

FINANCIAL STATEMENTS

**1st Quarter Ended September, 30
(Un-audited)**

2025

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COMPANY INFORMATION

BOARD OF DIRECTORS

Mian Muhammad Javed Iqbal (Chairman)

Mian Muhammad Latif (Chief Executive Officer)

Mr. Muhammad Naeem

Mr. Muhammad Farhan Latif

Mr. Tariq Ayub Khan

Mr. Maqsood UI Hassan

Mr. Muhammad Hashim

Mr. Muhammad Salman Javed

Mrs. Sobia Chughtai (Nominee Director)

CHIEF FINANCIAL OFFICER

Mr. Sadaquat Hussain

COMPANY SECRETARY

Mr. Muhammad Arshad

LEGAL ADVISOR

Mian Masroor Akbar (Advocate)

SHARE REGISTRAR

F.D. Registrar Services (Pvt.) Limited,
Office # 1705, 17th Floor, Saima Trade Tower-A,
I.I. Chundrigar Road, Karachi.
Tel :021-32271905-6/021-354 78192-3

REGISTERED OFFICE

Nishatabad, Faisalabad.
Tel:+92 41 8754472-8
Fax:+92 41 8752400, 8752700

WEBSITE

Email:- chenab@chenabgroup.com
Website:-www.chenabgroup.com

WORKS

- Processing & Stitching Units - Nishatabad, Fsd.
- Weaving Unit- Shahkot, Distt: Nankana Sahib.

BANKS

Allied Bank Limited.
Askari Bank Limited.
Al Baraka Bank (Pakistan) Limited.
Bank Islami Limited.
Citibank, N.A.
Faysal Bank Limited.
First Credit & Investment Bank Limited.
First National Bank Modaraba.
First Punjab Modaraba.
Habib Bank Limited.
Habib Metropolitan Bank Limited.
MCB Bank Limited.
National Bank of Pakistan.
Orix Leasing (Pakistan) Limited.
Pak Oman Investment Company Limited.
Pak Kuwait Investment Company (Pvt.) Limited.
Pak Libya Holding Company (Pvt.) Limited.
Saudi Pak Industrial & Agricultural Investment Company (Pvt.) Ltd.
Standard Chartered Bank (Pakistan) Limited.
The Bank of Punjab.
United Bank Limited.

AUDIT COMMITTEE

Mr. Tariq Ayub Khab - Chairman
Mr. Muhammad Hashim - Member
Mr. Muhammad Salman Javed - Member

HUMAN RESOURCE & REMUNERATION COMMITTEE

Mr. Maqsood ul Hassan - Chairman
Mr. Muhammad Naeem - Member
Mr. Muhammad Salman Javed - Member

AUDITORS

RSM Avasi Hyder Liaquat Nauman
Chartered Accountants.

DIRECTORS' REPORT TO THE SHAREHOLDERS

The Directors are placing before you the un-audited financial statements of the company for the first quarter of financial year 2025-2026 ended on September 30, 2025.

SALES REVENUE

Sales and services revenue of **Rs.447.705** million has been earned during the period.

FINANCIAL RESULTS

In view of unfavorable business circumstances, the Company sustained a financial loss of **Rs.163.174** million before levies and income tax during the period under report.

FUTURE PROSPECTS

The US tariffs imposed by the Trump administration on imports from China and, more recently on India have made Pakistani textiles exports more price-competitive in the American Market as US buyers seek alternatives to highly-taxed Indian and Chinese goods, Pakistan is positioned as one of the potential beneficiaries for sourcing textiles specially home textiles for which the company has significant capacity.

The banks of the company should provide sufficient financial limits for exports to allow the company to take advantage of this opportunity. The sponsors are already committed to inject funds in the company to meet the working capital requirements.

ACKNOWLEDGEMENT

The directors are thankful to its financial institutions for supporting the Company for revival of the Company and its employees who have rendered their dedicated services for the Company.

