

3rd QUARTER
JUNE 30, 2025



Abdullah Shah Ghazi

Sugar Mills Limited

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CORPORATE INFORMATION

Board of Directors

Muhammad Dawood (Chief)
Executive/Director
Yasir Iqbal (Chairman)
Muhammad Rasheed Rana
Amjad Abbas
Muddsar Iqbal
Fiaz Qadeer Butt
Bilqees Begum

Audit Committee

Fiaz Qadeer Butt (Chairman/Member)
Muddsar Iqbal (Member)
Amjad Abbas (Member)

Chief Financial Officer

Sohail Azam Khan

Company Secretary

Saleem Abbas

Internal Auditors'

Mamoon Ahmad Moon

Auditors'

Zahid Jamil & Co.
Chartered Accountants

Registrar

CDC Shares Registrar Services Limited,
CDC House, 99-B, Block-B, S.M.C.H.S.,
Main Shahrah-e-Faisal, Karachi, Pakistan

Registered Office

7/10, A-2 Arkay Square
Shahrah-e-Liaqat, New Challi, Karachi

Mills

Abdullah Shah Ghaziabad, Garho,
District Thatta, Sindh

Bankers

Bank Islami Pakistan Limited
Bank Al-Falah Limited
Silk Bank Limited
MCB Bank Limited
Meezan Bank Limited
Habib Metropolitan Bank Limited
United Bank Limited
Allied Bank Limited

Web Presence:

www.asgsml.com

Mission Statement

To be the premier sugar and allied product's manufacturer while providing our clients with flexibility, on-time delivery, and consistent quality and to achieve sustainable and equitable expansion and growth through efficient and effective resources and at the same time developing a corporate business environment most suited to all the employees and people Concerned.

Vision Statement

To transform the Company into a market leader for the Quality Sugar Manufacturing, while keeping our focus on the growing customer base, be characterized by a high degree of professionalism and is accountable for the successful fulfillment of the company's mission, and to play a meaningful role in the economy of Pakistan

Directors' Report

Dear members,

Assalam-o-Alaikum,

We are pleased to present the Directors' Report for the period ended June 30, 2025. The period under review marked a significant milestone for Abdullah Shah Ghazi Sugar Mills Ltd. as we resumed operations after a one-year closure. Restarting the mill presented numerous challenges, but we are encouraged by the initial progress made during this critical phase.

Operational Highlights

Restarting our operations after a one-year closure required substantial effort. The team worked diligently to resume production, albeit for a limited number of days. While the season was short, it marks an important step toward normalizing operations. We are hopeful that the upcoming season will allow us to operate for a full duration and realize improved results.

Season Start on:	06-Jan-2025
Season Closed on:	28-Jan-2025
Crushing Days:	23
Cane Crushed (M. Tons):	8,358
Sugar Produced (M. Tons):	1,023.900
Average Sugar Recovery (%):	6.65%

Financial and Operational Performance

The financial and operational performance for the half year has been below expectations, mainly due to high operating costs associated with restarting the operations. The financial results for the period are summarized below:

	(Rupees in "000")
Profit/(Loss) Before Taxation:	(288,738)
Taxation:	112,842
Profit/(Loss) After Taxation:	(175,896)

Future Outlook

Despite the financial strain observed during the resumption period, we remain hopeful about the future. The management is committed to enhancing operational efficiency,

optimizing cost structures, and strengthening the company's financial position. We anticipate gradual improvement in performance in the upcoming periods, driven by strategic planning and focused execution.

Acknowledgement

We thank our shareholders, employees, and stakeholders for their continued support and confidence during this important transition.



