

Certificate PK24/00000104

The management system of

# SGS

### **Shahzad Textile Mills Limited**

Head Office: 19-A, Off Zafar Ali Road, Gulberg - V, Lahore, Pakistan has been assessed and certified as meeting the requirements of

ISO 9001:2015

For the following activities

Manufacturing and export of 100% cotton, blended, pure synthetic, combed, carded and Double yarn

This certificate is valid from 09 May 2024 until 09 May 2027 and remains valid subject to satisfactory surveillance

audits. Issue 1. Certified since 09 May 2024

Certified activities performed by additional sites are listed on subsequent pages.

Jordhan M. Hell

Authorised by Jonathan Hall Global Head - Certification Services

SGS United Kingcom Ltd Rossmore Business Park, Ellesmera Port, Cheshire, CH66 3EN, UK t+44 (0)151 350-6666 - www.sgs.com







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Certificate PK24/0000104, continued

## **Shahzad Textile Mills Limited**

ISO 9001:2015

Issue 1

### Sites

Shahzad Textile Mills Limited

Head Office: 19-A, Off Zafar Ali Road, Gulberg - V, Lahore, Pakistan

Manufacturing and export of 100% cotton, blended, pure synthetic, combed, carded and Double yarn

Shahzad Textile Mills Limited

Site 01 : 34th Km, Sheikhupura Road, Sheikhupura, Pakistan

Manufacturing and export of 100% cotton, blended, pure synthetic, combed, carded and Double yarn

Site 02 : 7th Km Sheikhupura-Faisalabad Road, Sheikhupura, Pakistan

Manufacturing and export of 100% cotton, blended, pure synthetic, combed, carded and Double yarn







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## CERTIFICATE



Management system as per ISO 45001:2018

In accordance with TÜV AUSTRIA CERT procedures, it is hereby certified that

Shahzad Textile Mills Limited (Socks Division)

34 - KM, Lahore - Sheikhupura Road, Sheikhupura, Pakistan.

applies a management system in line with the above standard for the following scope  $% \left\{ \mathbf{r}_{i}^{\mathbf{r}_{i}}\right\}$ 

Manufacturing of Socks

Certificate Registration No. 20116233016371

Valid until 2026-03-15 Initial certification: 2020-03-16

Certification Body at TÜV AUSTRIA CERT GMBH

Vienna, 2023-03-17

This certification was conducted in accordance with TÜV AUSTRIA CERT auditing and certification procedures and is subject to regular surveillance audits.

TÜV AUSTRIA CERT GMBH Deutschstraße 10 A-1230 Wien www.tuv.at







048921-20-8



### CERTIFICATE



Management system as per EN ISO 14001:2015

In accordance with TÜV AUSTRIA CERT procedures, it is hereby certified that

Shahzad Textile Wills Limited (Socks Division)

34 - KM, Lahore - Shaikhupura Road, Sheikhupura, Pakistan.

applies a management system in line with the above standard for the following scope

Manufacturing of Socks

Certificate Registration No. 20104233016370

Valid until 2026-03-15 Initial certification: 2020-03-16

Certification Body at TÜV AUSTRIA CERT GMBH

Vienna, 2023-03-17

This certification was conducted in accordance with TÜV AUSTRIA CERT auditing and certification procedures and is subject to regular surveillance audits.

TÜV AUSTRIA CERT GMBH Deutschstraße 10 A-1230 Wien www.tuv.at





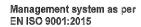


048920-20-8



## CERTIFICATE





In accordance with TÜV AUSTRIA CERT procedures, it is hereby certified that

Shahzad Textile Mills Limited (Socks Division)

34 – KM, Lahore – Sheikhupura Road, Sheikhupura, Pakistan.

applies a management system in line with the above standard for the following scope

Manufacturing of Socks

Certificate Registration No. 20100233016369

Valid until 2026-03-15 Initial certification: 2020-03-16

Certification Body at TÜV AUSTRIA CERT GMBH

Vienna, 2023-03-17

This certification was conducted in accordance with TÜV AUSTRIA CERT auditing and certification procedures and is subject to regular surveillance audits.

TÜV AUSTRIA CERT GMBH Deutschstraße 10 A-1230 Wien www.tuv.at







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### **COMPANY INFORMATION**

### **Board of Directors**

Mian Parvez Aslam Mr. Imran Aslam Mr. Irfan Aslam Mr. Danish Aslam Syed Raza Ali Bokhari Dr. Ali Raza Khan Mrs. Nazish Imran Chairman Chief Executive Officer

### **Bankers**

Habib Metropolitan Bank Ltd JS Bank Limited Meezan Bank Limited Soneri Bank Limited

### **Share Registrar**

Hameed Majeed Associates (Pvt) Ltd H.M. House, 7-Bank Square, Lahore.

### **Registered Office**

Tricon Corporate Center, Office No. 701, 7<sup>th</sup> Floor. 73-E, Main Jail Road, Gulberg-II, Lahore.