For and on behalf
BOARD OF DIRECTORS



FAISALABAD
27-11-2025

(MUHAMMAD FARHAN LATIF)
DIRECTOR



(MIAN MUHAMMAD LATIF)
CHIEF EXECUTIVE OFFICER

شیر ہولڈرز کو ڈائریکٹرز کی رپورٹ۔

ڈائریکٹرز آپ کے پیش نظر کمپنی کے غیر آڈیٹ شدہ مالیاتی بیانات پیش کر رہے ہیں، جو مالی سال 2025-26 کی پہلی سہ ماہی کے لیے ہیں، جو 30 ستمبر 2025 کو اختتام پذیر ہوئی۔

سیلرز ریونیو۔

اس مدت کے دوران فروخت اور خدمات کی مد میں 447.705 ملین روپے کی آمدنی حاصل کی گئی ہے۔

مالیاتی نتائج۔

خراب کاروباری حالات کے پیش نظر، رپورٹنگ کے اس عرصے کے دوران کمپنی کو محصولات اور انکم ٹیکس سے قبل 163.174 ملین روپے کا مالی نقصان برداشت کرنا پڑا۔

مستقبل کا کیفیت نامہ۔

ٹریمپ انتظامیہ کی جانب سے چین سے درآمدات پر اور حال ہی میں بھارت پر عائد کیے گئے امریکی ٹیرف نے پاکستانی ٹیکسٹائل کی درآمدات کو امریکی مارکیٹ میں قیمت کے لحاظ سے مزید مسابقتی بنا دیا ہے۔ چونکہ امریکی خریدار زیادہ ٹیکس شدہ بھارتی اور چینی مصنوعات کے متبادل تلاش کر رہے ہیں، اس لیے پاکستان ٹیکسٹائل، خصوصاً ہوم ٹیکسٹائل، کی سوریٹنگ کے ممکنہ فائدہ اٹھانے والوں میں شامل ہے، جس کے لیے کمپنی کے پاس خاطر خواہ پیداواری صلاحیت موجود ہے۔

بینکوں کو چاہیے کہ وہ کمپنی کو درآمدات کے لیے مناسب مالی حدود فراہم کریں تاکہ کمپنی اس موقع سے فائدہ اٹھا سکے۔ اسپانسرز پہلے ہی ورکنگ کیپیٹل کی ضروریات پوری کرنے کے لیے کمپنی میں فنڈز شامل کرنے کے لیے پرعزم ہیں۔

اعتراف۔

ڈائریکٹرز کمپنی کی بحالی کے لیے تعاون فراہم کرنے والے مالیاتی اداروں اور کمپنی کے لیے اپنی بے لوث خدمات انجام دینے والے ملازمین کے شکرگزار ہیں۔

بورڈ آف ڈائریکٹرز کی طرف سے اور نمائندگی میں۔



(میاں محمد لطیف)
چیف ایگزیکٹو آفیسر



(محمد رضان لطیف)
ڈائریکٹر


فیصل آباد

مورخہ: 27 نومبر 2025


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

	Note	Sep-30, 2025 (Un-Audited) Rupees	Jun-30, 2025 (Audited) Rupees		Note	Sep-30, 2025 (Un-Audited) Rupees	Jun-30, 2025 (Audited) Rupees
SHARE CAPITAL AND RESERVES				NON-CURRENT ASSETS			
Authorised capital				Property, plant and equipments	7	8,891,909,695	8,932,371,161
120,000,000 ordinary shares				Investment property	8	478,982,377	481,450,363
of Rs.10/- each		1,200,000,000	1,200,000,000	Long term deposits		13,418,150	13,418,150
						9,384,310,222	9,427,239,674
80,000,000 cumulative preference							
shares of Rs.10/- each		800,000,000	800,000,000				
Issued, subscribed and paid up capital		1,150,000,000	1,150,000,000				
Cumulative preference shares		500,000,000	500,000,000				
Directors' loan		1,173,284,086	1,071,913,086				
Surplus on revaluation of		4,800,442,061	4,814,039,268				
property, plant and equipment							
Capital reserves		526,409,752	526,409,752				
Revenue reserves		(8,771,593,809)	(8,614,994,175)				
		(621,457,910)	(552,632,069)				
NON-CURRENT LIABILITIES							
Long term financing	5	7,278,554,518	7,468,611,421				
Deferred revenue		53,283,820	53,638,778				
Deferred markup		786,303,652	744,656,836				
Liability against redemption		300,000,000	300,000,000				
of preference shares							
Deferred liabilities		65,300,113	63,301,845				
		8,483,442,103	8,630,208,880				
CURRENT LIABILITIES				CURRENT ASSETS			
Trade and other payables		1,383,022,607	1,378,669,987	Stores, spares and loose tools		132,674,521	114,948,800
Unclaimed dividend		366,071	366,071	Stock in trade		166,919,843	174,841,332
Interest / markup payable		8,202,959	3,795,077	Trade debts	9	159,880,340	223,095,067
Short term bank borrowings		160,500,000	182,200,000	Loans and advances		187,804,460	168,622,533
Current portion of:				Deposits and prepayments		33,397,369	33,058,433
Long term financing	5	764,790,658	627,562,602	Other receivables		13,306,608	18,830,431
				Tax refunds due from Government		47,671,666	52,830,274
Provision for taxation - income tax		-	-	Cash and bank balances		52,901,460	56,704,004
		2,316,882,295	2,192,593,737			794,556,266	842,930,874
CONTINGENCIES AND COMMITMENTS	6	-	-	Non current assets held for sale		-	-
		10,178,866,488	10,270,170,548			10,178,866,488	10,270,170,548