Muhammad Dawood
(Chief Executive)



Yasir Iqbal
(Director)

Lahore: July 30, 2025

ڈائریکٹرز کی رپورٹ

محترم اراکین،
السلام علیکم،

ہمیں 30 جون 2025 کو ختم ہونے والی مدت کے لیے ڈائریکٹرز کی رپورٹ پیش کرنے پر خوشی ہے۔ اس مدت میں، عبداللہ شاہ غازی شوگر ملز لمیٹڈ کے لیے ایک اہم سنگ میل بناجب ہم نے ایک سال کی بندش کے بعد اپنی سرگرمیاں دوبارہ شروع کیں۔ مل کو دوبارہ شروع کرنا متعدد چیلنجز پر مشتمل تھا، لیکن ہم اس اہم مرحلے میں کی گئی ابتدائی پیش رفت سے حوصلہ افزائی محسوس کر رہے ہیں۔

عملی جھلکیاں

ایک سال کی بندش کے بعد دوبارہ آپریشنل ہونا بڑا محنت طلب تھا۔ ٹیم نے پیداواری عمل کو دوبارہ شروع کرنے کے لیے محنت کی، اگرچہ یہ محدود دنوں کے لیے تھا۔ حالانکہ یہ سیزن مختصر تھا، یہ آپریشنز کو معمول پر لانے کی طرف ایک اہم قدم ہے۔ ہمیں امید ہے کہ آنے والا سیزن ہمیں مکمل دورانیے کے لیے کام کرنے کی اجازت دے گا اور بہتر نتائج حاصل کرے گا۔

سیزن شروع ہونے کی تاریخ: 06 جنوری 2025

سیزن بند ہونے کی تاریخ: 28 جنوری 2025

کرشنگ کے دن: 23

کین کرش کیا گیا (ملین ٹن): 8,358

چینی کی پیداوار (ملین ٹن): 1,023.900

اوسط چینی کی ریکوری (%): 6.65%

مالی اور عملیاتی کارکردگی

نصف سال کی مالی اور عملیاتی کارکردگی توقعات سے کم رہی ہے، جس کی اہم وجہ آپریشنز کو دوبارہ شروع کرنے کے ساتھ وابستہ اعلیٰ آپریٹنگ لاگتیں ہیں۔ اس مدت کے مالی نتائج خلاصہ طور پر درج ذیل ہیں:

(روپے '000 میں)

ٹیکس سے پہلے منافع/(نقصان): (288,738)

ٹیکس: 112,842

ٹیکس کے بعد منافع/(نقصان): (175,896)

مستقبل کا منظر نامہ

بحالی کی مدت کے دوران مالی دباؤ کے باوجود، ہم مستقبل کے بارے میں پر امید ہیں۔ انتظامیہ عملیاتی کارکردگی کو بڑھانے، لاگت کے ڈھانچوں کو بہتر بنانے اور کمپنی کی مالی حالت کو مستحکم کرنے کے لیے پرعزم ہے۔ ہم آنے والے ادوار میں کارکردگی میں بتدریج بہتری کی توقع رکھتے ہیں، جو کہ اسٹریٹیجک منصوبہ بندی اور مرکزیت کی بنیاد پر عملدرآمد سے متاثر ہوگی۔

شکریہ

ہم اپنے شیئر ہولڈرز، ملازمین، اور اسٹیک ہولڈرز کا شکریہ ادا کرتے ہیں کہ انہوں نے اس اہم تبدیلی کے دوران مسلسل حمایت اور اعتماد دکھایا۔



یاسر اقبال
(ڈائریکٹر)



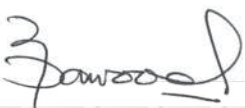
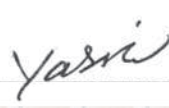

محمد داود
(چیف ایگزیکٹو)

