registered Office	
Karachi	212, Cotton Exchange Building, I. I. Chundrigar Road, Karachi.
Lahore Office	4th Floor Tricon Corporate Center, 73-E Main Jail Road, Gulberg II, Lahore.
Production Plants	
Spinning	A-17, SITE, Kotri.
Spinning	A-84, SITE Area, Nooriabad.
Spinning	63/64-KM, Multan Road, Jumber Khurd, Chunion, District Kasur.
Spinning	1.5-KM, Warburtan Road, Feroze Wattoan, Sheikhpura.
Weaving and Yarn Dyeing, Printing, Processing, Home Textile and Stitching	2-KM, Warburtan Road, Feroze Wattoan, Sheikhpura.
Stitching	1.5-KM Off, Defence Road, Bhutian Chowk, Raiwind Road, Lahore.

1.1 The Group consists of:

Sapphire Textile Mills Limited (the Holding Company)

Subsidiary Companies	% of shareholding
(i) Sapphire Retail Limited - (SRL)	100%
(ii) Sapphire Wind Power Company Limited - (SWPCL)	70%
(iii) Tricon Boston Consulting Corporation (Private) Limited - (TBCL)	57.125%
(iv) Sapphire International ApS	100%
(v) Sapphire Real Estate (Pvt.) Limited. - (SRESL)	100%
(vi) Sapphire Chemicals (Pvt.) Limited - (SCPL)	100%
(vii) Sapphire Green Energy (Pvt.) Limited - (SGEL)	100%
(viii) Creek Properties (Pvt.) Limited - (Subsidiary of SRESL) (CRPL)	65%
(ix) DesignTex (SMC-Pvt.) Limited - (Subsidiary of SRL) (DTL)	100%
(x) Sapphire Retail Trading One Person Company L.L.C	100%
(xi) Sapphire Retail International Limited	100%
(xii) Sapphire Retail US Corporation	100%

l) Sapphire Retail Limited (SRL) was incorporated in Pakistan as an unlisted public Company limited by shares under the Companies Ordinance, 1984 (now the Companies Act, 2017) on June 11, 2014. Its registered office is situated at 7 A/K Main Boulevard, Gulberg-II, Lahore. The principal business of SRL is to operate "Sapphire" brand retail outlets for the sale of textile and other products. SRL is principally engaged in carrying out a business of trading of textile products that includes buying, selling, import and export of textile and other allied products. SRL operates through retail outlets in Pakistan and e-stores. SRL operates 48 retail outlets throughout the country.

- II) Sapphire Wind Power Company Limited (SWPCL) was incorporated in Pakistan as a public Company limited by shares under the Companies Ordinance, 1984 (now the Companies Act, 2017) on 27 December 2006. Its registered office is located at 212, Cotton Exchange Building, I.I. Chundrigar Road, Karachi and the its wind power plant has been set up at Jhimpir, District Thatta, Sindh on land that is leased to the Company by Alternative Energy Development Board ('AEDB'), Government of Pakistan.

SWPCL's principal objective is to carry on the business of supplying general electric power and to setup and operate wind power generation projects to generate, accumulate, distribute and supply electricity.

It has set up a wind power station of 52.80 MW gross capacity at the abovementioned location and achieved Commercial Operations Date ('COD') on November 22, 2015. It has an Energy Purchase Agreement ('EPA') with its sole customer, Central Power Purchasing Agency Guarantee Limited ('CPPAGL') for twenty years which commenced from the COD.

- III) Triconboston Consulting Corporation (Private) Limited (TBCL) was incorporated in Pakistan as a private Company limited by shares under the Companies Ordinance, 1984 (now the Companies Act, 2017) on 13 August 2012. Its principle objective is to carry on the business of supplying general electric power and to setup and operate wind power generation projects to generate, accumulate, distribute and supply electricity. Its registered office is located at 212, Cotton Exchange Building, I. I. Chundrigar Road, Karachi.

TBCL has set up three wind power station of each 49.735 MW gross capacity at Deh, Kohistan 7/1 Tapo Jhimpir, Taluka and District Thatta in the province of Sindh measuring 3,852 acres. It has achieved Commercial Operations Date ('COD') on 16 August 2018, 14 December 2018 and 11 December 2018 by Project A, B and C respectively (collectively defined as 'Projects'). It has also signed three Energy Purchase Agreement ('EPA') with its sole customer for its Projects, Central Power Purchaser Agency (Guarantee) Limited ('CPPA-G') for twenty years which commenced from the COD.

