

QUARTERLY REPORT
UN-AUDITED
PERIOD ENDED
SEPTEMBER 30, 2025

Chakwal Spinning Mills Limited



CHAKWAL SPINNING MILLS LTD.



**ISO 9001:2000
CERTIFIED**

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Email: ksml@pol.com.pk**

DIRECTOR'S REPORT TO THE SHAREHOLDERS

On behalf of the Board of Directors of Chakwal Spinning Mills Limited, we hereby pleased to submit Quarterly Accounts for the IST quarter ended September 2025, together with the Directors Report thereon

The operations of the company remained suspended during the period as the company incurred a net loss of Rs. 28.147 as compared to the loss of 29.060 during the period last year. The textile sector is facing sever crisis and challenges of revival. The management is making every possible efforts for the revival of the company including indulging in other emerging sectors. The Board of Directors, have finally after reviewing the long-term growth prospects and emerging opportunities in the technology sector, has decided to change the principal business activity of the Company from its existing operations in Textiles to a new focus area in Information Technology (IT) and Cloud Services. The proposed transition is expected to enable the Company to diversify its portfolio, leverage digital growth trends, and enhance value for all stakeholders.

In line with the proposed change in business activity, the Board has also approved the proposal to change the name of the Company to better reflect its new business direction. The new name **Quantum Data Technologies Limited** will be finalized and proposed to the Members for approval at the forthcoming Extraordinary General Meeting (EOGM) which Board has agreed to be held on November 21, 2025.

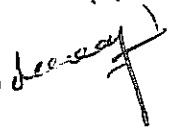
The Board has further Recommended a detailed business plan outlining the strategic roadmap for entering the IT and Cloud Services domain, including investment requirements, and operational milestones.

The above proposals, including the change in principal business line and change of the Company's name, will be placed before the Members for their approval at the Extraordinary General Meeting (EOGM) scheduled to be held on November 21, 2025.

The management and Directors of the company believe that this road map after all necessary approval will lead the company to a new horizon of success in future.

The Directors place on record their appreciation for the continued support, trust, and cooperation extended by the shareholders, employees and others which really deserve acknowledgement.

October 30, 2025
Lahore

On Behalf of Board 
Khawaja Mohammad Kaleem
Director

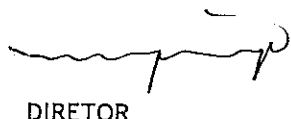
CHAKWAL SPINNING MILLS LIMITED

CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION

AS AT SEPTEMBER 30, 2025

	Note	September 30, 2025 (Un-audited) Rupees	June 30, 2025 (Audited) Rupees
CAPITAL AND LIABILITIES			
Share Capital and Reserves			
Authorized share capital			
140,000,000 (2023: 140,000,000) ordinary shares of Rs. 5 each		700,000,000	700,000,000
Issued, subscribed and paid up share capital		607,881,000	607,881,000
Loan from directors		118,776,547	118,776,547
Accumulated loss		(1,105,975,422)	(1,094,486,824)
Surplus on revaluation of property, plant & equipment		1,577,953,508	1,594,611,920
		1,198,635,633	1,226,782,643
Non Current Liabilities			
Deferred liabilities			
Current Liabilities			
Trade and other payables		280,236,176	282,185,432
Accrued mark- up		67,778,697	67,778,697
Short term borrowings		391,505,419	386,984,419
Current portion of non current liabilities		37,923,139	37,923,139
Unclaimed dividend		384,347	384,347
Provision for taxation		10,232,194	10,232,194
		788,059,972	785,488,228
Contingencies and Commitments			
	5	-	-
		1,986,695,606	2,012,270,871
ASSETS			
Non Current Assets			
Property, plant and equipment	6	1,927,363,523	1,952,938,636
Long term loans		747,766	747,766
Long term deposits		30,339,744	30,339,744
		1,958,451,033	1,984,026,146
Current Assets			
Trade debts		-	-
Loans and advances		4,316,292	4,316,292
Tax refunds due from the government		23,880,927	23,880,927
Trade deposits, prepayments and other receivables		-	-
Cash and bank balances		47,354	47,507
		28,244,573	28,244,726
		1,986,695,606	2,012,270,871

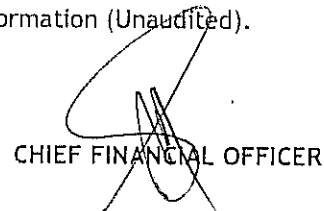
The annexed notes form an integral part of these condensed interim financial information (Unaudited).