لاہور: 30 جولائی 2025

**CONDENSED INTERIM BALANCE SHEET
AS AT JUNE 30, 2025**

		(Un-Audited) June 30, 2025	(Audited) September 30, 2024
	Notes	RUPEES	
LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorized share capital 100,000,000 (2023:100,000,000) ordinary shares of Rs. 10/- each		1,000,000,000	1,000,000,000
Issued, subscribed and paid-up capital	5	792,616,660	792,616,660
Surplus in revaluation of property, plant and equipment		1,053,387,494	1,110,654,739
Accumulated loss		(2,667,443,000)	(2,548,814,371)
		(821,438,846)	(645,542,972)
NON-CURRENT LIABILITIES			
Long term loans - Unsecured	6	977,065,982	731,369,788
Long term loans - Secured		224,000,000	236,028,000
Deferred Liabilities		106,427,993	223,121,174
		1,307,493,975	1,190,518,962
CURRENT LIABILITIES			
Trade and other payables		2,164,500,406	2,188,946,493
Finance cost payable		667,982,812	567,688,720
Short term borrowings - Secured		18,973,000	18,973,000
Current portion of long term loan from bank		15,000,000	10,972,000
Current tax liability		3,851,156	
		2,870,307,374	2,786,580,213
CONTINGENCIES			
		--	--
		3,356,362,503	3,331,556,203
ASSETS			
NON CURRENT ASSETS			
Property, plant and equipments		3,249,010,719	3,239,137,229
CURRENT ASSETS			
Stores and spares		47,716,011	54,291,647
Stock in trade		19,475,034	
Advances		16,540,854	23,290,605
Other Receivables		302,735	302,735
Tax Refunds due from government		15,034,806	13,241,394
Cash and bank balances		8,282,345	1,292,593
		107,351,784	92,418,974
		3,356,362,503	3,331,556,203

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

 CHIEF EXECUTIVE OFFICER	 DIRECTOR	 CHIEF FINANCIAL OFFICER
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**CONDENSED INTERIM PROFIT AND LOSS ACCOUNT (UN-AUDITED)
FOR THE NINE MONTHS ENDED JUNE 30, 2025**

	9 monhts		3 months	
	Oct 2024 to Jun 2025	Oct 2023 to Jun 2024	Apr 2025 to Jun 2025	Apr 2024 to Jun 2024
	RUPEES		RUPEES	
Sales	260,873,065	-	140,829,394	
Cost of Sales	(457,212,462)	(180,499,541)	(183,797,733)	(44,609,715)
Gross Profit/(Loss)	(196,339,397)	(180,499,541)	(42,968,339)	(44,609,715)
OPERATING EXPENSES				
Administrative & general expenses	(11,349,281)	(10,176,872)	(3,310,745)	(2,283,801)
	(11,349,281)	(10,176,872)	(3,310,745)	(2,283,801)
Operating Profit/(Loss)	(207,688,678)	(190,676,413)	(46,279,084)	(46,893,516)
Other Income	19,299,151	47,545,794	-	46,881,106
Profit/(Loss) for the 3rd quarter	(188,389,527)	(143,130,619)	(46,279,084)	(12,410)
Finance Cost	(100,348,373)	(132,044,158)	(32,297,666)	(44,762,215)
Profit/(Loss) before taxation	(288,737,900)	(275,174,777)	(78,576,750)	(44,774,625)
Taxation	112,842,026	28,242,056	21,200,368	(11,889,512)
Profit/(Loss) after taxation	(175,895,874)	(246,932,721)	(57,376,382)	(56,664,137)
Earning Per Share- Basic and diluted	(2.22)	(3.12)	(0.72)	(0.71)

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

 CHIEF EXECUTIVE OFFICER	 DIRECTOR	 CHIEF FINANCIAL OFFICER
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INTERIM CONDENSED STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)
FOR THE NINE MONTHS ENDED JUNE 30, 2025

	9 months		3 months	
	Oct 2024 to Jun 2025	Oct 2023 to Jun 2024	Apr 2025 to Jun 2025	Apr 2024 to Jun 2024
	RUPEES		RUPEES	
Profit/(Loss) for the period	(175,895,874)	(246,932,721)	(57,376,382)	(56,664,137)
Other Comprehensive income:				
Transfer from surplus on revaluation of property, plant and equipment	-	-	-	-
Related deferred tax	-	-	-	-
Total comprehensive income				
Profit/ (loss) for the period	<u>(175,895,874)</u>	<u>(246,932,721)</u>	<u>(57,376,382)</u>	<u>(56,664,137)</u>

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

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CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED)
FOR THE NINE MONTHS ENDED JUNE 30, 2025