- IV) Sapphire International APS a limited liability Company was incorporated on 27 August 2019 in Denmark is formed to strengthen exports of the Holding Company and is engaged in selling textiles.
- V) Sapphire Real Estate (Private) Limited is 100% owned subsidiary incorporated under the Companies Act, 2017 on October 12, 2021 with the purpose of investment in real estate projects. The registered office of the Company is situated at 7-A/K, Main Boulevard, Gulberg II, Lahore.
- VI) Sapphire Chemicals (Private) Limited is a wholly owned subsidiary incorporated on 04 June, 2022 under the Companies Act, 2017. The principal line of business of the Company is to manufacture and sale of chemical products.
- VII) Sapphire Green Energy (Private) Limited a wholly owned subsidiary has been incorporated with the purpose to make investment in Renewable Energy Projects.
- VIII) Creek Properties (Private) Limited (the Company) was incorporated as a private limited Company under Companies Act, 2017. Sapphire Real Estate (Private) Limited holds 65% shareholding of the Company which is wholly owned subsidiary of Sapphire Textile Mills Limited. The principal business of the Company is marketing and development of real estate projects.
- IX) Designtex (SMC-Private) Limited was incorporated in Pakistan on 6 February 2020 as a single member private company and is wholly owned subsidiary of Sapphire Retail Limited. The company is principally engaged in manufacturing of textile and ancillary products. The head office of the Company is located at 1.5KM, Defence Road, Bhohtian Chowk, Off Raiwind Road, Lahore.
- X) Sapphire Retail International Limited, a wholly owned subsidiary, has been incorporated with the purpose of textile retail operations in United Kingdom. The company has opened its first retail outlet in Bradford, United Kingdom.
- XI) Sapphire Retail Trading One Person Company L.L.C, a wholly owned subsidiary, has been incorporated with the purpose of textile retail operations in United Arab Emirates.
- XII) Sapphire Retail US Corporation, a wholly owned subsidiary, has been incorporated during the current period with the purpose of textile retail operations in United States of America.

NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)

FOR THE FIRST QUARTER ENDED SEPTEMBER 30, 2024

2. BASIS OF PREPARATION

2.1 Statement of compliance

2.1.1 These consolidated condensed interim financial information of the Group 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 Standards (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.

These consolidated condensed interim financial statements does not include all the information and disclosures as required in an annual audited financial statements, and these should be read in conjunction with the Group's annual audited financial statements for the year ended June 30, 2024. These consolidated condensed interim financial statements are being submitted to the shareholders as required by the section 237 of the Companies Act, 2017.

2.2 Standards, amendments to approved accounting standards effective in current period and are relevant

Certain standards, amendments and interpretations to IFRSs are effective for accounting periods beginning on July 01, 2024 but are considered not to be relevant or to have any significant effect on the Group's operations (although they may affect the accounting for future transactions and events) and are, therefore, not detailed in these consolidated condensed interim financial statements.

2.3 Standards, amendments to approved accounting standards and interpretations that are not yet effective and have not been early adopted by the Group

There are certain standards, amendments to the accounting standards and interpretations that are effective for accounting periods beginning on July 01, 2024 but are considered not to be relevant or to have any significant effect on the Group's operations and are, therefore, not detailed in these consolidated condensed interim financial statements.

2.4 Accounting policies

All the accounting policies and the methods of computation adopted in the preparation of these consolidated condensed interim financial statements are consistent with those applied in the preparation of audited annual financial statements for the year ended June 30, 2024.

3. ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of consolidated condensed interim financial statements require management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates.

In preparing these consolidated condensed interim financial statements, the significant judgements made by management in applying the Group's accounting policies and the key sources of estimation and uncertainty were the same as those that applied to the audited annual financial statements for the year ended June 30, 2024.

	Note	Un-audited September 30, 2024 Rupees	Audited June 30, 2024 Rupees
4. PROPERTY, PLANT AND EQUIPMENT			
Operating fixed assets	4.1	83,065,900,664	83,334,423,305
Right of use asset		3,331,853,259	3,421,994,196
Capital work-in-progress	4.2	2,253,716,938	2,379,387,074
Major spare parts and stand-by equipment		69,216,256	69,216,256
		<u>88,720,687,117</u>	<u>89,205,020,831</u>
4.1 Operating fixed assets			
Net book value at beginning of the period / year		83,334,423,305	84,780,345,305
Cost of additions during the period / year	4.1.1	1,491,376,163	6,910,347,538
Net exchange gain capitalised during the period / year		(49,779,467)	(874,611,622)
Disposals during the period / year	4.1.1	(6,526,453)	(270,828,161)
Depreciation during the period / year		(1,703,592,885)	(7,210,829,755)
Net book value at end of the period / year		<u>83,065,900,664</u>	<u>83,334,423,305</u>

4.1.1 Additions to and disposals of operating fixed assets, including transfer from capital work-in-progress during the period / year:

