



ARCTIC TEXTILE MILLS LIMITED

www.arctictextile.com

ACCOUNTS
FOR THE HALF YEAR ENDED
31 DECEMBER 2025

Contents

01

**COMPANY
INFORMATION**

02

**DIRECTORS' REPORT
TO THE MEMBERS**

06

**INDEPENDENT AUDITOR'S
REVIEW REPORT**

07

**STATEMENT OF
FINANCIAL POSITION**

08

**STATEMENT OF
PROFIT OR LOSS**

09

**STATEMENT OF
COMPREHENSIVE INCOME**

10

**STATEMENT OF
CHANGES IN EQUITY**

11

**STATEMENT OF
CASH FLOWS**

12

**NOTES TO THE INTERIM
FINANCIAL INFORMATION**

**COMPANY INFORMATION****Board of Directors**

Mr. Muhammad Ashraf	Chairman
Mr. Muhammad Iqbal	Chief Executive Officer
Mr. Zeeshan Saeed	Director
Mr. Zahid Ali	Director (Independent)
Mr. Qasim Ali	Director (Independent)
Miss. Areej Tariq	Director (Nominee BIPL)
Mr. Qaiser Nasir	Director (Nominee BIPL)

Audit Committee

Mr. Zahid Ali	Chairman
Miss. Areej Tariq	Member
Mr. Muhammad Ashraf	Member

HR and Remuneration Committee

Mr. Qasim Ali	Chairman
Mr. Qaiser Nasir	Member
Mr. Muhammad Iqbal	Member

Nomination Committee

Mr. Muhammad Ashraf	Chairman
Mr. Zahid Ali	Member
Mr. Qasim Ali	Member

Risk Management Committee

Mr. Muhammad Iqbal	Chairman
Mr. Muhammad Ashraf	Member
Mr. Zahid Ali	Member

Sustainability Committee

Mr. Qasim Ali	Chairman
Mr. Qaiser Nasir	Member
Mr. Muhammad Iqbal	Member

Company Secretary

Mr. Ali Mudassar

Chief Financial Officer

Mr. Muhammad Daniyal

Auditors

Riaz Ahmad and Company (Chartered Accountants)
FS Tower, Out Side AI – Fateh Garden
East Canal Road, Faisalabad.

Banks

The Bank of Punjab
Habib Metropolitan Bank Limited
MCB Bank Limited
Bank Alfalah Limited
Askari Bank Limited

Share Registrar

Corplink (Private) Limited
Wings Arcade, 1-K, Commercial, Model Town, Lahore

Registered/Head Office

P-102, Jail Road, Faisalabad.
+92-41-2605076
www.arctictextile.com, info@arctictextile.com

Mills

35 - Kilometer, Sheikhpura Road, Faisalabad
<https://www.arctictextile.com/financial-statement.html>





DIRECTOR'S REPORT TO THE MEMBERS FOR THE HALF YEAR ENDED 31 DECEMBER 2025

The Board of Directors of the Company is pleased to present the un-audited financial results of the Company reviewed by statutory auditors of the Company for the half year ended on 31 December 2025.

Financial Results:

The financial results of the Company for the half year ended 31 December 2025 are as follow:

	Half year ended	
	31 December 2025	31 December 2024
	(Rupees in thousand)	
REVENUE FROM CONTRACTS WITH CUSTOMERS	908,869	1,217,788
COST OF SALES	(835,002)	(1,137,367)
GROSS PROFIT	73,867	80,421
DISTRIBUTION COST	(2,871)	(4,013)
ADMINISTRATIVE EXPENSES	(22,727)	(20,681)
OTHER EXPENSES	(3,527)	(4,248)
OTHER INCOME	458	8,993
FINANCE COST	(737)	(1,980)
PROFIT BEFORE TAXATION & LEVY	44,463	58,492
LEVY	-	-
PROFIT BEFORE TAXATION	44,463	58,492
TAXATION	(10,443)	873
PROFIT AFTER TAXATION	34,020	59,365
EARNING PER SHARE - BASIC AND DILUTED (RUPEES)	2.58	4.51

During the half-year under review, the Company generated revenue of Rupees 908.869 million, compared to Rupees 1,217.788 million in the corresponding period of the preceding year. Profit after taxation for the period stood at Rupees 34.020 million, as against Rupees 59.365 million in the same period last year. The earnings per share (EPS) for the current period is Rupees 2.58, compared to Rupees 4.51 for the corresponding period of the previous year.

