



Interim Financial  
Report Half Year ended  
December 31, 2025  
(Un-audited)



**SALLY TEXTILE MILLS LIMITED**

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## **Company Information**

Mian Iqbal Salahuddin  
Chief Executive Officer

Mr. Abid Ali Bajwa  
Chief Financial Officer

Syed Abid Raza Zaidi  
Company Secretary

### **Board of Directors**

Mian Iqbal Salahuddin  
Mst. Munira Salahuddin  
Mian Yousaf Salahuddin  
Mian Asad Salahuddin  
Mian Sohail Salahuddin  
Muhammad Khalil Latif  
Syed Abid Raza Zaidi

### **Audit Committee**

Muhammad Khalil Latif (Chairman)  
Mian Asad Salahuddin (Member)  
Mian Sohail Salahuddin (Member)

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

Mst. Munira Salahuddin (Chairperson)  
Mian Sohail Salahuddin (Member)  
Syed Abid Raza Zaidi (Secretary)

### **Auditors**

H.A.M.D. & Co., Chartered Accountants

### **Bankers**

National Bank of Pakistan  
The Bank of Punjab  
Silk Bank Limited  
Meezan Bank Limited  
Habib Bank Limited

Registered Office  
2-S, Gulberg II, Lahore  
Phones: (042) 35759002  
Fax: (042) 35754394  
E-mail: [sallytex@hotmail.com](mailto:sallytex@hotmail.com)

Mills  
Muzaffargarh Road, Joharabad, District  
Khushab  
Phones: (0454) 720645, 720546, 720311

# Directors' Report

## For the Half Year Ended 31 December 2025

The Directors of **Sally Textile Mills Limited** present their report together with the condensed interim financial statements of the Company for the six-month period ended 31 December 2025.

### Financial Performance

- The Company has incurred a **loss after tax of Rs. 16.67 million** during the half year (31-Dec-2024: Rs. 17.07 million).
- **Loss per share (basic and diluted)** stood at **Rs. (1.90)** compared to Rs. (1.95) in the corresponding period last year.
- Accumulated losses have increased to **Rs. 1,659.95 million**, resulting in **negative equity of Rs. 507.00 million**.
- Current liabilities exceed current assets by **Rs. 1,078.78 million**, reflecting severe liquidity constraints.

### Financial Summary (Half Year Ended 31 December 2025)

Particulars	31-Dec-25 (Rs.)	31-Dec-24 (Rs.)
Revenue	Nil	Nil
Gross Loss	(14,280,741)	(14,984,757)
Administrative Expenses	(2,389,034)	(2,091,252)
Operating Loss	(16,669,775)	(17,076,009)
Loss Before Taxation	(16,669,775)	(17,076,009)
<b>Loss After Taxation</b>	<b>(16,669,775)</b>	<b>(17,076,009)</b>
Loss Per Share (Basic & Diluted)	(1.90)	(1.95)

### Operational Status

- The Company has **suspended its operations since July 2018** due to financial difficulties.
- No revenue was recorded during the period, while fixed costs such as depreciation and administrative expenses continued to impact results.
- The management has relied on **interest-free loans from sponsors**, which increased by Rs. 2.706 million during the half year, bringing the total sponsor loan to **Rs. 864.23 million**.

## **Going Concern**

- The auditors and directors have highlighted **material uncertainty** regarding the Company's ability to continue as a going concern.
- The Board acknowledges that the Company is unable to meet its liabilities in the normal course of business and intends to **liquidate assets** to settle obligations.
- Despite this, the financial statements have been prepared on a going concern basis in compliance with the Companies Act, 2017.

## **Corporate Governance**

- The Board of Directors, Audit Committee, and HR & Remuneration Committee continued to perform their oversight functions.
- The Company has complied with applicable provisions of the Companies Act, 2017 and IAS 34 for interim reporting.

## **Future Outlook**

- The Board recognizes the challenges posed by accumulated losses, negative equity, and suspension of operations.
- Efforts will be made to safeguard stakeholder interests through asset liquidation and settlement of liabilities.
- The Directors remain committed to transparency and compliance with statutory requirements.