	(Un-Audited) 30 September 2024		(Audited) 30 June 2024	
	Addition Cost	Disposal Book Value	Addition Cost	Disposal Book Value
	Rupees			
Freehold land	-	-	714,479,364	25,315,740
On Freehold land:				
- Factory building	127,476,485	-	1,080,095,933	20,587,296
- Labour, staff colony and others	16,918,823	-	161,715,027	30,386,812
- Office building	-	-	199,629,245	45,318,054
Buildings on lease-hold land:				
- Leased Building improvements	219,271,740	-	384,800,547	2,022,868
Plant and machinery	827,786,288	-	3,118,779,880	36,013,081
Electric installation	14,229,260	-	129,664,032	6,801,056
Equipment :				
- Fire Fighting	-	-	-	109,973
- Electric	36,912,931	-	239,465,772	19,081,372
- Office	1,686,441	-	9,522,293	869,682
- Mills	7,099,950	-	45,533,404	1,173,813
Computer	44,170,094	131,318	211,158,119	1,751,787
Furniture and fixtures	56,218,965	-	427,006,913	3,937,108
Vehicles	139,605,187	6,395,135	188,497,009	77,459,519
	<u>1,491,376,163</u>	<u>6,526,453</u>	<u>6,910,347,538</u>	<u>270,828,161</u>

NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)

FOR THE FIRST QUARTER ENDED SEPTEMBER 30, 2024

	Un-audited September 30, 2024 Rupees	Audited June 30, 2024 Rupees
4.2 Capital work-in-progress		
Civil works and buildings	619,527,711	578,717,800
Plant and machinery	1,628,435,091	1,800,669,274
Furniture and fixture	5,754,136	-
	<u>2,253,716,938</u>	<u>2,379,387,074</u>
5 RESERVES		
Capital reserves		
Share Premium	782,796,090	782,796,090
Fixed asset replacement	65,000,000	65,000,000
Capital reserve against capacity expansions and long term investments	30,730,000,000	-
Fair value reserve of financial asset at fair value through OCI	1,078,198,722	1,463,138,294
	<u>32,655,994,812</u>	<u>2,310,934,384</u>
Revenue reserves		
Unrealized gain on translation of foreign operations	340,643,205	315,839,718
Cash flow hedge reserve	73,297,388	61,986,797
General reserves	-	1,330,000,000
Unappropriated profit	33,707,823,278	59,251,417,488
	<u>34,121,763,871</u>	<u>60,959,244,003</u>
	<u>66,777,758,683</u>	<u>63,270,178,387</u>

5.1 The Holding Company during the period transferred Rs. 30.730 billion from general reserve and unappropriated profit to capital reserve against capacity expansions and long term investments as approved by board of directors in its meeting held on September 26, 2024.

6. CONTINGENCIES AND COMMITMENTS

6.1 Contingencies

There is no change in status of the contingencies as disclosed in note 34.1 of the audited annual financial statements of the Group for the year ended 30 June 2024.

6.2 Commitments

6.2.1 Guarantees aggregating Rs.3,233.555 million (30 June 2024: Rs.3,083.555 million) have been issued by banks of the Group.

6.2.2 Post dated Cheques have been issued to Collector of Customs as an indemnity to adequately discharge the liabilities for taxes and duties leviable on imports. As at September 30, 2024 the value of these cheques amounted to Rs. 11,998.254 million (June 30, 2024: Rs.12,021.284 million).

6.2.3 There is no change in status of the commitments as disclosed in note 34.2.3 to 34.2.7 of the audited annual financial statements of the Group for the year ended 30 June 2024.

	Un-audited September 30, 2024 Rupees	Audited June 30, 2024 Rupees
6.2.4 Commitments in respect of:		
- letter of credit for capital expenditure	636,472,995	299,757,010
- letter of credit for raw material, stores, spare parts and chemicals	10,018,374,434	7,559,981,723
- capital expenditure other than letter of credit	163,996,937	224,835,904
- forward foreign currency contracts	7,181,567,212	4,725,097,032

7. NET TURNOVER

Set out below is the disaggregation of the Group's revenue from contracts with customers:

	Export Sales		Local Sales		Total	
	September 30,		September 30,		September 30,	
	2024	2023	2024	2023	2024	2023
	-----Rupees-----					
Yarn	1,612,277,447	5,294,340,325	8,514,920,727	3,551,524,244	10,127,198,174	8,845,864,569
Fabric	5,650,133,231	4,817,888,285	1,313,714,903	5,158,424,618	6,963,848,134	9,976,312,903
Clothing items	648,295,668	204,011,487	10,387,956,645	7,319,227,847	11,036,252,313	7,523,239,334
Home textile products / Garments	4,355,121,313	3,171,738,990	414,344,163	157,717,805	4,769,465,476	3,329,456,795
Raw material	-	-	20,702,679	29,461,060	20,702,679	29,461,060
Accessories	-	-	602,714,892	235,262,048	602,714,892	235,262,048
Waste	-	21,898,227	256,678,050	295,493,842	256,678,050	317,392,069
Processing income	-	-	124,820,873	66,226,487	124,820,873	66,226,487
Power Generation	-	-	6,431,120,840	9,093,576,104	6,431,120,840	9,093,576,104
	12,265,827,659	13,509,877,314	28,066,973,772	25,906,914,055	40,332,801,431	39,416,791,369
Export rebate					31,535,507	25,205,478
Less: Discounts to customers					(1,909,706,763)	(2,010,922,204)
					38,454,630,175	37,431,074,643