Ph: +92(042)36407340-41 E-mail:info@shahzadtex.com Web:www.shahzadtex.com

### Chief Financial Officer

Syed Imran Haider

### **Company Secretary**

Mr. Muhammad Amjad Tayyab

### Auditors

Crowe Hussain Chaudhury & Co. Chartered Accountants

### **Audit Committee**

Syed Raza Ali Bokhari Chairman Mian Parvez Aslam Member Mr. Irfan Aslam Member

### **Human Resources & Remuneration Committee**

Dr. Ali Raza Khan Chairman Mr. Danish Aslam Member Mrs. Nazish Imran Member

### Mills

Unit # 1, 4 & Socks Hosiery Unit 34<sup>th</sup> KM Lahore Sheikhupura Raod, Sheikhupura.

### Unit # 2

7<sup>th</sup> KM Sheikhupura Faisalabad Road, Sheikhupura.

### **Directors' Report**

On behalf of the Board of Directors of Shahzad Textile Mills Limited, I am pleased to present the Condensed Interim Unaudited Financial Statements for the first quarter ended September 30, 2025.

During the quarter, the Company recorded a pre-tax profit of Rs. 117.069 million, a significant turnaround compared to the loss of Rs. 5.265 million reported in the corresponding period of the previous year. Net sales for the quarter stood at Rs. 3,354.647 million, reflecting a notable increase from Rs. 2,227.070 million achieved during the same period last year.

#### **FUTURE PROSPECTUS**

In response to rising input costs, particularly the continued increase in energy prices, the management is proactively assessing a range of strategic options to enhance operational efficiency and cost competitiveness. As part of these efforts, the Company intends to arrange financing from financial institutions and/or utilize proceeds from the sale of non-core assets to install a Solar Energy System with an estimated capacity of 2 megawatts at the mill premises.

This planned investment, with an expected payback period of approximately 1.75 years, is projected to yield a sustainable improvement in profitability in the years ahead. The proposed sale of the asset classified as "held for sale" will have no adverse impact on the Company's production capacity.

In addition, management remains dedicated to developing human capital through targeted training sessions and professional development programs. These initiatives are designed to strengthen employee competencies and align their performance with the Company's long-term objectives in a competitive industry landscape.

The Company also continues to reinforce its strategic relationships with key stakeholders—suppliers, customers, and service partners—to expand its market footprint, promote innovation, and support longterm sustainable growth.

Earnings per share stood at Rs. 3.67 for the first quarter ended, compared to a loss of Rs. 1.60 per share in the corresponding period of the previous year.

The Board expresses its sincere gratitude to our valued customers, bankers, and shareholders for their continued trust and support, and extends appreciation to all employees for their dedication and efforts in maintaining a harmonious and productive working environment at the mills.

> For and on behalf of the board my 11

Imran Aslam (Chief Executive Officer)

Lahore. Dated: October 24, 2025

### ڈائریکٹرز کی رپورٹ

شہزاد ٹیکسٹائل ملز لمیٹڈ کے بورڈ آف ڈائریکٹرز کی جانب سے، مجھے یہ رپورٹ پیش کرتے ہوئے خوشی محسوس ہو رہی ہے جو 30 ستمبر 2025 کو ختم ہونے والی پہلی سہ ماہی کے لیے غیر تصدیق شدہ مختصر عبوری مالیاتی بیانات پر مشتمل ہے۔

اس سہ ماہی کے دوران کمپنی نے قبل از ٹیکس منافع 117.069 ملین روپے ریکارڈ کیا، جو کہ گزشتہ سال کی اسی مدت میں5.265 ملین روپے کے نقصان کے مقابلے میں نمایاں بہتری کو ظاہر کرتا ہے۔ سہ ماہی کی خالص فروخت 3,354.647 ملین روپے رہی، جو گزشتہ سال کی اسی مدت میں حاصل شدہ2,227.070 ملین روپےکے مقابلے میں واضح اضافہ ہے۔

### مستقبل کے امکانات

خام مال اور توانائی کی قیمتوں میں مسلسل اضافے کے پیش نظر، کمپنی کی انتظامیہ آپریشنل کارکردگی اور لاگت کی مسابقت کو بہتر بنانے کے لیے مختلف حکمت عِملی کے اقدامات کا جائزہ لے رہی ہے۔

ان کوششوں کے تحت، کمپنی مالیاتی اداروں سے فنانسنگ حاصل کرنے یا غیر مرکزی اثاثوں کی فروخت سے حاصل شدہ رقوم کو استعمال کرتے ہوئے، مل کے احاطے میں 2میگاواٹ استعداد کا سولر انرجی سسٹم نصب کرنے کا ارادہ رکھتی ہے۔

یہ مجوزہ سرمایہ کاری، جس کی متوقع واپسی کی مدت تقریباً 1.75سال ہے، آئندہ برسوں میں منافع میں پائیدار بہتری کا باعث بنے گی۔ "فروخت کے لیے رکھے گئے اثاثے" کی فروخت کمپنی کی پیداواری صلاحیت پر کسی قسم کے منفی اثرات نہیں ڈالے گی۔

مزید بر آن، انتظامیہ انسانی وسائل کی ترقی کے لیے تربیتی پروگر اموں اور پیشہ ورانہ تربیت کے اقدامات پر توجہ دے رہی ہے، تاکہ ملازمین کی صلاحیتوں کو بہتر بنایا جا سکے اور ان کی کارکردگی کو کمپنی کے طویل المدتی ابداف کے ساتھ ہم آبنگ کیا جا سکے۔