## **Acknowledgement**

The Board places on record its appreciation for the continued support of sponsors, shareholders, and regulatory authorities during this difficult period.

**For and on behalf of the Board**



Mian Iqbal Salahuddin  
Chief Executive Officer

January 28, 2026  
Lahore.



## INDEPENDENT AUDITOR'S REVIEW REPORT

### To the members of SALLY TEXTILE MILLS LIMITED Report on review of Interim Financial Statements

#### Introduction

We were engaged to review the accompanying condensed interim statement of financial position of **SALLY TEXTILE MILLS LIMITED** ['the Company'] as at **31 December 2025** and the related condensed interim statement of profit or loss, condensed interim statement of comprehensive income, condensed interim statement of cash flows, condensed interim statement of changes in equity and notes to the condensed interim financial statements for the six-month period then ended (here-in-after referred to as the "interim financial statements"). Management is responsible for the preparation and presentation of these interim financial statements in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on these interim financial statements based on our review. The figures for the three-month period ended **31 December 2025** of the condensed interim statement of profit or loss, condensed interim statement of comprehensive income have not been reviewed as we were required to review only cumulative figures for the six-month period ended on that date.

#### Scope of Review

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information performed by the Independent Auditor of the Entity." A review of interim financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion. However, because of the matters described in the Disclaimer of Conclusion section of our report, we were unable to conduct significant review procedures that we considered necessary to express a conclusion on these interim financial statements.

#### Basis for Disclaimer of Conclusion

- a) The Company has not provided us access to its books of account, records and other information which were necessary for the purpose of our review. Consequently, we were unable to determine whether any adjustments might have been found necessary in respect of recorded or unrecorded elements making up the condensed interim statement of financial position, condensed interim statement of profit or loss, condensed interim statement of comprehensive income, condensed interim statement of changes in equity and condensed interim statement of cash flows.
- b) We draw attention to note 2.1 to the annexed financial statements, as more fully described in that note, the Company has incurred loss after tax of Rs. 16.669 million at the reporting date and its accumulated losses stood at Rs. 1,659.95 million at half year end which resulted in negative equity to Rs. 507.000 million. Its current liabilities exceeded its current assets by Rs. 1,200.03 million. The Company has also suspended its operations since August 2018. The company is also unable to pay its non-current liabilities. These conditions and events indicate material uncertainty that may cast significant doubt on the company's ability to continue as a going concern and therefore it may be unable to realize its assets and discharge its liabilities in the normal course of business. The directors of the Company intend to liquidate its assets and the company in order to meet its obligations. However, as described in Note 2.1, these interim financial statements have been prepared under the going concern assumption basis which is an inappropriate basis.



Chartered Accountants

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### Disclaimer of Conclusion

Due to the significance of the matters described in the 'Basis for Disclaimer of Conclusion' paragraph, we were unable to obtain sufficient appropriate evidence to form a conclusion on the accompanying interim financial statements. Accordingly, we do not express a conclusion on these interim financial statements.

The engagement partner on the review resulting in this independent auditor's review report is Waseem Ashfaq.

HAMD & CO.

**H.A.M.D & CO.**

Chartered Accountants

Lahore:

Date: 28-January-2026

UDIN: RR202510040r5fu1tqeD



**SALLY TEXTILE MILLS LIMITED****CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION  
FOR THE SIX MONTH PERIOD ENDED 31 DECEMBER 2025**