7.1 Revenue is recognized at point in time as per the terms and conditions of underlying contracts with customers.

NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)

FOR THE FIRST QUARTER ENDED SEPTEMBER 30, 2024

		(Un-audited) September 30,	
		2024	2023
		Rupees	Rupees
8.	Note		
8. COST OF SALES			
	Finished goods at beginning of the period	6,389,077,889	5,293,424,103
	Cost of goods manufactured	25,982,016,034	21,561,579,394
	Cost of sales - purchased for resale	1,350,127,627	4,040,107,759
	Cost of raw material sold	14,011,374	18,498,464
		27,346,155,035	25,620,185,617
	Cost of sales - owned manufactured	33,735,232,924	30,913,609,720
	Finished goods at the end of the period	(5,925,984,862)	(5,585,121,420)
		27,809,248,062	25,328,488,300
8.1 Cost Of Goods Manufactured			
	Work in process at beginning of the period	5,359,918,145	3,584,457,740
	Raw materials consumed	15,334,318,373	13,793,346,346
	Direct labour and other overheads	11,883,582,985	8,688,935,058
		27,217,901,358	22,482,281,404
		32,577,819,503	26,066,739,144
	Work in process at end of the period	(6,595,803,469)	(4,505,159,750)
		25,982,016,034	21,561,579,394
9 CASH GENERATED FROM OPERATIONS			
	Profit before taxation and share of profit of associates	5,598,229,064	7,346,770,386
	Adjustments for non-cash items:		
	Depreciation on operating fixed assets	1,703,592,885	1,651,842,908
	Depreciation on right of use assets	251,444,330	154,926,884
	Amortization of intangible assets	1,582,414	3,517,551
	Interest income	(362,116,777)	(202,435,265)
	Gain on sale of property, plant and equipment	-	(156,654,005)
	Dividend income	(225,789,746)	(220,111,934)
	Provision for gratuity	101,496,333	69,360,478
	Amortization of transaction cost	15,628,872	16,337,988
	Reversal of provision for stores, spares and loose tools	(1,039,873)	(159,314)
	Provision against doubtful sales tax refundable	37,597,994	26,138,086
	Unwinding of liability related to GIDC	-	5,003,212
	Unwinding of Government grant	(20,710,686)	(22,986,597)
	Credit balance written-back	-	(309,375)
	Unwinding of lease liability	127,638,211	83,565,124
	Rental Income	(3,326,940)	(3,176,503)
	Finance cost	2,516,044,648	3,243,371,784
	Working capital changes	306,817,416	(5,078,419,821)
	9.1		
		10,047,088,145	6,916,581,587

		(Un-audited) September 30,	
		2024 Rupees	2023 Rupees
9.1	Changes in working capital		
	(Increase) / decrease in current assets		
	- stores, spares and loose tools	(278,079,725)	(65,130,119)
	- stock-in-trade	(894,250,052)	(4,717,895,779)
	- trade debts	431,068,977	(1,068,610,366)
	- loans and advances	(125,316,633)	(384,838,335)
	- trade deposits and short term prepayments	(174,340,662)	(95,004,665)
	- other receivables	311,538,642	55,098,722
		(729,379,453)	(6,276,380,542)
	Increase / (decrease) in current liabilities		
	- trade and other payables	1,623,150,114	1,131,326,202
	- contract liabilities	(586,953,245)	66,634,519
		1,036,196,869	1,197,960,721
		306,817,416	(5,078,419,821)
10	RELATED PARTY DISCLOSURES		
	Associates:		
	Sales / processing	1,552,605,769	1,857,810,007
	Purchases / rental charged	215,692,118	77,122,589
	Expenses charged to	25,294,050	21,142,419
	Markup charged by	49,677,666	58,855,917
	Dividend received	18,000,000	9,000,000
	Loans obtained- net	32,365,610	189,035,982
	Others:		
	Contribution to provident fund	51,601,246	36,075,748
	Remuneration to key management personnel	72,632,268	64,887,846

11 SEGMENT ANALYSIS

11.1 SEGMENT RESULTS

Spinning	Weaving	Processing, printing, Home Textile, Textile Retail and Others	Power Generation	Total
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----- Rupees-----

For the first quarter ended 30 September 2024

Revenue - external customers	9,826,250,989	5,678,052,053	16,519,206,292	6,431,120,840	38,454,630,175
Inter - segment sales	3,347,297,088	1,852,406,819	900,687,455	-	6,100,391,362
Segment results	1,363,658,962	830,634,698	1,148,239,062	4,399,240,750	7,741,773,472

For the first quarter ended 30 September 2023

Revenue - external customers	8,774,250,567	4,462,571,695	15,100,676,276	9,093,576,404	37,431,074,643
Inter - segment sales	3,338,520,203	2,350,545,264	279,271,947	-	5,968,337,415
Segment results	560,938,258	885,251,635	1,579,045,560	7,125,914,648	10,151,150,100

NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)