	Jun 2025 RUPEES	Jun 2024 RUPEES
<u>CASH FLOW FROM OPERATING ACTIVITIES</u>		
Loss before taxation	(288,737,900)	(275,174,777)
Adjustments for non cash and other items:		
Depreciation	124,356,990	114,683,147
Financial charges	100,348,373	132,044,158
Gain on sales of Fixed Assets	--	(2,807,239)
Prior year adjustment	(19,299,151)	(44,738,555)
	<u>205,406,213</u>	<u>199,181,511</u>
Cash flow before working capital changes	(83,331,687)	(75,993,266)
Changes in working capital		
(Increase) / decrease in current assets:		
Stores and spares	6,575,637	(15,631,249)
Stock in trade	(19,475,034)	194,400
Advances, deposits and prepayments	4,956,339	66,740,419
Increase / (decrease) in current liabilities:		
Trade and other payables	(5,146,934)	(65,889,210)
	<u>(13,089,991)</u>	<u>(14,585,640)</u>
Cash (used) in operations	(96,421,679)	(90,578,906)
Payments for:		
Taxes	--	--
Financial charges	(54,281)	(38,654)
Gratuity	--	(745,590)
	<u>(54,281)</u>	<u>(784,244)</u>
Net cash used from operating activities	(96,475,960)	(91,363,150)
<u>CASH FLOW FROM INVESTING ACTIVITIES</u>		
Fixed capital expenditure	(62,150)	-
Received against sale of Fixed assets	(134,168,330)	2,990,000
Net cash used in investing activities	(134,230,480)	2,990,000
<u>CASH FLOW FROM FINANCING ACTIVITIES</u>		
Long term loans - Net	(8,000,000)	(8,500,000)
Long term loan from related party - unsecured	245,696,191	97,613,453
Net cash generated from financing activities	237,696,191	89,113,453
Net decrease in cash and cash equivalent	6,989,752	740,303
Cash and bank balances at the beginning of the period	<u>1,292,593</u>	<u>3,344,710</u>
Cash and bank balances at the end of the period	<u>8,282,345</u>	<u>4,085,013</u>

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


CHIEF EXECUTIVE OFFICER

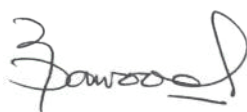

DIRECTOR


CHIEF FINANCIAL OFFICER

CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)
FOR THE NINE MONTHS ENDED JUNE 30, 2025

	Share capital	Accumulated Surplus on revaluation of property plant and equipment- net	Un-appropriated Profit	Total
	RUPEES			
Balance as at October 01, 2023	792,616,660	1,171,239,257	(2,420,228,387)	(456,372,470)
Total comprehensive income for the year	--	-	(246,932,721)	(246,932,721)
Transfer from surplus on revaluation of property, plant and equipments in respect of Incremental depreciation - Net of tax	--	(60,584,519)	60,584,519	-
	--	(60,584,519)	(186,348,202)	(246,932,721)
Balance as at June 30, 2024	792,616,660	1,110,654,738	(2,606,576,589)	(703,305,191)
Balance as at October 01, 2024	792,616,660	1,110,654,739	(2,548,814,371)	(645,542,972)
Total comprehensive income for the period	--	-	(175,895,874)	(175,895,874)
Transfer from surplus on revaluation of property, plant and equipments in respect of Incremental depreciation - Net of tax	--	(57,267,245)	57,267,245	-
	--	(57,267,245)	(118,628,629)	(175,895,874)
Balance as at June 30, 2025	792,616,660	1,053,387,494	(2,667,443,000)	(821,438,847)

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



CHIEF EXECUTIV OFFICER



DIRECTOR



CHIEF FINANCIAL OFFICER

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE NINE MONTHS ENDED JUNE 30, 2025**

1) STATUTES AND NATURE OF COMPANY

The Company was incorporated in Pakistan on February 25, 1984 as a Private Limited Company and was subsequently converted into a Public Limited Company on February 11, 1990. The Company is listed in Pakistan Stock Exchange. The principal business of the Company is manufacturing and selling of refined sugar and by products.