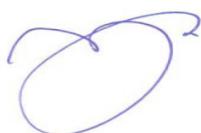
	Note	31-Dec-25 <i>Rupees</i> <i>(Un-Audited)</i>	30-Jun-25 <i>Rupees</i> <i>(Audited)</i>
<b>EQUITY AND LIABILITIES</b>			
<b>SHARE CAPITAL AND RESERVES</b>			
<i>Authorized share capital</i>		200,000,000	200,000,000
Issued share capital		87,750,000	87,750,000
Revaluation reserve		200,976,397	200,976,397
Loan from sponsors		864,226,405	861,520,405
Retained earnings		(1,659,953,228)	(1,643,283,453)
<b>TOTAL EQUITY</b>		<b>(507,000,426)</b>	<b>(493,036,651)</b>
<b>LOAN FROM SPONSORS</b>	6	-	-
<b>NON-CURRENT LIABILITIES</b>			
Long term finances		-	-
Employees retirement benefits		101,907,337	101,907,337
Deferred taxation		19,341,828	19,341,828
		121,249,165	121,249,165
<b>CURRENT LIABILITIES</b>			
Trade and other payables		418,172,110	418,172,110
Unclaimed dividend		1,010,033	1,010,033
Short term borrowings		722,544,931	722,544,931
Accrued interest/profit		386,279,029	386,279,029
Current portion of non-current liabilities		310,833,334	310,833,334
		1,838,839,437	1,838,839,437
<b>TOTAL LIABILITIES</b>		<b>1,960,088,602</b>	<b>1,960,088,602</b>
<b>CONTINGENCIES AND COMMITMENTS</b>	7		
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>1,453,088,176</b>	<b>1,467,051,951</b>



Chief Executive



Chief Financial Officer



Director

**SALLY TEXTILE MILLS LIMITED****CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION  
FOR THE SIX MONTH PERIOD ENDED 31 DECEMBER 2025**

	<i>Note</i>	<b>31-Dec-25</b> <i>Rupees</i>	<b>30-Jun-25</b> <i>Rupees</i>
		<i>(Un-Audited)</i>	<i>(Audited)</i>
<b>ASSETS</b>			
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment	8	681,785,959	695,749,734
Long term deposits		11,243,604	11,243,604
		<b>693,029,563</b>	<b>706,993,338</b>
<b>CURRENT ASSETS</b>			
Stores and spares		37,405,935	37,405,935
Stock in trade		565,440,498	565,440,498
Trade receivables		96,587,763	96,587,763
Short term deposits		1,613,107	1,613,107
Advances and other receivables		44,617,101	44,617,101
Advance income tax		11,764,760	11,764,760
Cash and bank balances		2,629,448	2,629,448
		<b>760,058,613</b>	<b>760,058,613</b>
<b>TOTAL ASSETS</b>		<b>1,453,088,176</b>	<b>1,467,051,951</b>



Chief Executive



Chief Financial Officer



Director

**SALLY TEXTILE MILLS LIMITED****CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS (UN-AUDITED)  
FOR THE SIX MONTH PERIOD ENDED 31 DECEMBER 2025**

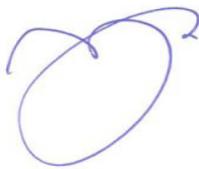
<b>Note</b>	<b>Six month ended</b>		<b>Three month ended</b>		
	<b>31-Dec-25</b>	<b>31-Dec-24</b>	<b>31-Dec-25</b>	<b>31-Dec-24</b>	
	<b>Rupees</b>	<b>Rupees</b>	<b>Rupees</b>	<b>Rupees</b>	
<b>Revenue from contracts with customers - net</b>	-	-	-	-	
Cost of sales	9	(14,280,741)	(14,984,757)	(7,140,371)	(7,507,379)
<b>Gross loss</b>		(14,280,741)	(14,984,757)	(7,140,371)	(7,507,379)
Administrative expenses		(2,389,034)	(2,091,252)	(1,139,517)	(674,971)
<b>Operating loss</b>		(16,669,775)	(17,076,009)	(8,279,888)	(8,182,350)
Finance cost		-	-	-	-
Notional interest		-	-	-	-
<b>Loss before taxation</b>		(16,669,775)	(17,076,009)	(8,279,888)	(8,182,350)
Provision for taxation	10	-	-	-	-
<b>Loss after taxation</b>		(16,669,775)	(17,076,009)	(8,279,888)	(8,182,350)
<b>Loss per share - basic and diluted</b>		(1.90)	(1.95)	(0.94)	(0.93)