FOR THE FIRST QUARTER ENDED SEPTEMBER 30, 2024

	(Un-audited) September 30,	
	2024 Rupees	2023 Rupees
Reconciliation of operating results with profit after tax is as follows:		
Total results for reportable segments	7,741,773,472	10,151,150,100
Other operating expenses	(128,967,197)	(95,852,390)
Other income	624,023,834	616,764,187
Finance cost	(2,638,601,045)	(3,325,291,511)
Share of profit of associated companies	40,358,297	58,413,070
Profit before taxation	5,638,587,361	7,405,183,456
Taxation	(792,788,146)	(524,938,823)
Profit after tax for the period	<u>4,845,799,215</u>	<u>6,880,244,633</u>

11.2 SEGMENT ASSETS AND LIABILITIES

Spinning	Weaving	Processing, printing, Home Textile, Textile Retail and Others	Power Generation	Total
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----- Rupees -----

As at September 30, 2024 (Un-audited)

Segment assets	28,435,834,016	10,734,402,115	42,183,028,010	88,048,556,522	169,401,820,663
Segment Liabilities	19,624,633,181	8,452,846,152	28,823,150,416	37,200,247,450	94,100,877,200

As at June 30, 2024 (Audited)

Segment assets	27,954,692,581	10,982,153,006	39,153,314,910	88,492,936,179	166,583,096,675
Segment Liabilities	21,068,983,267	7,860,134,747	24,721,955,037	41,694,774,397	95,345,847,448

	Un-audited September 30, 2024 Rupees	Audited June 30, 2024 Rupees
Reconciliation of segment assets and liabilities with total assets and liabilities in the consolidated condensed interim statement of financial position is as follows:		
Total for reportable segments assets	169,401,820,663	166,583,096,675
Unallocated assets	18,640,090,060	18,586,881,691
Total assets as per consolidated condensed interim statement of financial position	<u>188,041,910,723</u>	<u>185,169,978,366</u>
Total for reportable segments liabilities	94,100,877,200	95,345,847,448
Unallocated liabilities	5,326,075,543	6,160,393,202
Total liabilities as per consolidated condensed interim statement of financial position	<u>99,426,952,743</u>	<u>101,506,240,650</u>

12 FINANCIAL INSTRUMENTS

12.1 Financial Instruments by Category

Financial assets as per statement of financial position

	----- Un-audited-----		
	As at September 30, 2024		
	Amortised cost	At fair value	Total
	Rupees	through OCI	Rupees
Long term investments	-	3,729,347,577	3,729,347,577
Long-term loans and advances	62,523,098	-	62,523,098
Long-term deposits	235,180,726	-	235,180,726
Trade debts	21,970,986,303	-	21,970,986,303
Loans to employees	113,782,767	-	113,782,767
Trade deposits	30,823,604	-	30,823,604
Other receivables	2,768,669,455	-	2,768,669,455
Short-term investments	-	4,280,029,610	4,280,029,610
Cash and bank balances	17,533,563,165	-	17,533,563,165
	42,715,529,118	8,009,377,187	50,724,906,305

Financial assets as per statement of financial position

	----- Audited-----		
	As at June 30, 2024		
	Amortised cost	At fair value	Total
	Rupees	through OCI	Rupees
Long term investments	-	3,554,103,668	3,554,103,668
Long-term loans and advances	56,168,867	-	56,168,867
Long-term deposits	206,699,068	-	206,699,068
Trade debts	22,432,331,723	-	22,432,331,723
Loans to employees	114,906,590	-	114,906,590
Trade deposits	10,437,944	-	10,437,944
Other receivables	2,768,669,455	-	2,768,669,455
Short-term investments	-	4,480,398,075	4,480,398,075
Cash and bank balances	17,533,563,165	-	17,533,563,165
	43,122,776,812	8,034,501,743	51,157,278,555

NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)

FOR THE FIRST QUARTER ENDED SEPTEMBER 30, 2024

	Financial liabilities measured at amortised cost	
	Un-audited September 30, 2024 Rupees	Audited June 30, 2024 Rupees
Financial liabilities as per statement of financial position		
Long-term loans and other payables	41,730,015,346	46,035,980,643
Deferred income - Government grant	215,531,266	231,865,017
Trade and other payables	18,368,614,468	16,003,783,323
Current portion of long-term liabilities	14,777,645,677	14,557,530,151
Unclaimed dividend	2,033,780	332,783,783
Short term borrowings	16,314,149,718	14,921,225,830
Accrued mark-up	886,923,537	1,048,890,952
	92,294,913,792	93,132,059,699

12.2 Fair value of financial instruments

Carrying values of the financial assets and financial liabilities approximate their fair values. Fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction.

12.3 Fair value measurement of financial instruments

Fair value is the price that would be received upon sale of an asset or paid upon transfer of a liability in an orderly transaction between market participants at the measurement date. Underlying the definition of fair value is the presumption that the Group is a going concern and there is no intention or requirement to curtail materially the scale of its operation or to undertake a transaction on adverse terms.