کمپنی اپنے کلیدی شراکت داروں سپلائرز، صارفین اور سروس پارٹنرز کے ساتھ تعلقات کو مزید مضبوط بنا رہی ہے تاکہ مارکیٹ میں اپنی موجودکی کو وسعت دے، جدت کو فروغ دے، اور طویل مدتی پائیدار ترقی کو یقینی بنائے۔ فی حصص آمدنی پہلی سہ ماہی کے لیے3.67روپے رہی، جو گزشتہ سال کی اسی مدت میں فی حصص نقصان 1.60روپے کے مقابلے میں نمایاں بہتری ظاہر کرتی ہے۔

بورڈ اپنے معزز صارفین، بینکاروں اور حصص یافتگان کا ان کے اعتماد اور تعاون پر شکریہ ادا کرتا ہے، اور تمام ملازمین کی محنت، لگن اور پر امن و پیداواری ماحول کے قیام میں کردار پر خلوص دل سے تعریف کرتا ہے۔

### بورڈ کی جانب سے

۱/ محمد معران اسلم عمران اسلم (چیف ایگزیکٹو آفیسر)

لاہور مورخہ: 24 اکتوبر،2025

### CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION (UN-AUDITED)

AS AT	SEPTEMBER 3	0, 2025	September 30, 2025	June 30, 2025
		Note	(Un-audited)	(Audited)
			Rupees in the	ousand
EQUITY AND LIABILITIES				
Share Capital and Reserves				
Authorized capital: 40,000,000 (June 30, 2025: 40,000,000)				
ordinary shares of Rs. 10 each			400,000	400,000
Issued, subscribed and paid up capital				
17,971,372 (June 30, 2025: 17,971,372)				
ordinary shares of Rs. 10 each			179,714	179,714
Reserves			2,195,752	2,125,747
Surplus on revaluation of property, plant and equip	oment		1,223,098	1,227,095
Non Current Liabilities			3,598,564	3,532,556
Long term financing		5	125,087	144,357
Liability against assets subject to finance lease		6	55,893	144,337
Deferred tax liability		O	507,682	498,554
beleffed tax hability			688,662	642,911
Current Liabilities				
Trade and other payables			1,036,870	935,371
Unclaimed dividend			146	146
Unpaid dividend			199	199
Accrued mark up		_	26,026	18,315
Current portion of non-current liabilities		7 8	193,820	183,350
Short term borrowings		8	1,075,305	871,519
Provision for taxation			185,249 2,517,615	143,316 2,152,217
Contingencies and Commitments		9		<u> </u>
ASSETS			6,804,841	6,327,685
Non Current Assets				
Property, plant and equipment		10	2,788,547	2,721,486
Long term investment in associate			1,055,873	1,054,876
Long term deposits			3,847	3,847
Current Assets			3,848,267	3,780,209
			270 240	210 572
Stores and spares Stock in trade			278,248 927,793	219,573 857,586
Trade debts			308,397	166,306
Advances, trade deposits, prepayments and other	receivables		375,180	294,494
Short term investments			152,376	151,375
Tax refunds due from the Government			253,252	301,959
Cash and bank balances			491,378	386,233
			2,786,624	2,377,526
Asset held for sale			169,950	169,950
			6,804,841	6,327,685

The annexed notes 1 to 16 form an integral part of these condensed interim financial statements (un-audited).

Chief Executive Officer Director

Chief Financial Officer

## CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS (UN-AUDITED) FOR THE QUARTER ENDED SEPTEMBER 30, 2025

		Quarter Ended	
		September 30, 2025	September 30, 2024
	Note	Rupees in thou	usand
Sales		3,354,647	2,227,070
Cost of sales	11	(3,072,412)	(2,111,931)
cost of suites		(3,072,112)	(2,111,551)
Gross Profit		282,235	115,139
Operating expenses:			
- Selling and distribution		(65,416)	(48,713)
- Administrative expenses		(89,315)	(77,303)
		(154,731)	(126,016)
Operating Profit / (Loss)		127,504	(10,877)
Finance cost		(22,134)	(33,721)
Other operating expenses		(604)	(286)
Other income		11,305	36,663
Share of net profit/(loss) of associate		998	2,956
		(10,435)	5,612
Profit / (Loss) before Levy and Taxation		117,069	(5,265)
Levy / final taxation		(5,906)	(27,838)
Profit / (Loss) before Taxation		111,163	(33,103)
Taxation		(45,155)	4,357
Net Profit / ( Loss) for the Period		66,008	(28,746)
Earnings per Share - Basic		3.67	(1.60)

The annexed notes 1 to 16 form an integral part of these condensed interim financial statements (un-audited).

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Chief Executive Officer

Director

Chief Financial Office

## CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED) FOR THE QUARTER ENDED SEPTEMBER 30, 2025

	Quarter Ended	
	September 30, 2025	September 30, 2024
	Rupees in thousand	
Net Profit for the Period	66,008	(28,746)
Other Comprehensive Income for the Period		
Items that will not be reclassified subsequently to profit or loss	-	-
Items that may be reclassified subsequently to profit or loss	-	-
<b>Total Comprehensive Income for the Period</b>	66,008	(28,746)

The annexed notes 1 to 16 form an integral part of these condensed interim financial statements (un-audited).