The annexed notes from 1 to 16 are an integral part of these financial statements.


(MIAN MUHAMMAD LATIF)
CHIEF EXECUTIVE OFFICER



(MUHAMMAD FARHAN LATIF)
DIRECTOR


(SADAQUAT HUSSAIN)
CHIEF FINANCIAL OFFICER

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

	Note	QUARTER ENDED	
		30-Sep-2025 Rupees	30-Sep-2024 Rupees
Sales	10	447,705,838	917,245,431
Cost of sales	11	(481,837,321)	(904,622,105)
Gross profit / (loss)		(34,131,484)	12,623,326
Operating Expenses			
Selling and distribution expenses		(6,209,987)	(60,150,437)
Administrative expenses		(78,151,344)	(69,757,117)
		(84,361,330)	(129,907,554)
Operating (loss)		(118,492,814)	(117,284,229)
Other income	12	9,587,596	74,322,851
Finance cost		(54,269,210)	(58,270,293)
(Loss) for the period before levies and income tax		(163,174,428)	(101,231,671)
Levies		(7,022,412)	(10,585,963)
(Loss) for the period before income tax		(170,196,841)	(111,817,634)
Provision for taxation		-	-
(Loss) for the period		(170,196,841)	(111,817,634)
(Loss) per share- Basic and diluted		(1.48)	(0.97)

The annexed notes from 1 to 16 are an integral part of these financial statements.


(MIAN MUHAMMAD LATIF)
CHIEF EXECUTIVE OFFICER


(MUHAMMAD FARHAN LATIF)
DIRECTOR


(SADAQUAT HUSSAIN)
CHIEF FINANCIAL OFFICER

CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)

FOR THE QUARTER ENDED SEPTEMBER 30, 2025

	QUARTER ENDED	
	30-Sep-2025 Rupees	30-Sep-2024 Rupees
(loss) after Taxation	(170,196,841)	(111,817,634)
Other comprehensive income / (loss) for the period	-	-
Items that will not be subsequently reclassified to profit or loss		
Surplus on revaluation of property, plant and equipment arisen during the period- net	-	-
Remesurement of defined benefit liability	-	-
	-	-
Total comprehensive (loss) / profit for the period	(170,196,841)	(111,817,634)

The annexed notes from 1 to 16 are an integral part of these financial statements.



(MIAN MUHAMMAD LATIF)
CHIEF EXECUTIVE OFFICER



(MUHAMMAD FARHAN LATIF)
DIRECTOR



(SADAQUAT HUSSAIN)
CHIEF FINANCIAL OFFICER


CONDENSED INTERIM STATEMENT OF CASH FLOWS (UN-AUDITED)