The table below analyse financial instruments carried at fair value, by valuation method. The different levels have been defined as follows:

Quoted prices (unadjusted) in active markets for identical assets or liabilities [Level 1].

Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) [Level 2].

Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) [Level 3].

The Group's financial assets measured at fair value consists of level 1 financial assets amounting to Rs.7,770.061 million (June 30, 2024: Rs.7,796.024 million). The carrying values of other financial assets and liabilities reflected in the financial statements approximate their fair values.

Valuation techniques used to determine fair values

Level 1: The fair value of financial instruments traded in active markets is based on quoted market prices at the reporting date. A market is regarded as active if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis. These instruments are included in Level 1.

Level 2: The fair value of financial instruments that are not traded in an active market is determined by using valuation techniques. These valuation techniques maximize the use of observable market data where it is available and rely as little as possible on entity-specific estimates. If all significant inputs required to measure the fair value of 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.

13 CORRESPONDING FIGURES

In order to comply with the requirements of International Accounting Standard 34 - 'Interim Financial Reporting', the consolidated condensed interim statement of financial position has been compared with the balances of audited annual financial statements of the Group for the year ended June 30, 2024, whereas, the consolidated condensed interim statement of profit or loss, consolidated condensed interim statement of other comprehensive income, consolidated condensed interim statement of cash flows and consolidated condensed interim statement of changes in equity have been compared with the balances of comparable period of condensed interim financial statements of the Group for the first quarter ended September 30, 2023.

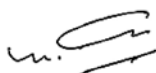
Comparative information has been re-classified, re-arranged or additionally incorporated in these interim financial statements, where necessary, to facilitate better comparison and to conform with the changes in presentation.

14 DATE OF AUTHORIZATION FOR ISSUE

These consolidated condensed interim financial statements were approved by the Board of Directors of the Holding Company and authorised for issue on October 29, 2024.



CHIEF EXECUTIVE OFFICER



CHAIRMAN/DIRECTOR



CHIEF FINANCIAL OFFICER

سفائر ریٹیل اسٹیٹ (پرائیویٹ) لمیٹڈ

سفائر ریٹیل اسٹیٹ (پرائیویٹ) لمیٹڈ مکمل طور پر سفائر ٹیکسٹائل ملز لمیٹڈ کی ملکیتی ذیلی کمپنی ہے جسے ریٹیل اسٹیٹ کے منصوبوں میں سرمایہ کاری کرنے کے مقصد کیلئے قائم کیا گیا ہے۔

سفائر کیمیکلز (پرائیویٹ) لمیٹڈ

سفائر کیمیکلز (پرائیویٹ) لمیٹڈ مکمل طور پر ملکیتی ذیلی کمپنی ہے جسے کیمیکل مصنوعات کی تیاری اور فروخت کے مقصد کیلئے قائم کیا گیا ہے۔ کمپنی کا 220,000 ٹن سالانہ گنجائش کی حامل سوڈا ایش مینوفیکچرنگ فیکٹری کے قیام کیلئے مشینری سپلائرز اور مالیاتی اداروں کے ساتھ بات چیت کا عمل جاری ہے۔

سفائر گرین انرجی (پرائیویٹ) لمیٹڈ

سفائر گرین انرجی (پرائیویٹ) لمیٹڈ مکمل طور پر ملکیتی ذیلی کمپنی ہے جسے 2023 کے دوران قائم کیا گیا۔ کمپنی کا مقصد قابل تجدید انرجی منصوبوں میں سرمایہ کاری کرنا ہے۔

کریک پراپرٹیز (پرائیویٹ) لمیٹڈ

کریک پراپرٹیز (پرائیویٹ) لمیٹڈ کو کمپنیز ایکٹ 2017 کے تحت پرائیویٹ لمیٹڈ کمپنی کے طور پر قائم کیا گیا۔ سفائر ریٹیل اسٹیٹ (پرائیویٹ) 65 فیصد حصص کی مالک ہے جو سفائر ٹیکسٹائل ملز لمیٹڈ کی مکمل طور پر ذیلی کمپنی ہے۔ کمپنی کی بنیادی کاروباری سرگرمی ریٹیل اسٹیٹ منصوبوں کی مارکیٹنگ اور تعمیر شامل ہے۔

سفائر ریٹیل انٹرنیشنل لمیٹڈ

سفائر ریٹیل انٹرنیشنل لمیٹڈ مکمل طور پر ملکیتی ذیلی کمپنی ہے جسے برطانیہ میں ٹیکسٹائل ریٹیل آپریشنز کے مقصد کے ساتھ قائم کیا گیا۔ کمپنی نے اپنی پہلی ریٹیل آؤٹ بریڈ فورڈ برطانیہ میں کھولی ہے
سفائر ریٹیل ٹریڈنگ ون پرسن کمپنی ایل ایل سی
سفائر ریٹیل ٹریڈنگ ون پرسن کمپنی ایل ایل سی مکمل طور پر ملکیتی ذیلی کمپنی ہے جسے متحدہ عرب امارات میں ٹیکسٹائل ریٹیل آپریشنز کے مقصد کے ساتھ قائم کیا گیا۔

