

1st Quarterly Report
September 30, 2025



NAZIR
COTTON MILLS LTD.

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COMPANY'S INFORMATION

Board of Directors	Muhammad Tayyab Col. Abdul Qayyum Muhammad Adeel Anwer Khan Mr. Tariq Javaid Miss. Batool Zahra Mr. Mujahid Ahmed Mr. Aftab Anwer	Chief Executive Officer Independent Director Independent Director
Audit Committee:	Mr. Aftab Anwer Col. Abdul Qayyum Mr. Tariq Javaid	Chairman Member Member
HR & R Committee	Mr. Mujahid Ahmed Muhammad Adeel Anwer Khan Miss. Batool Zahra	Chairman Member Member
Chief Financial Officer	Mr. Maqbool Hussain Bhutta	
Company Secretary	Muhammad Faisal	
Auditors:	Kamran & Co. Chartered Accountants Apartment # A/2, Ingola Apartments 24 Jail Road, Lahore.	
Bankers:	Al-Baraka Bank Limited	
Share Registrar	Corplink (Pvt) Limited Wings Arcade 1-K, Commercial Model Town, Lahore. Tel: 042-3561714, 3589182, 35916719	
Registered Office:	Tricon Corporate Centre, Office No. 702, 7 th Floor, 73-E, Main Jail Road, Gulberg-II, Lahore. Ph # 042-35775501-02, 36407302-03	
Mills:	8-Km, Faisalabad Road, Aslamabad, Khaareyanwala, Sheikhupura. Ph # 056-3544053	

DIRECTORS' REPORT TO THE SHAREHOLDERS

On behalf of the directors of M/s Nazir Cotton Mills Limited ("Company"), we present the Director's Report for the Quarter period that ended September 30, 2025. The Company incurred a loss after tax amounting to Rs. 2.280 million as compared to loss after tax of Rs. 5.482 million in the corresponding period of previous year.

Loss per share for the Quarter ended September 30, 2025 is Rs. 0.10 as compared to loss per share of Rs. 0.24 in the corresponding period of previous year.

As, there is no production activity in textile segment since 2006 and the Company is focusing on dairy business and has generated revenue of Rs. 355,244/- from the sale of milk.

FUTURE PROSPECTS

The company is strategically increasing its biological assets, primarily through the expansion of its livestock herd and the enhancement of breeding stock quality. By strengthening its biological asset base, the company is positioning itself for long-term operational efficiency, growth, and an enhanced ability to meet the evolving demands of the dairy market.

We are grateful to our valued staff members who have sincerely participated in all the company's business activities.

For and on behalf of the Board



Batool Zahra
Director

Lahore
October 24, 2025



Muhammad Tayyab
Chief Executive

CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION (UN-AUDITED)
AS AT 30 SEPTEMBER 2025

	Note	September 30, 2025 Rupees	June 30, 2024 Rupees
EQUITY AND LIABILITIES			
Share capital and reserves			
Share capital		230,000,000	230,000,000
Capital reserve			
- Surplus on revaluation of property, plant and equipment		278,624,427	278,624,427
-(Deficit) / surplus on remeasurement of available for sale investments		(479,125)	(479,125)
- Capital reserve		434,000	434,000
Revenue reserve			
Accumulated loss		(419,323,061)	(417,042,978)
Revenue reserve - general		45,829,500	45,829,500
		<u>135,085,741</u>	<u>137,365,824</u>
Non-current liabilities			
Deferred taxation		12,866,389	12,866,389
Current liabilities			
Trade and other payables		5,314,990	3,838,674
Accrued mark-up		3,138,031	2,852,907
Short-term borrowings	4	131,144,774	131,144,774
Income tax liability		1,362,747	1,362,747
		<u>140,960,542</u>	<u>139,199,102</u>
Contingencies and commitments	5	-	-
Total equity and liabilities		<u>288,912,672</u>	<u>289,431,316</u>
ASSETS			
Non-current assets			
Property, plant and equipment	3	238,310,400	238,310,400
Biological assets		2,401,571	2,416,285
Long term investment		-	-
		<u>240,711,971</u>	<u>240,726,685</u>
Current assets			
Trade debts		83,300	79,730
Deposits, prepayments and other receivables		2,311,847	3,157,513
Cash and bank balances		624,354	286,188
		<u>3,019,501</u>	<u>3,523,431</u>
Non-current asset classified as held for sale		45,181,200	45,181,200
Total assets		<u>288,912,672</u>	<u>289,431,316</u>

The annexed notes from 1 to 10 form an integral part of these financial statements.