DIRECTOR



DIRECTOR



CHIEF FINANCIAL OFFICER

CHAKWAL SPINNING MILLS LIMITED
CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS
FOR THE QUARTER ENDED SEPTEMBER 30, 2025 (Un-audited)

	Quarter Ended	
	September 30, 2025	September 30, 2024
	Rupees	Rupees
Sales		
Cost of sales	(25,527,326)	(27,971,867)
Gross Loss	(25,527,326)	(27,971,867)
Distribution cost	-	-
Administrative expenses	(2,619,684)	(1,848,889)
Operating Loss	(28,147,010)	(29,820,756)
Finance cost	-	-
Other Income	-	760,115
Loss before Taxation	(28,147,010)	(29,060,641)
Taxation	-	-
Net loss for the period	(28,147,010)	(29,060,641)
Loss per Share - Basic & Diluted	(0.23)	(0.24)

The annexed notes form an integral part of these condensed interim financial information (Unaudited).

DIRECTOR


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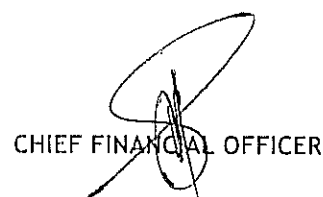
CHAKWAL SPINNING MILLS LIMITED
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME
FOR THE QUARTER ENDED SEPTEMBER 30, 2025 (Un-audited)

	Quarter Ended	
	September 30, 2025	September 30, 2024
	Rupees	Rupees
Net loss for the period	(28,147,010)	(29,060,641)
Other comprehensive income for the period	-	-
Total comprehensive loss for the period	<u>(28,147,010)</u>	<u>(29,060,641)</u>

The annexed notes form an integral part of these condensed interim financial information (Unaudited).


DIRECTOR

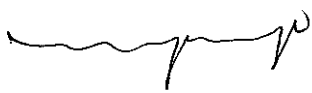

DIRECTOR


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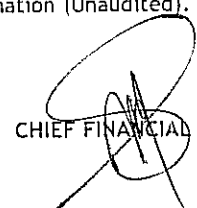
CHAKWAL SPINNING MILLS LIMITED
CONDENSED INTERIM STATEMENT OF CASH FLOW
FOR THE QUARTER ENDED SEPTEMBER 30, 2025 (Un-audited)

	Quarter Ended	
	September 30, 2025	September 30, 2024
	Rupees	Rupees
CASH FLOWS FROM OPERATING ACTIVITIES		
Loss before taxation	(28,147,010)	(29,060,641)
Adjustments for:		
- Depreciation	25,575,113	28,029,038
	25,575,113	28,029,038
Operating loss before working capital changes	(2,571,897)	(1,031,603)
(Increase) / decrease in current assets		
- Trade debts	-	-
- Trade deposits, prepayments and other receivables	-	-
Increase / (decrease) in current liabilities		
- Trade and other payables	(1,949,256)	1,636,565
	(1,949,256)	1,636,565
Cash used in operations	(4,521,153)	604,962
Finance cost paid		
Net cash used in operating activities	(4,521,153)	604,962
CASH FLOWS FROM INVESTING ACTIVITIES		
Long term loans	-	-
Net Cash used in investing activities	-	-
CASH FLOWS FROM FINANCING ACTIVITIES		
Short term borrowings - net	4,521,000	(605,000)
Net Cash generated from financing activities	4,521,000	(605,000)
Net (decrease) / increase in cash and cash equivalents	(153)	(38)
Cash and cash equivalents at the beginning of the period	47,507	48,665
	47,354	48,627

The annexed notes form an integral part of these condensed interim financial information (Unaudited).


DIRECTOR


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CHIEF FINANCIAL OFFICER

CHAKWAL SPINNING MILLS LIMITED
CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY
FOR THE QUARTER ENDED SEPTEMBER 30, 2025 (Un-audited)