سفائر ریٹیل یو اے ایس کارپوریشن

کمپنی نے دوران مدت ریاست ہائے متحدہ امریکہ میں مکمل طور پر ملکیتی کمپنی سفائر ریٹیل یو اے ایس کارپوریشن قائم کی جس کا مقصد ٹیکسٹائل ریٹیل آپریشنز کو دیکھنا ہے۔

منجانب بورڈ



محمد عبداللہ

چیئر مین ڈائریکٹر



ندیم عبداللہ

چیف ایگزیکٹو

لاہور۔

مورخہ 29 اکتوبر 2024ء

ڈائریکٹرز رپورٹ برائے حصص یافتگان

سفارز ونڈ پاور کمپنی لمیٹڈ کی ہولڈنگ کمپنی، سفارز ریٹیل لمیٹڈ، ٹرانسپورٹ، ٹرانسپورٹ بوسٹن کنسلٹنگ کارپوریشن (پرائیویٹ) لمیٹڈ، سفارز انٹرنیشنل اے پی ایس، ڈیزائن ٹیکس (ایس ایم سی - پرائیویٹ) لمیٹڈ، سفارز ریٹیل اسٹیٹ (پرائیویٹ) لمیٹڈ، سفارز کیمیکلز (پرائیویٹ) لمیٹڈ، سفارز گرین انرجی (پرائیویٹ) لمیٹڈ، سفارز ریٹیل انٹرنیشنل لمیٹڈ، سفارز ریٹیل ٹریڈنگ ون پرسن کمپنی ایل ایل سی اور کریک پراپرٹیز (پرائیویٹ) لمیٹڈ کے بورڈ آف ڈائریکٹرز نہایت مسرت کے ساتھ 30 ستمبر 2024ء کو مکمل ہونے والے سہ ماہی کے لیے ڈائریکٹرز رپورٹ معہ گروپ کے غیر آڈٹ شدہ کنسالیڈیٹڈ اسٹیٹمنٹس پیش کر رہے ہیں۔

سفارز ونڈ پاور کمپنی لمیٹڈ

کمپنی 70 فیصد سفارز ٹیکسٹائل ملز لمیٹڈ کی ملکیت اور 30 فیصد بینک الفلاح لمیٹڈ کی ملکیت ہے۔ کمپنی نے جھمپور میں 52.80 میگا واٹ گنجانش کے ونڈ فارم لگائے ہیں جنہوں نے نومبر 2015ء سے تجارتی سرگرمیاں شروع کر دی ہیں۔ پروجیکٹ بہترین صنعتی عمل انجام دے رہا ہے اور اطمینان بخش نتائج حاصل ہو رہے ہیں۔

سفارز ریٹیل لمیٹڈ

سفارز ریٹیل لمیٹڈ (ایس آر ایل) سفارز ٹیکسٹائل ملز لمیٹڈ کا ملکیتی ذیلی ادارہ ہے جس کی بنیادی کاروباری سرگرمی ”سفارز“ برانڈز کے ملبوسات اور دیگر مصنوعات کو فروخت کرنا ہے۔ کمپنی بنیادی طور پر ٹیکسٹائل مصنوعات کی تجارت سے متعلق کاروبار کے علاوہ ٹیکسٹائل مصنوعات اور دیگر متعلقہ اشیاء کی خرید و فروخت، درآمد اور برآمد کرتی ہے۔ ایس آر ایل پاکستان میں ریٹیل آؤٹ لیٹس اور آن لائن اسٹورز کے ذریعے آپریٹ کرتی ہے۔ ایس آر ایل کے اس وقت ملک بھر میں 48 ریٹیل آؤٹ لیٹس ہیں۔

ٹرانسپورٹ بوسٹن کنسلٹنگ کارپوریشن (پرائیویٹ) لمیٹڈ

ٹرانسپورٹ بوسٹن کنسلٹنگ کارپوریشن (پرائیویٹ) لمیٹڈ کی 57.125 فیصد ملکیت سفارز ٹیکسٹائل ملز لمیٹڈ کے پاس ہے۔ کمپنی کو پاکستانی قوانین کے مطابق قائم کیا گیا جو جھمپور سندھ میں 150 ایم ڈبلیو کے تین پروجیکٹ چلا رہی ہے۔ پراجیکٹ حسب ذیل صنعتوں میں عملدرآمد میں مصروف ہیں اور اطمینان بخش نتائج کے حامل ہیں۔

سفارز انٹرنیشنل اے پی ایس

سفارز انٹرنیشنل اے پی ایس، سفارز ٹیکسٹائل ملز لمیٹڈ کی ملکیتی ذیلی اور لمیٹڈ لائسنسڈ کمپنی ہے جسے ڈنمارک میں برآمدات کو مضبوط بنانے کیلئے قائم کیا گیا ہے۔