Chief Executive



Chief Financial Officer



Director

# SALLY TEXTILE MILLS LIMITED

## CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED) FOR THE SIX MONTH PERIOD ENDED 31 DECEMBER 2025

	Six month ended		Three month ended	
	31-Dec-25 Rupees	31-Dec-24 Rupees	31-Dec-25 Rupees	31-Dec-24 Rupees
<i>Items that may be reclassified subsequently to profit or loss</i>				
<i>Items that will not be reclassified to profit or loss</i>				
Other comprehensive income				
Loss after taxation	(16,669,775)	(17,076,009)	(8,279,888)	(8,182,350)
<b>Total comprehensive loss</b>	<b>(16,669,775)</b>	<b>(17,076,009)</b>	<b>(8,279,888)</b>	<b>(8,182,350)</b>



Chief Executive



Chief Financial Officer



Director

# SALLY TEXTILE MILLS LIMITED

## CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED) FOR THE SIX MONTH PERIOD ENDED 31 DECEMBER 2025

	Issued Share capital Rupees	Revaluation reserve Rupees	Loan from sponsors Rupees	Retained earnings Rupees	Total equity Rupees
<b>Balance as at 01 July 2024 - Audited</b>	87,750,000	204,118,039	853,226,205	(1,617,228,483)	(472,134,239)
<b>Comprehensive loss</b>					
Loss after taxation	-	-	-	(17,076,009)	(17,076,009)
Other comprehensive income	-	-	-	-	-
<b>Total comprehensive loss</b>	-	-	-	(17,076,009)	(17,076,009)
<b>Incremental depreciation</b>					-
<b>Transaction with owners</b>			2,362,000		2,362,000
<b>Balance as at 31 December 2024 - Un-audited</b>	<b>87,750,000</b>	<b>204,118,039</b>	<b>855,588,205</b>	<b>(1,634,304,492)</b>	<b>(486,848,248)</b>
<b>Balance as at 01 January 2025- Un-audited</b>	<b>87,750,000</b>	<b>204,118,039</b>	<b>855,588,205</b>	<b>(1,634,304,492)</b>	<b>(486,848,248)</b>
<b>Comprehensive loss</b>					
Loss after taxation	-	-	-	(12,120,603)	(12,120,603)
Other comprehensive income	-	-	-	-	-
<b>Total comprehensive loss</b>	-	-	-	(12,120,603)	(12,120,603)
<b>Incremental depreciation</b>			(3,141,642)		3,141,642
<b>Transaction with owners</b>			5,932,200		5,932,200
<b>Balance as at 30 June 2025 - Audited</b>	<b>87,750,000</b>	<b>200,976,397</b>	<b>861,520,405</b>	<b>(1,643,283,453)</b>	<b>(493,036,651)</b>
<b>Balance as at 01 July 2025 - Audited</b>	<b>87,750,000</b>	<b>200,976,397</b>	<b>861,520,405</b>	<b>(1,643,283,453)</b>	<b>(493,036,651)</b>
<b>Comprehensive loss</b>					
Loss after taxation	-	-	-	(16,669,775)	(16,669,775)
Other comprehensive income	-	-	-	-	-
<b>Total comprehensive loss</b>	-	-	-	(16,669,775)	(16,669,775)
<b>Incremental depreciation</b>					-
<b>Transaction with owners</b>			2,706,000		2,706,000
<b>Balance as at 31 December 2025 - Un-audited</b>	<b>87,750,000</b>	<b>200,976,397</b>	<b>864,226,405</b>	<b>(1,659,953,228)</b>	<b>(507,000,426)</b>



Chief Executive



Chief Financial Officer



Director

**SALLY TEXTILE MILLS LIMITED****CONDENSED INTERIM STATEMENT OF CASH FLOWS (UN-AUDITED)  
FOR THE SIX MONTH PERIOD ENDED 31 DECEMBER 2025**

	31-Dec-25 Rupees	31-Dec-24 Rupees
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Loss before taxation	(16,669,775)	(17,076,009)
Adjustments for non-cash and other items		
Interest/profit on borrowings	-	-
Notional interest	-	-
Depreciation	13,963,775	14,720,008
	13,963,775	14,720,008
<b>Operating loss before changes in working capital</b>	<b>(2,706,000)</b>	<b>(2,356,001)</b>
Changes in working capital		
Trade receivables	0	0
Advances and other receivables	-	-
Trade and other payables	-	(6,000)
	0	(6,000)
<b>Net cash used in operations</b>	<b>(2,706,000)</b>	<b>(2,362,001)</b>
Income tax paid	-	-
<b>Net cash used in operating activities</b>	<b>(2,706,000)</b>	<b>(2,362,001)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Net decrease in short term borrowings	0	0
Loan from sponsors obtained	2,706,000	2,362,000
<b>Net cash generated from financing activities</b>	<b>2,706,000</b>	<b>2,362,000</b>
<b>NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS</b>	<b>(0)</b>	<b>(0)</b>
<b>CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD</b>	<b>2,629,448</b>	<b>2,629,448</b>
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD</b>	<b>2,629,448</b>	<b>2,629,448</b>