2) BASIS OF PREPARATION

2.1) Statement of Compliance

These financial statements have been prepared in accordance with the approved accounting standards as applicable in Pakistan. Approved accounting standards comprise of such International Financial Reporting Standards (IFRSs) issued by the International Accounting Standards Board (IASB) and Islamic Financial Accounting Standards (IFAS) issued by the Institute of Chartered Accountants of Pakistan as are notified under the Companies Ordinance, 1984, the requirements of the Companies Ordinance, 1984 and the directives issued by the Securities and Exchange Commission of Pakistan (SECP). Wherever the requirements of the Companies Ordinance, 1984, or directives issued by the SECP differ with the requirements of IFRSs, the requirements of the Companies Ordinance 1984 or the said directives issued by the SECP prevail.

2.2) Accounting Convention

These financial statements have been prepared under the "historical cost convention" except of certain classes of property, plant and equipments which are stated at revalued amount and employee retirement benefits which are stated at fair value.

3) SIGNIFICANT ACCOUNTING JUDGMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of financial statements in conformity with approved accounting standards requires the use of certain critical accounting estimates. It also requires 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 involving a higher degree of expectations of future events that are believed to be reasonable under the circumstances.

3.1) Employee Benefits

The cost of defined benefit retirement plan (gratuity) is determined using actuarial valuations (projected unit credit method) performed by independent actuaries. The actuarial valuation involves making assumptions about discount rates, future salary increases, and mortality rates. All assumptions are reviewed at each reporting date.

3.2) Taxation

In making the estimate for income tax payable by the Company, the Company takes into account the applicable tax laws and the decision by appellate authorities on certain issues in the past.

3.3) Property, Plant and Equipment

The Company reviews appropriateness of the rate of depreciation and useful life used in the calculation of depreciation. Further, where applicable, an estimate of the recoverable amount of assets is made for possible impairment on an annual basis. In making these estimates, the Company uses the technical resources available with the Company. Any change in the estimates in the future might affect the carrying amount of respective item of property, plant and equipment, with corresponding effects on the depreciation charge and impairment.

3.4) Inventories

The Company reviews the net realizable value of stock in trade and stores and spare parts to assess any diminution in the respective carrying values. Net realizable value is estimated with reference to the estimated selling price in the ordinary course of business less the estimated cost necessary to make the sale.

3.5) Impairment

The management of the company reviews carrying amounts of its assets including receivables and advances and cash generating units for possible impairment makes formal estimates of recoverable amounts if there is such indication.

3.6) Provisions and Contingencies

The company reviews the status of all pending litigations and claims against the company. Based on its judgement and the advice of the legal advisors for the estimated financial outcome, appropriate disclosure or provision is made. The actual outcome of those litigation and claims can have an effect on the carrying amounts of the liabilities recognised at the balance sheet date.

4) GOING CONCERN ASSUMPTION

The condensed interim financial information of the company the period ended June 30, 2025 reflect that company has sustained a net loss after taxation of Rs.175,964 million and as of that date it has accumulated losses of Rs.2,667.443 million (2024: Rs.2,548.814 million) resulted in equity loss of Rs.821.439 million and its current liabilities exceeded its current assets by Rs.2,762.956 million (2024: Rs.2,694.161 million). These conditions indicate the existence of material uncertainty which may cast significant doubt about the company's ability to continue as going concern and therefore the company may not be able to realize its assets and discharge its liabilities in the normal course of business. However the financial statements have been prepared under going concern assumption due to following mitigating factors:

- a) Unfavorable business conditions are temporary and cyclical in nature and would reverse in future;
 - b) Arbitration efforts that have been undertaken to resolve dispute with TCP will be successful and the Company will be able to settle the subject amount in a convenient and sustainable manner;
 - c) Negotiations with all the secured creditors and financial institutions to restructure the liabilities on long-term basis are underway and some financial institutions have restructured their facilities and management expects that the remaining will also turn out successful; and
 - d) There will be a persistent financial support from sponsors to enable Company to survive as a 'going concern'.
 - e) Further, the management is actively pursuing a plan to reduce cost and to increase the efficiency of mills.
- Accordingly the going concern assumption used in preparation of these financial statements is justified.