ڈیزائن ٹیکس ایس ایم سی پرائیویٹ لمیٹڈ

ڈیزائن ٹیکس ایس ایم سی - پرائیویٹ لمیٹڈ کو کمپنیز ایکٹ 2017 کے تحت شیئرز کے ذریعے بطور ایس ایم سی پرائیویٹ کمپنی قائم کیا گیا۔ یہ کمپنی مکمل طور پر ملکیتی سفارز ریٹیل لمیٹڈ کی ذیلی کمپنی ہے جبکہ سفارز ریٹیل لمیٹڈ، سفارز ٹیکسٹائل ملز لمیٹڈ کی مکمل طور پر ملکیتی ذیلی کمپنی ہے۔ کمپنی کا بنیادی کاروبار ٹیکسٹائل اور متعلقہ مصنوعات کی تیاری ہے۔


اعتراف

انتظامیہ اس موقع پر بورڈ آف ڈائریکٹرز، نگران اداروں، حصص یافتگان، گاہکوں، مالیاتی اداروں، سپلائرز کے تعاون اور ملازمین اور مزدوروں کی انتھک محنت اور جدوجہد پر ان کے لئے ستائش ریکارڈ پر لانا چاہتی ہے۔

منجانب بورڈ



محمد عبداللہ
چیرمین ڈائریکٹرز



ندیم عبداللہ
چیف ایگزیکٹو

لاہور

مورخہ: 29 اکتوبر 2024

حصص یافتگان کے لئے ڈائریکٹرز رپورٹ

کمپنی کے ڈائریکٹران نہایت مسرت کے ساتھ 30 ستمبر 2024 کو اختتام پذیر ہونے والی سہ ماہی کی رپورٹ بمعہ غیر آڈٹ شدہ مالی تفصیلات پیش کر رہے ہیں۔

مالیاتی جائزہ

کمپنی کے اہم مالیاتی اعداد و شمار درج ذیل ہیں:

(روپے ہزاروں میں)		
30 ستمبر 2023	30 ستمبر 2024	
19,747,025	23,559,078	خالص فروخت
3,209,287	3,768,532	خام منافع
2,804,735	2,890,292	کاروباری منافع
450,017	325,256	دیگر آمدن
(1,754,344)	(1,281,324)	مالیاتی لاگت
1,050,391	1,608,968	منافع قبل از ٹیکس
712,576	1,033,555	منافع بعد از ٹیکس

جائزہ مدت کے دوران کمپنی کی خالص فروخت 19.747 بلین روپے سے بڑھ کر 23.559 بلین روپے ہو گئیں۔ فروخت میں اضافہ ویلیو ایڈڈ سیگمنٹ کی مصنوعات اور قیمتوں میں اضافے کی وجہ سے ہے۔ موجودہ مدت کے لئے فروخت خام منافع اسی مدت کے 16.25 فیصد کے مقابلے میں 16 فیصد رہا۔ اس مدت کے دوران مالیاتی لاگت 1.754 بلین سے کم ہو کر 1.281 بلین ہو گئی۔ اسٹیٹ بینک آف پاکستان (ایس بی پی) کی جانب سے پالیسی ریٹ میں کمی کی وجہ سے کمپنی کی فنانس لاگت میں نمایاں کمی ہوئی۔ کمپنی کا منافع بعد از ٹیکس 713 بلین روپے سے بڑھ کر 1,034 بلین روپے ہو گیا ہے۔

فی حصص آمدن

پہلی سہ ماہی ختمہ 30 ستمبر 2024 میں فی حصص آمدن 47.65 روپے رہی جبکہ گزشتہ سال اسی مدت میں 32.85 روپے تھی۔

مستقبل کے امکانات

انتظامیہ کمپنی کے متنوع کاروباری آپریشنز کی وجہ سے موجودہ مسابقتی ماحول میں پائیدار منافع حاصل کرنے کے لئے پرامید ہے۔ دیگر ممالک کے مقابلے میں پاکستان میں پیداواری لاگت زیادہ ہونے کی وجہ سے ہماری مصنوعات کو بین الاقوامی مارکیٹ میں سخت مقابلے کا سامنا ہے۔ کمپنی زیادہ سے زیادہ لاگت کی سطح کو حاصل کرنے کی پوری کوشش کر رہی ہے۔ اسٹیٹ بینک آف پاکستان کی جانب سے پالیسی ریٹ میں کمی کی وجہ سے مالیاتی لاگت میں کمی بھی منافع میں بہتری کا باعث بن رہی ہے۔



212, Cotton Exchange Building, I.I. Chundrigar
Road, Karachi, Pakistan.

Phone: +92 21 111 000 100
+92 21 3241 0930

E-Mail: contact@sapphiretextiles.com.pk

4th Floor Tricon Corporate Centre
Jail Road, Gulberg II, Lahore, Pakistan.

Phone: +92 42 111 000 100, 111 000 091
+92 42 35758195

E-Mail: contact@sapphiretextiles.com.pk