Chief Executive Officer

Director

Chief Financial Office

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

Particulars	Share Capital	Share Premium Reserve	Unappropriated Profit	Surplus on Revaluation	Total Equity
	Rupees in thousand				
Balance as at June 30, 2024	179,714	5,796	1,896,438	1,244,680	3,326,628
Net loss for the period Other comprehensive income		-	(28,746) -	-	(28,746) -
Total comprehensive income for the period	-	-	(28,746)	-	(28,746)
Transferred from surplus on revaluation of property, plant and equipment on incremental depreciation charged in current period (net of deferred tax)	-	-	3,918	(3,918)	-
Surplus on revaluation of property, plant and equipment related to export	-	-	-	-	-
Balance as at September, 2024	179,714	5,796	1,871,610	1,240,762	3,297,882
Balance as at June 30, 2025	179,714	5,796	2,119,951	1,227,095	3,532,556
Net profit for the period Other comprehensive income	-	-	66,008	-	66,008
Total comprehensive profit for the period	-	-	66,008	-	66,008
Transferred from surplus on revaluation of property, plant and equipment on incremental depreciation charged in current period (net of deferred tax)	-	-	3,997	(3,997)	-
Surplus on revaluation of property, plant and equipment related to export	-	-	-	-	-
Balance as at September 30, 2025	179,714	5,796	2,189,956	1,223,098	3,598,564

The annexed notes 1 to 16 form an integral part of these condensed interim financial statements (un-audited).

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Chief Executive Officer

Director

Chief Financial Office

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

	Quarte	r Ended
	September 30, 2025	September 30, 2024
	Rupees in	thousand
CASH FLOW FROM OPERATING ACTIVITIES		
Profit / (Loss) before taxation	117,069	(5,265)
Adjustments for:		
- Depreciation	30,947	28,223
- Share of net profit of associate	(998)	(2,956)
- Exchange loss	2,604	137
- Finance cost	22,134	33,721
Operating Profit before Working Capital Changes	54,687	59,125
	171,756	53,860
Decrease / (Increase) in current assets	(50,674)	(C F00)
- Stores and spares - Stock in trade	(58,674)	(6,508)
- Trade debts	(70,207) (144,695)	(51,498) (54,467)
- Advances, trade deposits, prepayments, and other receivables	(46,817)	10,960
- Short term investment	(1,000)	(145,406)
- Tax refunds due from the Government	48,707	80,156
Increase / (Decrease) in current liabilities	ŕ	,
- Trade and other payables	101,496	(70,284)
	(171,190)	(237,047)
Net Cash generated / (Used) in Operations	566	(183,187)
Income tax paid	(33,868)	(12,461)
Finance cost paid	(14,424)	(27,701)
Net Cash (Used) in Operating Activities	(47,726)	(223,349)
CASH FLOW FROM INVESTING ACTIVITIES		
Property, plant and equipment purchased	(441)	(4,693)
Downpayment of Leased Assets	(30,280)	-
Net Cash Used in Investing Activities	(30,721)	(4,693)
CASH FLOW FROM FINANCING ACTIVITIES		
Lease rentals paid	(924)	-
Repayment of long term financing	(19,270)	(19,270)
Short term borrowings	203,786	137,297
Net Cash generated from Financing Activities	183,592	118,027
Net (decrease) / increase in Cash and Cash Equivalents	105,145	(110,015)
Cash and cash equivalents at the beginning of the period	386,233	209,150
Cash and Cash Equivalents at the End of the period	491,378	99,135

The annexed notes 1 to 16 form an integral part of these condensed interim financial statements (un-audited).

Chief Executive Officer Director Chief Financial Offi

### NOTES TO AND FORMING PART OF CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)

### FOR THE QUARTER ENDED SEPTEMBER 30, 2025

Note 1

#### The Company and its Operations

Shahzad Textile Mills Limited (the Company) was incorporated in Pakistan on October 24, 1978 as a Public Limited Company under the repealed Companies Act, 1913 (now the Companies Act, 2017). The shares of the Company are quoted on Pakistan Stock Exchange. The Company is domiciled in Pakistan and its principal business is to manufacture and deal in all types of yarn and socks. The Company holds 24,94% ordinary shares in M/s Sargodha Jute Mills Limited, an Associated Company that is engaged in manufacturing, selling and dealing in jute products.

Company's business units including its manufacturing facilities are located as under:

- 7th Floor, Office 701, Tricon Corporate Center, 73-E Jail Road, Gulberg II, Lahore
- Three units of manufacturing facilities are situated at 34 KM, Lahore-Sheikhupura Road, Sheikhupura
- One unit of manufacturing facility is situated at 7 KM, Sheikhupura-Faisalabad Road, Kharianwala

Note 2

### **Basis of Preparation**

#### 2.1 Statement of compliance

- 2.1.1 These condensed interim financial statements of the Company have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting. The accounting and reporting standards as applicable in Pakistan for interim financial reporting comprise of:
  - International Accounting Standard (IAS) 34, Interim Financial Reporting, issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017;
  - Provisions of and directives issued under the Companies Act, 2017.