5) ISSUED, SUBSCRIBED AND PAID UP CAPITAL

79,261,666 (2023: 79,261,666) Ordinary shares of Rs.10/- each
fully paid in cash

Un - Audited	Audited
June 30,	September 30,
2025	2024
Rupees	Rupees

<u>792,616,660</u>	<u>792,616,660</u>
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- 5.1) 62,215,609 (2023:62,215,609) shares are held by Haq Bahu Sugar Mills (Private) Limited (holding company) representing 78.49% (2023 : 78.49%) shareholding in the company.

		Un - Audited June 30, 2025 Rupees	Audited September 30, 2024 Rupees
6) LONG TERM LOANS:			
Subordinated loan from holding Company - Unsecured	6.1	977,065,982	731,369,788
Long term loan from bank - Secured	6.2	224,000,000	236,028,000
		1,201,065,982	967,397,788

6.1) The loan has been advanced by M/s. Haq Bahu Sugar Mills (Pvt.) Ltd. which carries mark-up @ 3 months KIBOR plus 1% (2023: @ 3 months KIBOR plus 1%) payable half yearly. Since the loan will not be repayable within next twelve months therefore the same has been classified as long term liability. The loan is subordinated to certain short term finance facility obtained by the company and is subject to BOD resolution/approval.

6.2) The Bank Islami Limited had filed a recovery suit for Rs. 360,907,225/- on account of loan recovery against the Company. On May 2021, the learned court has reserved its judgment on this issue. Although, the case would be discharged from the court once the loan matures and NOC issued by the bank is filed with the court, but both the Company and the bank have mutually agreed to restructure the financing arrangement. Under the restructured financing arrangement, the Company shall pay principal amount of Rs. 275 Million, mark-up amount of Rs. 36.444 Million and an estimated additional rental / future profit of Rs. 126.358 Million to the bank by June 30, 2032, with markup payments starting from September 2028. All the agreed payments have been discounted and appropriately accounted and disclosed for.

7) TRADE AND OTHER PAYABLES

This includes advances from customers aggregating Rs.496.566 million (Year ended September 2024 Rs.647.367 million)

8) SHORT TERM BORROWINGS - Secured

Others - Unsecured, interest free	8.1	18,973,000	18,973,000
		18,973,000	18,973,000

8.1) This loan is interest free and unsecured and is payable with the mutual consent.

9) CONTINGENCIES AND COMMITMENTS

9.1) Contingencies

a) The Company received advances from Trading Corporation of Pakistan (TCP) under four different sugar supply agreements. The Company has disputed the supply of sugar under the said agreements contending that TCP made numerous breaches of the agreements causing enormous losses to the Company and has filed a civil suit in court of Honorable Civil Judge, Lahore praying to refer the dispute for arbitration under the terms of the agreements. The Court has initiated exparte proceedings against TCP and matter is a pending adjudication.

b) During the previous year under consideration TCP filed a complaint with National Accountability Bureau (NAB), Sindh for recovery of the amount advanced by it as referred in preceding paragraph. Total amount claimed by TCP is Rs.1,311.528 million being principle amount of Rs.570.913 million plus Rs.740.615 million being penalty, markup and other incident charges. The matter is pending with NAB for disposal and the management expects that outcome will be in its favor and penalty, markup and other incidental charges of Rs.740.615 million would not be payable, hence no provision there against has been made in these financial statements. During the year TCP has encashed Margin on Gaurantee deposited by the company with the banks and therefore the pinciple amount claimed has been reduced to 521.165 million.

10) CORRESPONDENDING FIGURES

The corresponding figures have been rearranged and reclassified for the purpose of comparison and better presentation however there has been no significant reclassification.

11) DATE OF AUTHORIZATION FOR ISSUE

The financial statements were approved by the board of directors and authorized for issue on July 30, 2025

12) GENERAL

Figures have been rounded off to the nearest rupee.



CHIEF EXECUTIVE OFFICER

DIRECTOR

CHIEF FINANCIAL OFFICER