Chief Executive Officer


Director


Chief Financial officer

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

FOR THE 1ST QUARTER ENDED SEPTEMBER 30, 2025

	September 30, 2025 Rupees	September 30, 2024 Rupees
Sales - net	-	392,015
Cost of sales	-	(252,890)
Gross loss	-	139,125
Other operating income	355,244	148,673
Administrative and general expenses	2,348,115	(5,769,753)
Other expenses	-	-
Finance cost	287,212	-
	2,635,327	(5,769,753)
Profit / (loss) before income tax and levies	(2,280,083)	(5,481,955)
Levies	-	-
Profit / (loss) before income tax	(2,280,083)	(5,481,955)
Taxation	-	-
Profit / (loss) after taxation	(2,280,083)	(5,481,955)
Other comprehensive income for the year		
<i>Items that will not be reclassified to profit or loss</i>		
Revaluation surplus pertaining to plant and machinery	-	-
Related deferred tax on disposal of revalued asset	-	-
	-	-
Revaluation loss pertaining to plant and machinery	-	-
Related deferred tax	-	-
	-	-
Total comprehensive profit / (loss) for the year	(2,280,083)	(5,481,955)
Profit / (loss) per share (basic and anti-dilutive)	(0.10)	(0.24)

The annexed notes from 1 to 10 form an integral part of these financial statements.


Chief Executive Officer


Director


Chief Financial officer

CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)
FOR THE 1ST QUARTER ENDED SEPTEMBER 30, 2025

[illegible]

The annexed notes from 1 to 10 form an integral part of these financial statements.

M. Tassab
Chief Executive Officer

Director

Chief Financial officer

**CONDENSED INTERIM STATEMENT OF CASH FLOWS (UN-AUDITED)
FOR THE 1ST QUARTER ENDED SEPTEMBER 30, 2025**

	September 30, 2025 Rupees	September 30, 2024 Rupees
A CASH FLOW FROM OPERATING ACTIVITIES		
Profit / (loss) before income tax and levies	(2,280,083)	(5,481,955)
(Gain) / loss on disposal of biological assets	(50,286)	-
Adjustment for depreciation on property, plant and equipment	-	2,404,276
Finance cost	287,212	-
Operating loss before working capital changes	(2,043,157)	(3,077,679)
Working capital changes		
Decrease / (increase) in current assets		
Trade debts	(3,570)	-
Deposits, prepayments and other receivables	845,861	25,713
Increase in trade and other payables	1,476,316	(459,966)
	2,318,607	(434,253)
Cash generated / (used) in operating activities	275,450	(3,511,932)
Income taxes paid	-	-
Finance cost paid	2,088	-
Net cash generated / (used) in operating activities	277,538	(3,511,932)
B CASH FLOW FROM INVESTING ACTIVITIES		
Proceeds from sale of biological assets	50,286	-
Cash generated from investing activities	50,286	-
C CASH FLOW FROM FINANCING ACTIVITIES		
	-	-
NET (DECREASE) / INCREASE IN CASH AND CASH EQUIVALENTS (A+B+C)	327,824	(3,511,932)
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE YEAR	286,188	10,375,414
CASH AND CASH EQUIVALENTS AT END OF THE YEAR	624,354	6,863,482

The annexed notes from 1 to 10 form an integral part of these financial statements.


Chief Executive Officer


Director


Chief Financial officer

**NOTES TO AND FORMING PART OF
CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE FIRST QUARTER ENDED SEPTEMBER 30, 2025**

1 THE COMPANY & ITS OPERATIONS

1.1 Nazir Cotton Mills Limited is a Public Limited Company incorporated in Pakistan under the Companies Act, 1913 (Now the Companies Act, 2017) and its shares are quoted on Karachi Stock Exchange of Pakistan. The Company is engaged in manufacturing, selling, buying and dealing of Yarn of all types. The registered office of the Company is situated at 61 K, Gulberg III, Lahore. The manufacturing unit is located at 8-KM, Faisalabad Road, Sheikhpura.