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

- 2.1.2 These condensed interim financial statements comprise of the condensed interim statement of financial position of the Company, as at September 30, 2025 and the related condensed interim (unaudited) statement of profit or loss, condensed interim (unaudited) statement of comprehensive income, condensed interim (unaudited) statement of changes in equity and condensed interim statement of cash flows together with the notes forming part thereof.
- 2.1.3 These condensed interim financial statements do not include all of the information required for full annual financial statements and should be read in conjunction with the audited annual financial statements for the year ended June 30, 2025
- 2.1.4 These condensed interim financial statements comprise of the condensed interim statement of financial position of the Company, as at September 30, 2025 and the related condensed interim (unaudited) statement of profit or loss, condensed interim (unaudited) statement of comprehensive income, condensed interim (unaudited) statement of changes in equity and condensed interim statement of cash flows together with the notes forming part thereof.
- 2.1.5 These condensed interim financial statements are unaudited and are being submitted to the shareholders as required under Section 237 of the Companies Act, 2017 ("the Act"); these are however, subject to limited scope review by external auditors as required by the Act and Listed Companies (Code of Corporate Governance) Regulations, 2019.

### 2.2 Functional and presentation currency

These condensed interim financial statements are presented in Pakistan Rupees which is the Company's functional and presentation currency.

Note 3

### Judgments and Estimates

The preparation of these condensed interim financial statements (un-audited) requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

### Note 4

### Significant Accounting Policies

The Company's accounting policies and methods of computation adopted in the preparation of these condensed interim financial statements (un-audited) are the same as those applied in the 'the preparation of preceding annual financial statements of the Company for the year ended June 30, 2025.

Note 5

	September 30, 2025	June 30, 2025
	(Un-audited)	(Audited)
	Rupees in t	thousand
5.1	175,934	191,696
5.2	26,233	29,741
	202,167	221,437
	(77,080)	(77,080)
	125,087	144,357
		2025 (Un-audited) Rupees in ( 5.1 175,934 5.2 26,233 202,167 (77,080)

- 5.1 These represent outstanding amounts of long term financing obtained from Habib Metropolitan Bank Limited for machinery of socks unit under State Bank of Pakistan's (SBP) concessional rate scheme. These loans are secured against specific and exclusive charge on relevant machinery of the Company and are repayable in 3 to 8 years starting from April 2021 and ending in February 2028. Mark up on these facilities is charged @ 5% representing SBP base rate of 2% and spread of 3% per annum, payable on calendar quarter basis.
- 5.2 This diminishing musharika facility is availed to purchase machinery. The sanctioned limit amounts to Rs. 100 million (June 30, 2025: Rs. 100 million) and is secured by way of exclusive charge over imported machinery with 15% margin and personal guarantee of sponsoring directors of the Company. This facility is repayable in 16 equal quarterly instalments, latest by June 2027 and carries markup @ 3 months KIBOR plus 1.25% (June 30, 2025: 3 month KIBOR plus 1.25%) per annum, payable on quarterly basis.

Note 6	N	ote	6
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Liability against assets subject to finance lease		September 30, 2025	June 30, 2025
		(Un-audited)	(Audited)
Opening Balance		Rupees in	thousand
Addition during the year		- 67,286	-
Less: payments adjustments during the year		(924)	_
Less. payments adjustments during the year		66,362	
Less : current Portion		(10,469)	_
Non-Current Portion		55,893	-
		,	
		September 2025	
	Minimum Lease	PV of Minimum	Financial
	Payments	Lease Payments	Charges
Due within one year	17,990	10,469	7,521
Due after one year but later than five years  Due after five years	70,720 -	55,893 -	14,827
	88,710	66,362	22,348
		June 2025	
	Minimum Lease		Financial
	Payments	Lease Payments	Charges
Due within one year	-	-	-
Due after one year but later than five years Due after five years	-	-	-
Note 7 Current Portion of Non-Current Liabilities		September 30,	June 30,
		2025 (Un-audited)	2025 (Audited)
		Rupees in	
		·	
Long term financing Lease Liability		77,080 10,469	77,080
Deferred liability - GIDC		106,270	106,270
befored liability Gibe		193,820	183,350
Note 8 Short Term Borrowings		Ctb 20	J 20
Short Term Borrowings		September 30, 2025	June 30, 2025
	Note	(Un-audited)	(Audited)
		Rupees in	
rom banking companies - Secured			
Cash / packing finances	8.1	754,305	550,519
From related parties - Unsecured			
Loan from directors	8.2	321,000	321,000
		1,075,305	871,519

- The Company obtained various funded and unfunded financial facilities from different banks for a total sanctioned limit of Rs. 2,216 million (June 30, 2025: Rs. 2,216 million) towards working capital requirements, retirement of local and foreign LCs and discounting of local bills / receivables. Mark up on these facilities is charged @ 1 to 6 months KIBOR plus a spread of upto 1.25% (June 30, 2025: 1 to 6 months KIBOR plus a spread of upto 1.25%) payable quarterly. These facilities are secured by ranking and hypothecation charge on property, plant and equipment; stocks and receivables of the Company; lien over export and import documents and personal guarantee of sponsoring directors of the Company. The Company has utilized un-funded facilities amounting to Rs. 306.910 million (June 30, 2025: Rs. 387.064 million) as at reporting date. Unutilized amount of funded and unfunded facilities is Rs. 1,158.520 million (June 30, 2025: Rs. 1,278.418 million).
- 8.2 This represents unsecured short term borrowing obtained from Chief Executive Officer / Directors of the company to meet its working capital requirements and is repayable on demand. The loan is unsecured, interest free (June 30, 2025: Nil) per annum.