FOR THE QUARTER ENDED SEPTEMBER 30, 2025


	QUARTER ENDED	
	30-Sep-2025 Rupees	30-Sep-2024 Rupees
a) CASH FLOWS FROM OPERATING ACTIVITIES		
(Loss) for the period before levies and income tax	(163,174,428)	(101,231,671)
Adjustments for:		
Depreciation	42,929,452	45,675,986
Provision for staff retirement gratuity	1,998,268	2,160,295
Balances written back - net	-	(64,609,185)
Gain on disposal of asset	-	(907,577)
Finance cost	54,269,210	58,270,293
Fair value adjustment of deferred revenue	(354,958)	(267,476)
Operating cash flows before working capital changes	(64,332,456)	(60,909,334)
Changes in working capital:		
(Increase) / decrease in current assets:		
Stores, spares and loose tools	(17,725,721)	(3,569,247)
Stock in trade	7,921,489	5,239,076
Trade debts	63,214,727	179,910,906
Loans and advances	(19,614,483)	(61,087,542)
Deposits and prepayments	(338,936)	19,141,617
Other receivables	5,523,823	(1,743,944)
Tax refunds due from Government	5,158,608	(36,245,516)
Increase / (Decrease) in current liabilities:		
Trade and other payables	4,352,620	20,286,880
	48,492,128	121,932,229
Cash generated from / (used in) operations	(15,840,328)	61,022,895
Income tax paid	(6,589,858)	(2,334,317)
Finance cost paid	(7,859,554)	(15,362,312)
Net cash generated from / (used in) operating activities	(30,289,740)	43,326,266

	QUARTER ENDED	
	30-Sep-2025 Rupees	30-Sep-2024 Rupees
b) CASH FLOWS FROM INVESTING ACTIVITIES		
Additions in operating assets	-	(3,434,577)
Proceeds from disposal of assets	-	920,000
Net cash (used in) investing activities	-	(2,514,577)
c) CASH FLOWS FROM FINANCING ACTIVITIES		
Receipt of loan from directors	101,371,000	-
Repayment of:		
Long term financing	(53,183,805)	(31,803,409)
(Decrease) in short term bank borrowings	(21,700,000)	(27,700,000)
Net cash generated / (used in) from financing activities	26,487,195	(59,503,409)
Net (decrease) in cash and cash equivalents (a+b+c)	(3,802,545)	(18,691,720)
Cash and cash equivalents at the beginning of the period	56,704,004	81,416,688
Cash and cash equivalents at the end of the period	52,901,460	62,724,968

The annexed notes from 1 to 16 are an integral part of these financial statements.


(MIAN MUHAMMAD LATIF)
CHIEF EXECUTIVE OFFICER


(MUHAMMAD FARHAN LATIF)
DIRECTOR


(SADAQUAT HUSSAIN)
CHIEF FINANCIAL OFFICER

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

FOR THE QUARTER ENDED SEPTEMBER 30, 2025

	Issued, subscribed and paid up capital	Cumulative preference shares	Loan from Directors	Surplus on revaluation of property, plant and equipment	Capital reserves				Revenue reserves			Total
					Premium on issue of ordinary shares	Book difference of capital under scheme of arrangement for amalgamation	Preference shares redemption reserve	Sub total	General reserve	Accumulated loss	Sub total	
Balance as at June 30, 2024 (audited)	1,150,000,000	500,000,000	1,053,213,086	4,881,532,753	120,000,000	63,552,610	342,857,142	526,409,752	76,432,834	(8,144,851,991)	(8,068,419,157)	42,736,434
(loss) for the period								-		(111,817,634)	(111,817,634)	(111,817,634)
Other comprehensive income								-			-	-
Items that will not be subsequently reclassified to profit or loss:								-			-	-
Surplus on revaluation of property, plant and equipment arisen during the period- net				-				-		-	-	-
Remeasurement of defined benefit liability								-		-	-	-
	-	-	-	-	-	-	-	-	-	(111,817,634)	(111,817,634)	(111,817,634)
Incremental depreciation on revalued assets for the period				(14,302,479)						14,302,479	14,302,479	-
Transactions with owner - Loan from directors			-									-
Balance as at Sep-30, 2024 (un-audited)	1,150,000,000	500,000,000	1,053,213,086	4,867,230,274	120,000,000	63,552,610	342,857,142	526,409,752	76,432,834	(8,242,367,147)	(8,165,934,313)	(69,081,200)
(Loss) for the period								-		(511,076,948)	(511,076,948)	(511,076,948)
Other comprehensive income								-			-	-
Items that will not be subsequently reclassified to profit or loss:								-			-	-
Surplus on revaluation of property, plant and equipment arisen during the period - net				-				-		-	-	-
Remeasurement of defined benefit liability								-		8,826,079	8,826,079	8,826,079
	-	-	-	-	-	-	-	-	-	(502,250,869)	(502,250,869)	(502,250,869)
Incremental depreciation on revalued assets for the period				(53,191,006)				-		53,191,006	53,191,006	-
Transactions with owner - Loan from directors			18,700,000									18,700,000
Balance as at June 30, 2025 (audited)	1,150,000,000	500,000,000	1,071,913,086	4,814,039,268	120,000,000	63,552,610	342,857,142	526,409,752	76,432,834	(8,691,427,009)	(8,614,994,175)	(552,632,069)
(loss) for the period								-		(170,196,841)	(170,196,841)	(170,196,841)
Other comprehensive income								-			-	-
Items that may be subsequently reclassified to profit or loss:								-			-	-
Surplus on revaluation of property plant and equipment arisen during the period - net								-		-	-	-
Remeasurement of defined benefit liability								-		-	-	-
	-	-	-	-	-	-	-	-	-	(170,196,841)	(170,196,841)	(170,196,841)
Incremental depreciation on revalued assets for the period				(13,597,207)				-		13,597,207	13,597,207	-
Transactions with owner - Loan from directors			101,371,000									101,371,000
Balance as at Sep-30, 2025 (un-audited)	1,150,000,000	500,000,000	1,173,284,086	4,800,442,061	120,000,000	63,552,610	342,857,142	526,409,752	76,432,834	(8,848,026,643)	(8,771,593,809)	(621,457,910)