Chief Executive



Chief Financial Officer



Director

## NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE SIX MONTH PERIOD ENDED 31 DECEMBER 2025

### 1 LEGAL STATUS AND OPERATIONS

Sally Textile Mills Limited ['the Company'] is incorporated in Pakistan as a Public Limited Company under the Companies Ordinance, 1984 and is listed on Pakistan Stock Exchange Limited. The Company is a spinning unit engaged in the manufacture and sale of yarn. The registered office of the Company is situated at 4 F, Gulberg - II, Lahore. The manufacturing facility, including the power generation unit, is located at Joharabad District Khushab in the Province of Punjab.

### 2 BASIS OF PREPARATION

The interim financial statements are un-audited and has been presented in condensed form and do not include all the information as is required to be provided in a full set of annual financial statements. These interim financial statements should be read in conjunction with the audited financial statements of the Company for the year ended 30 June 2025.

This interim financial statements have been subjected to limited scope review by the auditors of the company, as required by the Companies Act, 2017 under section 237. The comparative condensed interim statement of financial position as at 30 June 2025 and the related notes to the interim financial statements are based on audited financial statements. The comparative condensed interim statement of profit or loss, condensed interim statement of comprehensive income, condensed interim statement of cash flows, condensed interim statement of changes in equity and related notes to the condensed interim financial statements for the six month period ended 31 December 2024 are based on unaudited, reviewed interim financial statements. The condensed interim statement of profit or loss and condensed interim statement of comprehensive income for the three months period ended 31 December 2025 and 31 December 2024 are neither audited nor reviewed.

#### 2.1 Going concern assumption

The Company has incurred loss after tax of Rs. 16.669 million at the reporting date and its accumulated losses stood at Rs.1,659.95 million at half year end which resulted in negative equity to Rs. 507.00 million. Its current liabilities exceed its current assets by Rs. 1,078.78 million. The Company has also suspended its operations since July 2018. The company is also unable to pay its liabilities. These conditions and events indicate material uncertainty that may cast significant doubt on the company's ability to continue as a going concern and therefore it may be unable to realize its assets and discharge its liabilities in the normal course of business. The directors of the Company intend to liquidate its assets and the company in order to meet its obligations. However, the Company has prepared these interim financial statements using the going concern basis and no adjustments were made in these financial statements to bring its assets and liabilities at their realizable values.

#### 2.2 Statement of compliance

These 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 comprises of:

- International Accounting Standard 34 - Interim Financial Reporting, issued by 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.

#### 2.3 Basis of measurement

These financial statements have been prepared on the historical cost basis except for the following items, which are measured on an alternative basis as at the reporting date.

Items	Measurement basis
Financial liabilities	Amortized cost
Financial assets	Fair value/amortized cost
Employee retirement benefits	Present value

#### 2.4 Judgments, estimates and assumptions

The preparation of interim financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions and judgements are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the result of which forms the basis of making judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised and in any future periods affected.

# SALLY TEXTILE MILLS LIMITED

## NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE SIX MONTH PERIOD ENDED 31 DECEMBER 2025

### 2.5 Functional currency

These financial statements have been prepared in Pak Rupees which is the Company's functional currency. The amounts reported in these financial statements have been rounded to the nearest Rupees unless specified otherwise.

### 3 NEW AND REVISED STANDARDS, INTERPRETATIONS AND AMENDMENTS EFFECTIVE DURING THE PERIOD.

There are certain new and revised standards, interpretations and amendments are effective in the current period but are either not relevant to the Company or their application does not have any material impact on the interim financial statements of the Company other than presentation and disclosures, except as stated otherwise.