N	C	te	9

### **Contingencies and Commitments**

#### 9.1 Contingencies

**9.1.1** The Company has provided bank guarantees in favour of following parties:

		September 30, 2025	June 30, 2025
		(Un-audited)	(Audited)
		Rupees in	thousand
-	Sui Northern Gas Pipelines Limited	163,566	163,566
-	Lahore Electric Supply Company	10,430	10,430
-	Excise and Taxation Office	58,400	58,400
		232,396	232,396

9.1.2 The Company is contingently liable for Rs. 55.178 million (2025: Rs. 55.141 million) on account of electricity duty on self generation. The Company has obtained stay order by filing petition on August 10, 2010 in Lahore High Court, Lahore against LESCO and has not admitted the said duty. The case is pending hearing before the Lahore High Court, Lahore.

Cost of Sales

The Company's outstanding commitments / contracts as at the reporting date are as under:

September 30, June 30,

		2025	2025
		(Un-audited)	(Audited)
		Rupees in	thousand
	Letters of credit	84,403	154,668
Note 10			
Proper	ty, Plant and Equipment	September 30,	June 30,
		2025	2025
		(Un-audited)	(Audited)
		Rupees in	thousand
Operat	ing fixed assets	2,788,547	2,721,486
Capital	work in progress		-
		2,788,547	2,721,486
10.1	Operating fixed assets		
	Opening written down value	2,721,486	2,791,241
	Additions during the period / year (at cost)		
	Owned	441	57,425
	Leased	97,567	-
		98,008	57,425
	Revaluation adjustment	<del>_</del>	-
		2,819,494	2,848,666
	Disposals during the period / year (at written down value)		(40,773)
		2,819,494	2,807,893
	Revaluation adjustment	-	-
	Depreciation charged for the period / year	(30,947)	(86,407)
Note 11		2,788,547	2,721,486
C			

	Quarte	Quarter Ended	
	September 30, 2025	September 30, 2024	
	(Un-a	udited)	
	Rupees ir	thousand	
Raw materials consumed	1,942,205	1,473,271	
Stores and spares consumed	66,773	32,524	
Packing materials consumed	75,771	60,035	
Salaries, wages and other benefits	313,023	173,249	
Fuel and power	447,300	360,493	
Insurance	4,029	4,156	
Repairs and maintenance	3,424	1,588	
Other manufacturing expenses	5,567	3,843	
Depreciation	24,896	25,830	
	2,882,988	2,134,989	
Opening work in process	157,062	127,105	
Closing work in process	(183,560)	(138,496)	
	(26,498)	(11,391)	
Cost of goods manufactured	2,856,490	2,123,598	
Opening finished goods	350,822	233,904	
Closing finished goods	(134,900)	(245,571)	
	215,922	(11,667)	
	3,072,412	2,111,931	

Note 12

### **Transactions with Related Parties**

Related parties comprise related group companies, associated companies, directors and key management personnel. Transactions with related parties and associated companies, other than remuneration and benefits to key management personnel under the terms of their employment are as follows:

Transaction during the period			September 30, 2025	September 30, 2024
Related party	Relationship	Nature of Transaction		udited) thousand
Sargodha Jute Mills Limited	Associate 24.94%	Purchase of materials, goods and services	481	113
Note 13		Sale of materials and goods	3,638	82
Financial Risk Management				

The Company's financial risk management objectives and policies are consistent with those disclosed in preceding audited annual financial statements for the year ended June 30, 2025.

Note 14

### Segment Information

For management purposes, the activities of the Company are recognized into two operating segment, i.e. manufacturing and sales of yarn and socks. The Company operates in the said reportable operating segments based on the nature of the product, risk and return, organizational and management structure and internal financial reporting systems. Accordingly, the figures reported in these condensed interim financial statements (un-audited) relate to the Company's reportable segments. Entity-wide disclosures regarding reportable segments are as follows:

	Yarn	Socks	Total
14.1	Ru	pees in Thousand	
Segment Results for the period ended September 30, 2025			
Revenue	2,759,016	595,631	3,354,647
Operating profit	125,907	1,597	127,504
Finance cost	(18,204)	(3,930)	(22,134)
Other income		5,265	5,265
Other operating expense Other income Share of net profit from associate Profit before taxation		<u>_</u>	(604) 6,040 998 117,069
	Yarn	Socks	Total
	Ru	pees in Thousand	
Segment Results for the period ended September 30, 2024			
Revenue	1,778,810	448,260	2,227,070
Operating profit	(9,109)	(1,768)	(10,877)
Finance cost	(30,631)	(3,090)	(33,721)
Other income		24,346	24,346
Other operating expense Other income Share of net profit from associate			(286) 12,317 2,956