The annexed notes from 1 to 16 are an integral part of these financial statements.


(MIAN MUHAMMAD LATIF)
CHIEF EXECUTIVE OFFICER

(MUHAMMAD FARHAN LATIF)
DIRECTOR

(SADAQUAT HUSSAIN)
CHIEF FINANCIAL OFFICER

**SELECTED EXPLANATORY NOTES TO THE
CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
For the quarter ended September 30, 2025**

1 GENERAL INFORMATION

- 1.1** Chenab Limited (the Company) is incorporated as a public limited company under the Companies Ordinance, 1984 (Now Companies Act 2017) and is listed on Pakistan Stock Exchange. The registered office of the Company is situated at Nishatabad, Faisalabad, in the province of Punjab. The principal business of the Company is export of all kinds of value added fabrics, textile made-ups, casual and fashion garments duly processed. Geographical location and address of business units/plants are following:

Description	Location	Address
Registered Office / Head Office	Faisalabad	Nishatabad, Faisalabad.
Weaving Unit	Nankana Sahib	7 K.M Main Faisalabad Lahore Road, Kotla Kalo Shahkot, Nankana Sahib.
Processing & Stitching Units	Faisalabad	Main Faisalabad Lahore Road, Nishatabad, Faisalabad.
Stitching Unit	Faisalabad	Jhumra road Gatti, Faisalabad.

- 1.2** Pursuant to schemes of arrangement approved by the Honorable Lahore High Court, Lahore, assets, liabilities and reserves of Faisal Weaving (Private) Limited, Latif Weaving (Private) Limited and Chenab Finishing (Private) Limited were merged with the Company with effect from December 31, 1998 and assets, liabilities and reserves of Chenab Fibers Limited were merged with the Company with effect from April 01, 2003.
- 1.3** As at September 30, 2025 the accumulated loss of the Company is Rs. 8,848.03 million (June 30, 2025: Rs.8,691.43 million), and the current liabilities of the company exceed its current assets by Rs.1522.33 million (June 30, 2025: Rs.1,349.66 million). The Company has not redeemed preference shares on exercise of put options for three consecutive years by holders of preference shares due to tight cash flow situation. The Company was wound up by order of the Honorable Lahore High Court on July 13, 2017, following a creditor's application due to non-compliance with loan covenants. The Company preferred an appeal before the Honorable Supreme Court against this order but leave of appeal was not granted and dismissed vide order dated January 08, 2019 and official liquidator was appointed under the winding up order. SECP has initiated proceedings for investigations under section 257 of Companies Act 2017, (Section 265 of the repealed Companies Ordinance, 1984.) The company has challenged the order and the Honorable Lahore High Court has stayed the proceedings.

To reverse the winding-up proceedings, the Company's sponsors filed a Scheme of Arrangement u/s 279 to 283 of Companies Act, 2017 before the Lahore High Court on January 20, 2021. A meeting of shareholders and secured creditors was held on February 22, 2021, under court-appointed chairmanship, where the scheme was approved by 100% of shareholders and 90.40% of secured creditors. The Court approved the scheme on September 14, 2021, and issued the reversal order on October 29, 2021, handing over the control to the management of the Company.