1.2 Going concern assumption

The Company has incurred after tax loss for the period ended of Rs. 2.280 million (Sep 2024: Rs. (5.481) million) and its accumulated losses at the end of the period stood at Rs. 419.323 million (June 2025: Rs. 417.043 million). The Company's current liabilities exceed its current assets at reporting date by Rs. 92.760 million (June 2025: Rs. 90.495 million). Furthermore, the Company has temporarily closed down its business operations and the production remained suspended throughout the year. These conditions along with others indicate the existence of material uncertainty that may cause significant doubt about the company's ability to continue as going concern and the company may be unable to realize its assets and discharge its liabilities in the normal course of business.

However management is expecting to revive its operations and for this the company has entered into negotiation with all the lending banks during the period. Further more it is expected that there will be excess electricity and per unit rate will be equal to neighbor countries. Management is in view that the company will restart its commercial production in foreseeable future, as the government announced textile policy and there were some benefits announced for textile sector, however, management is confident that efforts will be realized and that the company will be able to continue as a going concern.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

2.1 Basis of preparation

2.1.1 Statement of compliance

This condensed interim financial information is un-audited and has been prepared in accordance with the requirements of International Accounting Standard 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 or directives issued under the Companies Act, 2017 differ from the IAS 34 and IFRSs, the provisions of and directives issued under the Companies Act, 2017 have been followed.

2.1.2 Critical accounting estimates & judgments

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

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

	September 30, 2025 (Un-audited) Rupees	June 30, 2025 (Audited) Rupees
3 PROPERTY PLANT AND EQUIPMENTS		
Opening Net Book Value	238,310,400	323,802,473
Deletion During the Year	-	(85,492,073)
	-	(85,492,073)
Closing Net Book Value	238,310,400	238,310,400

4 SHORT TERM FINANCING

4.1	Sponsor's loan - interest free	123,144,774	123,144,774
4.2	Related party loan - interest bearing	8,000,000	8,000,000
		131,144,774	131,144,774

4.1 Sponsor's loan - interest free

This represents unsecured and interest free loan obtained from sponsors of the Company to meet the Company's day to day expenditures and liquidity problems, this loan is repayable on demand. The maximum aggregate amount due at the end of any month during the year was Rs. 123,144 million (2025: Rs. 123,144 million).

4.2 Related party loan - interest bearing

The Company entered into a loan agreement with a shareholder and obtained interest bearing loan for settlement of loan liabilities of the Company. It carries mark up at the rate of 3 months kibor plus 3.5% per annum. The loan is repayable within the next nine months.

5 CONTINGENCIES & COMMITMENTS**Contingencies**

- a) WAPDA had filed a suit against the company for recovering arrears amounting to Rs. 12.4 (M). The Lahore High Court had decided the case in favor of WAPDA. The company had deposited Rs. 12.4 (M) with WAPDA for electricity case as per orders of the Lahore High Court and has filed an appeal for recovery of the said amount from WAPDA in the Supreme Court. The management is hopeful of a

Commitments

- a) There were no commitments outstanding as at the balance sheet date (June 30, 2025: Nil).

6 TRANSACTION WITH ASSOCIATED COMPANIES

There is no transaction with associated companies during the period.

7 MOVEMENT IN OWNERS EQUITY

	Sep 30, 2025 (Un-audited) Rupees	June 30, 2025 (Audited) Rupees
Share Capital	230,000,000	230,000,000
Capital reserve		
Investment revaluation reserve	434,000	434,000
Revenue reserves:	(479,125)	(479,125)
- General reserve	45,829,500	45,829,500
- Surplus on Revaluation	278,624,427	278,624,427
- Accumulated loss	(419,323,061)	(417,042,978)
	(94,869,134)	(92,589,051)
	135,085,741	137,365,824

8 FINANCIAL RISK MANAGEMENT

The companies financial risk management objectives and policies are consistent with those disclosed in the audited annual financial statements of the company as at and for the year ended June 30, 2025

9 Authorization FOR ISSUE

These condensed interim financial information statements have been approved by the Board of Directors of the Company and authorized for issue on October 24, 2025

10 GENERAL

- 10.1 Comparative figures have been re-arranged wherever necessary to the facilitation of comparison
 10.2 No significant re-arrangement has been made in the condensed interim financial statements
 10.3 Figures have been rounded off to the nearest thousand rupee.


 Chief Executive Officer


 Director


 Chief Financial officer

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