	1st Quartorly B	anort Santombor 20	2025
	ist Quarterly K	eport September 30	, 2025
14.2			
Segment financial position for the period ended September 30, 2025			
Assets			
Property plant and equipment	1,519,097	1,269,450	2,788,547
Store and spares	216,101	62,147	278,24
Stock in trade	680,235	247,558	927,793
Trade Debts	11,997	296,400	308,39
Advances to suppliers	83,542	14,577	98,119
	2,510,972	1,890,132	4,401,104
Unallocated Assets			
Long term Investments			1,055,873
Long term deposits			3,84
Advances, trade deposits, prepayments and other receivables			277,06
Short term investments			152,37
Tax refunds due from the Government			253,25
Cash and bank balances			491,37
Non current assets held for sale			169,95
			6,804,84
		-	
	Yarn	Socks	Total
	RL	pees in Thousand	
Liabilities			
Long term financing	26,233	175,934	202,16
Trade creditors	160,185	101,511	261,69
Short term borrowings	1,075,305	-	1,075,30
Accrued mark up	21,512	4,514	26,02
	1,283,235	281,959	1,565,19
Unallocated liabilities			507.60
Deferred tax liability - net			507,68
Liability			66,36
Gas infrastructure development cess			106,27
Trade and other payables			775,17
Unclaimed dividends			14
Unpaid dividends			19
Provision for taxation - net			185,24
		_	3,206,27
Comment for a city of the fact the comment of the 20, 2025			
Segment financial position for the year ended June 30, 2025			
Assets	1,452,477	1,269,009	2,721,48
Assets Property plant and equipment	1,452,477 157,844	1,269,009 61,729	
Assets Property plant and equipment Store and spares			219,57
Assets Property plant and equipment Store and spares Stock in trade	157,844	61,729	219,57 857,58
Assets Property plant and equipment Store and spares Stock in trade Trade Debts	157,844 554,450	61,729 303,136 83,226	219,57 857,58 166,30
Assets Property plant and equipment Store and spares Stock in trade Trade Debts	157,844 554,450 83,080	61,729 303,136	219,57 857,58 166,30 71,19
Assets Property plant and equipment Store and spares Stock in trade Trade Debts Advances to supplier	157,844 554,450 83,080 47,422	61,729 303,136 83,226 23,768	219,57 857,58 166,30 71,19
Assets Property plant and equipment Store and spares Stock in trade Trade Debts Advances to supplier	157,844 554,450 83,080 47,422	61,729 303,136 83,226 23,768	219,57 857,58 166,30 71,19 4,036,14
Assets Property plant and equipment Store and spares Stock in trade Trade Debts Advances to supplier Unallocated Assets	157,844 554,450 83,080 47,422	61,729 303,136 83,226 23,768	219,57 857,58 166,30 71,19 4,036,14
Assets Property plant and equipment Store and spares Stock in trade Trade Debts Advances to supplier  Unallocated Assets Asset held for sale	157,844 554,450 83,080 47,422	61,729 303,136 83,226 23,768	219,57 857,58 166,30 71,19 4,036,14
Assets Property plant and equipment Store and spares Stock in trade Trade Debts Advances to supplier  Unallocated Assets Asset held for sale Long term investments	157,844 554,450 83,080 47,422	61,729 303,136 83,226 23,768	219,57 857,58 166,30 71,19 4,036,14 169,95 1,054,87
Assets Property plant and equipment Store and spares Stock in trade Trade Debts Advances to supplier  Unallocated Assets Asset held for sale Long term investments Long term deposits Advances, deposits, prepayments and other receivables	157,844 554,450 83,080 47,422	61,729 303,136 83,226 23,768	219,57 857,58 166,30 71,19 4,036,14 169,95 1,054,87 3,84
Assets Property plant and equipment Store and spares Stock in trade Trade Debts Advances to supplier  Unallocated Assets Asset held for sale Long term investments Long term deposits	157,844 554,450 83,080 47,422	61,729 303,136 83,226 23,768	219,57 857,58 166,30 71,19 4,036,14 169,95 1,054,87 3,84 223,30
Assets Property plant and equipment Store and spares Stock in trade Trade Debts Advances to supplier  Unallocated Assets Asset held for sale Long term investments Long term deposits Advances, deposits, prepayments and other receivables Short term investments	157,844 554,450 83,080 47,422	61,729 303,136 83,226 23,768	219,57 857,58 166,30 71,19 4,036,14 169,95 1,054,87 3,84 223,30 151,37
Assets Property plant and equipment Store and spares Stock in trade Trade Debts Advances to supplier  Unallocated Assets Asset held for sale Long term investments Long term deposits Advances, deposits, prepayments and other receivables Short term investments Tax refunds due from the Government	157,844 554,450 83,080 47,422	61,729 303,136 83,226 23,768	219,57 857,58 166,30 71,19 4,036,14 169,95 1,054,87 3,84 223,30 151,37 301,95
Assets Property plant and equipment Store and spares Stock in trade Trade Debts Advances to supplier  Unallocated Assets Asset held for sale Long term investments Long term deposits Advances, deposits, prepayments and other receivables Short term investments Tax refunds due from the Government	157,844 554,450 83,080 47,422	61,729 303,136 83,226 23,768	219,57 857,58 166,30 71,19 4,036,14 169,95 1,054,87 3,84 223,30 151,37 301,95 386,23
Assets Property plant and equipment Store and spares Stock in trade Trade Debts Advances to supplier  Unallocated Assets Asset held for sale Long term investments Long term deposits Advances, deposits, prepayments and other receivables Short term investments Tax refunds due from the Government Cash and bank balances	157,844 554,450 83,080 47,422	61,729 303,136 83,226 23,768	219,57 857,58 166,30 71,19 4,036,14 169,95 1,054,87 3,84 223,30 151,37 301,95 386,23
Assets Property plant and equipment Store and spares Stock in trade Trade Debts Advances to supplier  Unallocated Assets Asset held for sale Long term investments Long term deposits Advances, deposits, prepayments and other receivables Short term investments Tax refunds due from the Government Cash and bank balances  Liabilities	157,844 554,450 83,080 47,422 2,295,273	61,729 303,136 83,226 23,768 1,740,868	219,57,88 166,50,71,19 4,036,14 169,95 1,054,87 3,84 223,30 151,37 301,95 386,22 6,327,68
Assets Property plant and equipment Store and spares Stock in trade Trade Debts Advances to supplier  Unallocated Assets Asset held for sale Long term investments Long term deposits Advances, deposits, prepayments and other receivables Short term investments Tax refunds due from the Government Cash and bank balances  Liabilities Long term financing	157,844 554,450 83,080 47,422 2,295,273	61,729 303,136 83,226 23,768 1,740,868	2,721,48 219,57 857,58 166,30 71,19 4,036,14 169,95 1,054,87 3,84 223,30 151,33 301,95 386,23 6,327,68
Assets Property plant and equipment Store and spares Stock in trade Trade Debts Advances to supplier  Unallocated Assets Asset held for sale Long term investments Long term deposits Advances, deposits, prepayments and other receivables Short term investments Tax refunds due from the Government Cash and bank balances  Liabilities Long term financing Trade creditors	157,844 554,450 83,080 47,422 2,295,273 (96,357) 155,466	61,729 303,136 83,226 23,768 1,740,868	219,57,8857,58 16,600 71,119 4,036,14  169,95 1,054,87 3,84 223,30 151,37 301,95 386,23 6,327,68
Assets Property plant and equipment Store and spares Stock in trade Trade Debts Advances to supplier  Unallocated Assets Asset held for sale Long term investments Long term deposits Advances, deposits, prepayments and other receivables Short term investments Tax refunds due from the Government Cash and bank balances  Liabilities Long term financing	157,844 554,450 83,080 47,422 2,295,273	61,729 303,136 83,226 23,768 1,740,868	219,57,8857,58 16,600 71,119 4,036,14  169,95 1,054,87 3,84 223,30 151,37 301,95 386,23 6,327,68
Assets Property plant and equipment Store and spares Stock in trade Trade Debts Advances to supplier  Unallocated Assets Asset held for sale Long term investments Long term deposits Advances, deposits, prepayments and other receivables Short term investments Tax refunds due from the Government Cash and bank balances  Liabilities Long term financing Trade creditors	157,844 554,450 83,080 47,422 2,295,273 (96,357) 155,466	61,729 303,136 83,226 23,768 1,740,868	219,57,887,58 16,600 71,119 4,036,14 169,95 1,054,87 3,84 223,30 151,37 301,95 386,23 6,327,68