According to Scheme of Arrangement the breakup of Principal Debt owed to each of the Lenders individually is bifurcated in the Tier 1 Debt consisting of Rs. 4,737,486,364/- and Tier 2 debt of Rs.4,737,486,364/- aggregated to Rs.9,474,972,728/-. Tier 1 debt shall be repaid in seven and half (7.5) years from the effective Date. The Tier 2 debt shall be repaid in six and a half (6.5) years from the earlier of (i) the date on which the Tier 1 Debt is repaid, and (ii) the date by which Tier 1 Debt is required to be repaid as per repayment schedule agreed under scheme of arrangement.

The steps mentioned below, pursuant to the scheme of arrangement, have positively impacted the company's financial and operational condition in past years;

- The management successfully disposed of non-core assets within one year from the effective date of the approval of scheme. All required non-core assets were sold for Rs. 1.6 billion exceeding the estimated proceeds of Rs. 1.4 billion and used for servicing loan repayments and to support the company's working capital needs.
- Principal repayments to lenders are rescheduled over 14 years from the effective date, improving financial health and resolving all disputes with lenders.
- To ensure smooth operations, the company applied for additional working capital, from banks as per their agreed share (lead bank and other bank).
- The sponsors injected Rs. 350 million through the sale of personal shares. Additionally, the sponsors injected Rs.578.97 million as a subordinated loan since its revival.

Reason for non meeting of financial results

The company was unable to meet key assumptions of the financial model under the scheme of arrangement due to a sharp rise in overheads, energy costs, and significant PKR depreciation against the USD. The scheme was approved two years after its initial court submission. Additionally, banks did not fully disburse the agreed Rs. 500 million in working capital support, forcing the company to manage the shortfall through internal sources. These factors hindered the achievement of the projected cash flows and operating results.

Management of upcoming loan installments

Despite the aforementioned factors that hampered achieving the expected results, management is actively working to ensure payment of the upcoming 2026 installments. The company is negotiating with banks for a No Objection Certificate (NOC) to sell non-operational assets expected to generate upto PKR 800 million. Proceeds will be used to pay the upcoming quarterly installments maturing upto June 30, 2026 on a pro-rata basis to all lenders.

Basis for anticipated business improvement

For sustainable operational profitability, the management is confident for the company's improved prospects, driven by the sponsors' confirmed commitment to inject over Rs. 1.5 billion as directors' loans in coming years. This will strengthen liquidity and support working capital needs. Additionally, the company is negotiating injection of Rs. 1 billion as export-based working capital from banks. These measures are expected to boost revenue and profitability, enabling timely repayment of long-term loans. Additionally, U.S. tariffs on Chinese and Indian imports have made Pakistani textile exports more price-competitive in the American market. As U.S. buyers seek alternatives, including Pakistan—especially in home textiles. The company has significant capacity and well-positioned to take benefit. Major U.S. buyers have reportedly shown interest in Pakistani products. The management expect better marketing conditions in future.

The above mentioned actions such as, arrangement of proceeds for upcoming installment-payments and anticipated business improvement will help to overcome the financial and operational problems of the Company. Therefore, management is confident that the Company will be able to continue as a going concern.

1.4 These financial statements are presented in Pak Rupee, which is the company's functional and presentation currency.

2. BASIS OF PREPARATION

2.1 These 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 Standard (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.

2.2 These condensed interim financial statements do not include all the information and disclosures required in annual financial statements and should be read in conjunction with the annual audited financial statements of the Company. These condensed interim financial statements are un-audited and are being submitted to the shareholders as required by the Listed Companies (Code of Corporate Governance) Regulations, 2019 and Section 237 of the Companies Act, 2017.

3. ACCOUNTING POLICIES

The accounting policies and methods of computations adopted for the preparation of these condensed interim financial statements are the same as applied in the preparation of the published audited financial statements for the year ended June 30, 2025.

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of these condensed interim financial statements in conformity with the approved accounting standards requires the use of certain critical accounting estimates. It also requires the 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, including expectations of future events that are believed to be reasonable under the circumstances.

During preparation of these condensed interim financial statements, the significant judgments made by the management in applying the Company's accounting policies and the key sources of estimation and uncertainty were the same as those that applied in the published audited financial statements for the year ended June 30, 2025.