### 4 NEW AND REVISED STANDARDS, INTERPRETATIONS AND AMENDMENTS NOT YET EFFECTIVE.

Certain standards, interpretations and amendments are in issue which are not effective as at the reporting date and have not been early adopted by the Company. The Company intends to adopt these new and revised standards, interpretations and amendments on their effective dates, subject to, where required, notification by Securities and Exchange Commission of Pakistan under section 225 of the Companies Act, 2017 regarding their adoption. The management anticipates that the adoption of the above standards, amendments and interpretations in future periods, will not have a material impact on the Company's financial statements other than in presentation/disclosures.

### 5 ACCOUNTING POLICIES AND METHODS OF COMPUTATION

The accounting policies and methods of computation adopted in the preparation of these interim financial statements are the same as those applied in the preparation of preceding annual financial statements of the Company for the year ended 30 June 2025.

	Note	31-Dec-25	30-Jun-25
	Rupees	Rupees	
	(Un-Audited)	(Audited)	
<b>6 LOAN FROM SPONSORS</b>			
Loan from sponsors	6.1	861,520,405	853,226,205
Add: Obtain during the year		2,706,000	8,294,200
		<b>864,226,405</b>	<b>861,520,405</b>

**6.1** This loan has been obtained from sponsors of the Company and is unsecured and interest free. During previous year, the Board approved to change the nature of the loan which is now repayable at the discretion of the Company and has been reclassified accordingly. This loan is subordinated to long term and short term borrowings obtained from various banking institutions.

### 7 CONTINGENCIES AND COMMITMENTS

There is no significant changes in the status of contingencies and any commitments since 30 June 2025.

	Note	31-Dec-25	30-Jun-25
	Rupees	Rupees	
	(Un-Audited)	(Audited)	
<b>8 PROPERTY, PLANT AND EQUIPMENT</b>			
Net book value at the beginning of the period/year		695,749,734	725,189,751
Depreciation for the period/year		(13,963,775)	(29,440,017)
Net book value at the end of the period/year		<b>681,785,959</b>	<b>695,749,734</b>

# SALLY TEXTILE MILLS LIMITED

## NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE SIX MONTH PERIOD ENDED 31 DECEMBER 2025

	Six month ended		Three month ended	
	31-Dec-25	31-Dec-24	31-Dec-25	31-Dec-24
	Rupees	Rupees	Rupees	Rupees
	(Un-Audited)	(Un-Audited)	(Un-Audited)	(Un-Audited)
<b>9 COST OF SALES</b>				
Salaries, wages and benefits	462,000	432,000	231,000	231,000
Depreciation	13,818,741	14,552,757	6,909,371	7,276,379
Others	-	-	-	-
Manufacturing cost	14,280,741	14,984,757	7,140,371	7,507,379
Finished goods				
As at beginning of the period	108,894,900	108,894,900	108,894,900	108,894,900
As at end of the period	(108,894,900)	(108,894,900)	(108,894,900)	(108,894,900)
	-	-	-	-
	14,280,741	14,984,757	7,140,371	7,507,379

### 10 PROVISION FOR TAXATION

**10.1** No Provision for taxation has been made as the Company has NIL income during the period.

**10.2** No provision for deferred tax has been made as the impact of the same is considered immaterial.

### 11 TRANSACTIONS AND BALANCES WITH RELATED PARTIES

Related parties from the Company's perspective comprise key management personnel and sponsors of the Company. Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, and includes the Chief Executive and Directors of the Company. The details of Company's related parties, with whom the Company had transactions during the period or has balances outstanding as at the reporting date are as follows:

Name of related party	Nature of relationship	Basis of relationship	Aggregate %age of shareholding in the Company
Mian Iqbal Salahuddin	Key management personnel	Chief executive officer	17.59%
Ms. Munira Salahuddin	Key management personnel	Director	18.38%
Mian Asad Salahuddin	Key management personnel	Director	17.71%
Mian Yousaf Salahuddin	Key management personnel	Director	17.59%
Mian Sohail Salahuddin	Key management personnel	Director	0.08%
Syed Abid Raza Zaidi	Key management personnel	Director	0.03%