### **Unallocated liabilities**

Deferred tax liability - net	498,554
Gas infrastructure development cess	106,270
Other payables	720,983
Unclaimed dividends	146
Unpaid dividends	199
Provision for taxation - net	143,316
	2,795,127

Note 14. Segment Information, cont

ote 14	, Segment Information, cont	September 30,	September 30,
		2025	2024
		Percentage	Percentage
		(Un-audited)	Audited
14.3	Information about products:		
	Yarn	82.24%	79.87%
	Socks	17.76%	20.13%

### 14.4 Major customers:

There is no individual customer to whom sales are 10% more than of revenue.

### 14.5 Geographical Information:

Company's revenue from external customers on the basis of geographical location is given as under:

	September 30, 2025	September 30, 2024	
	(Un-audited)	(Un-audited)	
	Rupees ir	thousand	
Pakistan	2,764,063	1,785,012	
Europe	580,729	376,048	
United State of America	9,855	66,010	
	3,354,647	2,227,070	

Note 15

### Authorization of Interim Financial Information

These condensed interim financial statements (un-audited) are approved and authorized for issuance by the Board of Directors of the Company on October 24, 2025.

Note 16 General

Comparative figures have been re-arranged, wherever necessary, to facilitate comparison. No significant re-arrangement has been made in these condensed interim financial statements (un-audited).

Chief Executive Officer

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Director

Chief Financial Office

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