5 LONG TERM FINANCING

Under mark up arrangements

From banking companies/financial institutions

Secured

Tier - I debt

Addition

Paid during the period / year

Tier - II debt

Addition

Less: Current portion

Installments over due

Payable within one year

Associates

Sep-30, 2025 (Un-Audited)	Jun-30, 2025 (Audited)
Rupees	Rupees
3,341,182,937	3,400,493,903
-	-
(53,183,805)	(59,310,966)
3,287,999,132	3,341,182,937
4,744,899,864	4,744,899,864
-	-
4,744,899,864	4,744,899,864
8,032,898,996	8,086,082,801
-	45,869,438
764,790,658	581,693,164
764,790,658	627,562,602
7,268,108,338	7,458,520,199
10,446,180	10,091,222
7,278,554,518	7,468,611,421

6 CONTINGENCIES AND COMMITMENTS

a) Contingencies

There was no significant change in contingencies since the date of published audited financial statements for the year ended June 30, 2025.

b) Commitments

There was no commitments as on 30 September 2025. (June 30, 2025: Nil)

		QUARTER ENDED	
	Note	30-Sep-2025 Rupees	30-Sep-2024 Rupees
11 Cost of sales			
Cost of goods manufactured	11.1	465,394,822	884,092,362
Finished goods			
Opening stock		48,635,171	62,725,567
Closing stock		(32,192,672)	(42,195,824)
		16,442,499	20,529,743
Cost of sales		481,837,321	904,622,105
11.1 Cost of goods manufactured			
Raw material consumed	11.1.1	108,191,250	311,503,876
Salaries, wages and benefits		67,896,168	121,994,939
Staff retirement benefits		1,598,611	1,728,236
Processing charges		5,364,762	25,595,639
Conversion charges		-	7,662,193
Stores and spares		9,084,308	20,667,658
Dyes and chemicals		88,412,878	90,593,680
Packing material		17,230,655	40,138,850
Repairs and maintenance		107,500	970,473
Fuel and power		140,855,762	232,623,299
Insurance		4,173,737	4,165,670
Depreciation		32,712,309	33,554,954
Other		992,193	795,362
		476,620,133	891,994,829
Work in process			
Opening stock		93,644,802	169,568,921
Closing stock		(104,870,113)	(177,471,388)
		(11,225,311)	(7,902,467)
		465,394,822	884,092,362
11.1.1 Raw material consumed			
Opening stock		30,165,692	18,645,973
Purchases including purchase expenses		105,486,949	318,892,076
		135,652,641	337,538,049
Closing stock		(27,461,391)	(26,034,173)
		108,191,250	311,503,876
12 OTHER INCOME			
Income from assets other than financial assets:			
Sale of waste material		729,568	2,605,924
Rental Income		8,503,070	5,932,689
Gain on disposal of asset		-	907,577
Balances written back - net		-	64,609,185
Fair value adjustment of deferred revenue		354,958	267,476
		9,587,596	74,322,851

13 TRANSACTIONS WITH RELATED PARTIES

The Company in the normal course of business carries out transactions with various related parties which comprise of associated undertaking, directors and key management personnel. Amounts due to and due from related parties are shown under relevant notes to the financial statements, no other significant transactions with related parties.

14 CORRESPONDING FIGURES

In order to comply with the requirements of International Accounting Standard (IAS) 34 "Interim Financial Reporting", the condensed interim financial position and condensed interim statement of changes in equity have been compared with the balances of annual audited financial statements of preceding financial year, whereas, the condensed interim statement of profit or loss, condensed interim statement of comprehensive income and condensed interim statement of cash flows have been compared with the balances of comparable period of immediately preceding financial year. Corresponding figures have been re-arranged, wherever necessary, for the purpose of comparison. However, no significant re-arrangements / re-classification have been made during the period.

15 DATE OF AUTHORIZATION FOR ISSUE

These condensed interim financial statements were approved by the Board of Directors of the company and authorized for issue on **27-11-2025**.

16 GENERAL

Figures have been rounded off to the nearest Rupee except where mentioned otherwise.



(MIAN MUHAMMAD LATIF)
CHIEF EXECUTIVE OFFICER



(MUHAMMAD FARHAN LATIF)
DIRECTOR



(SADAQUAT HUSSAIN)
CHIEF FINANCIAL OFFICER

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