Transactions with sponsors are limited to provision of interest free loans to the Company. Details of transactions and balances with related parties is as follows:

# SALLY TEXTILE MILLS LIMITED

## NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE SIX MONTH PERIOD ENDED 31 DECEMBER 2025

Nature of relationship	Nature of transaction	Six month ended	
		31-Dec-25	31-Dec-24
		Rupees	Rupees
Sponsors	Long term loan	2,706,000	2,362,000
		31-Dec-25	30-Jun-25
		Rupees	Rupees
		(Un-Audited)	(Audited)

### 11.1 Transactions with related parties

Nature of relationship	Nature of transaction	31-Dec-25	30-Jun-25
		Rupees	Rupees
Sponsors	Long term loan	2,706,000	2,362,000
	Short term borrowings	-	(7,281)

### 12 FINANCIAL INSTRUMENTS

The carrying amounts of the Company's financial instruments by class and category are as follows:

Nature of relationship	Nature of balances	31-Dec-25	30-Jun-25
		Rupees	Rupees
		(Un-Audited)	(Audited)
Sponsors	Long term loan	864,226,405	861,520,405
	Short term borrowings	-	(7,281)

### 12.1 Financial assets

<i>Cash in hand</i>	366,962	366,962
<i>Financial assets at amortized cost</i>		
Long term deposits	11,243,604	11,243,604
Trade receivables	96,587,763	96,587,763
Short term deposits	1,613,107	1,613,107
Advances to employees	9,744,543	12,877,167
Insurance claims receivable	1,922,460	1,922,460
Bank balances	2,262,486	2,262,486
	123,740,925	126,873,549

### 12.2 Financial liabilities

<i>Financial liabilities at amortized cost</i>		
Loan from sponsors	864,226,405	861,520,405
Long term finances	310,833,334	310,833,334
Short term borrowings	722,544,931	722,544,931
Accrued interest/profit	386,279,029	386,279,029
Trade creditors	97,773,119	97,773,119
Accrued liabilities	183,562,173	183,562,173
Unclaimed dividend	1,010,033	1,010,033
	2,566,229,024	2,563,523,024

# SALLY TEXTILE MILLS LIMITED

## NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE SIX MONTH PERIOD ENDED 31 DECEMBER 2025

### 13 FAIR VALUE MEASUREMENTS

#### 13.1 Financial Instruments

##### 13.1.1 Financial instruments measured at fair value

The Company measures some of its financial assets at fair value. Fair value measurements are classified using a fair value hierarchy that reflects the significance of the inputs used in making the measurements and has the following levels.

Level 1	Quoted prices (unadjusted) in active markets for identical assets or liabilities.
Level 2	Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (i.e. derived from prices).
Level 3	Inputs for the asset or liability that are not based on observable market data (i.e. unobservable inputs).

The fair value hierarchy of assets measured at fair value and the information about how the fair values of these financial instruments are determined are as follows:

There are no recurring or non-recurring fair value measurements as at the reporting date. The management considers the carrying amount of all the financial instruments to approximate their fair values.

##### 13.1.2 Financial instruments not measured at fair value

The management considers the carrying amount of all financial instruments not measured at fair value to approximate their carrying values.

### 14 EVENTS AFTER THE REPORTING PERIOD

There are no significant events after the reporting period that may require adjustment of and/or disclosure in these interim financial statements.

### 15 RECOVERABLE AMOUNTS AND IMPAIRMENT

As at the reporting date, recoverable amounts of all assets/cash generating units are equal to or exceed their carrying amounts, unless stated otherwise in these interim financial statements.

### 16 GENERAL

- 16.1 There are no other significant activities since June 30, 2025 affecting the interim financial statements.
- 16.2 Corresponding figures have been re-arranged where necessary to facilitate comparison. However, there are no significant reclassifications during the period.

### 17 Date of authorisation for issue

These interim financial statements have been approved by the Board of Directors of the Company and authorized for issue on 28-01-2026.



Chief Executive



Chief Financial Officer



Director

# BOOK POST

UNDER POSTAL CERTIFICATE

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