Particulars	Share Capital	Accumulated Loss	Loan from Directors	Surplus on revaluation of property, plant & equipment	Total
	Rupees	Rupees	Rupees	Rupees	Rupees
Balance as at July 01, 2024	607,881,000	(979,422,361)	118,776,547	1,597,274,524	1,344,509,710
Net loss for the period	-	(29,060,641)	-	-	(29,060,641)
Transfer from surplus on revaluation of property, plant and equipment in respect of incremental depreciation charged in current period - net of deferred tax	-	16,681,163	-	(16,681,163)	-
Balance as at September 30, 2024	607,881,000	(991,801,839)	118,776,547	1,580,593,361	1,315,449,069
Balance as at July 01, 2025	607,881,000	(1,094,486,824)	118,776,547	1,594,611,920	1,226,782,643
Net loss for the period	-	(28,147,010)	-	-	(28,147,010)
Transfer from surplus on revaluation of property, plant and equipment in respect of incremental depreciation charged in current period - net of deferred tax	-	16,658,412	-	(16,658,412)	-
Balance as at September 30, 2025	607,881,000	(1,105,975,422)	118,776,547	1,577,953,508	1,198,635,633

The annexed notes form an integral part of these condensed interim financial information (Unaudited).

DIRECTOR

DIRECTOR

CHIEF FINANCIAL OFFICER

CHAKWAL SPINNING MILLS LIMITED

SELECTED NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION FOR THE QUARTER ENDED SEPTEMBER 30, 2025 (Un-audited)

Note 1

The Company and its Operations

The Company was incorporated in Pakistan on January 31, 1988 as a Public Limited Company. Its shares are quoted on Pakistan Stock Exchanges Limited. The registered office of the Company is situated at 7/1, E-III, Main Boulevard Gulberg III, Lahore, While the production plants of the Company are located at 49-Km, Multan Road, Bhai Phero The Company is engaged in the business of textile spinning.

Note 2

Basis of Preparation

2.1 Statement of compliance

These condensed interim financial information have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan. The accounting and reporting standards applicable in Pakistan comprise of:

- International Financial Reporting Standard (IFRS) 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 provisions of and directives issued under the Companies Act, 2017 differ from the IFRS, the provisions of and directives issued under the Companies Act, 2017 have been followed.
- The condensed interim financial information does not include all the information and disclosures required in the annual financial statements and should be read in conjunction with the financial statements of the Company for the year ended 30 June, 2024.
- This condensed interim financial information is presented in Pak rupees, which is the Company's functional and presentational currency. The financial statements have been prepared under the historical cost convention. Figures have been rounded off to the nearest thousand rupee, unless stated otherwise.

Note 3

Significant Accounting Policies

The accounting policies and methods of computation of the interim financial information are the same as those followed in the preparation of annual financial information for the preceding year ended June 30, 2025.

Note 4

Accounting Estimates and Judgments

The accounting estimates and associated assumptions used in preparation of this condensed interim financial information are consistent with those applied in the preparation of annual financial statement of the Company Limited for the year ended June 30, 2025.

Note 5

Contingencies and Commitments

There is no other significant change in the contingencies and commitments as reported in the last published audited financial statements for the year ended June 30, 2025.

Note 6

Property, Plant and Equipment

	Quarter Ended Sep 30, 2025 (Un-audited) Rupees	Year Ended June 30, 2025 (Audited) Rupees
Operating fixed assets	1,927,363,523	1,952,938,636
Opening written down value	1,952,938,636	1,992,742,122
Addition during the period / year (at cost)	-	-
Disposal during the period / year (written down value)	-	-
Depreciation charge for the period / year	(25,575,113)	(39,803,486)
Closing written down value	1,927,363,523	1,952,938,636

Note 7

Transactions with Related Parties

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

	Quarter Ended	
	Sep 30, 2025	Sep 30, 2024
	(Un-audited) Rs. In '000'	(Un-audited) Rs. In '000'
Significant transaction with related parties are as follows:		
- Loan received / (repaid) to directors - net	(4,521)	(605)

Note 8

Financial Risk Management

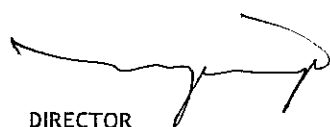
The Company's financial risk management objectives and policies are consistent with those disclosed in the audited annual published financial statements of the Company for the year ended June 30, 2025.

Note 9

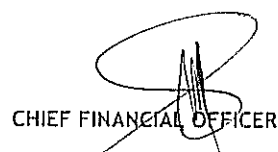
General

9.1 This interim financial information is authorized for issue on OCTOBER 30, 2025 by the Board of Directors of the Company.

9.2 Corresponding figures have been re-arranged wherever necessary to facilitate comparison. No material rearrangement has been made during the period.


DIRECTOR


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CHIEF FINANCIAL OFFICER