Industry Overview:

The spinning industry, a key pillar of Pakistan's textile sector, is currently facing significant challenges. High energy costs, financing rates, taxation disparities, policy inconsistencies, and strong regional competition have weakened its competitiveness, particularly in export markets. These pressures have adversely affected the industry's performance and its contribution to the national economy.

Future Prospects:

The spinning industry is operating in a challenging environment characterized by economic pressures and operational constraints. A cohesive strategy centered on operational excellence, market diversification, and proactive policy engagement is vital to navigate the current landscape and build long-term resilience. While challenges persist, the management of your Company has responded with a focused strategy built around cost optimization, improved operational efficiency, energy management, and prudent working capital control. Management is also pursuing diversification and value-added products to sustain market share. The Board remains committed to strengthening financial resilience and positioning the Company to benefit from economic stabilization going forward.

**Composition of the Board:**

The total number of directors are seven as per the following:

- a. Male: **06**
- b. Female: **01**

The composition of board is as follows:

- a) Independent Directors: **02**
- b) Non-executive Directors: **03**
- c) Executive Directors: **02**

Committees of the Board:**Audit Committee:**

Sr. #	Name of Directors	
1-	Mr. Zahid Ali	Chairman/Member
2-	Miss Areej Tariq	Member
3-	Mr. Muhammad Ashraf	Member

Human Resource & Remuneration (HR&R) Committee:

Sr. #	Name of Directors	
1-	Mr. Qasim Ali	Chairman/Member
2-	Mr. Qaiser Nasir	Member
3-	Mr. Muhammad Iqbal	Member

Nomination Committee:

Sr. #	Name of Directors	
1-	Mr. Muhammad Ashraf	Chairman/Member
2-	Mr. Zahid Ali	Member
3-	Mr. Qasim Ali	Member

Risk Management Committee:

Sr. #	Name of Directors	
1-	Mr. Muhammad Iqbal	Chairman/Member
2-	Mr. Muhammad Ashraf	Member
3-	Mr. Zahid Ali	Member

Sustainability Committee:

Sr. #	Name of Directors	
1-	Mr. Qasim Ali	Chairman/Member
2-	Mr. Qaiser Nasir	Member
3-	Mr. Muhammad Iqbal	Member

Director's Remuneration

The Company does not pay any remuneration to its Non-Executive Directors, including Independent Directors, other than meeting fees. The aggregate amount of remuneration paid to Directors has been disclosed in Note 7 to the annexed financial statements.

Acknowledgment

We place on record our sincere appreciation for the dedication and unwavering commitment of our employees, whose efforts continue to be instrumental to the Company's performance. We also express our gratitude to our valued shareholders and lending institutions for their continued confidence and support.

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS**Director****Chief Executive Officer**

Faisalabad:
February 25, 2026

ڈائریکٹرز کا جائزہ

کھینچی کے ڈائریکٹرز انتہائی مسرت کے ساتھ 31 دسمبر 2025 کو اختتام پذیر ہونے والی ششماہی کے نمبر آڈٹ شدہ مالیاتی نتائج آپ کی خدمت میں پیش کر رہے ہیں۔

مالیاتی نتائج:

31 دسمبر 2025 کو اختتام پذیر ہونے والی ششماہی کے مالیاتی نتائج درج ذیل ہیں۔

اختتام پذیر ششماہی		
31 دسمبر 2024	31 دسمبر 2025	
روپے ہزاروں میں		
1,217,788	908,869	کنٹر ایکٹرز کے ساتھ معاہدوں سے حاصل ہونے والی آمدن
<u>(1,137,367)</u>	<u>(835,002)</u>	لاگت آمدن
80,421	73,867	مجموعی نفع
(4,013)	(2,871)	فروخت و تقسیم کے اخراجات
(20,681)	(22,727)	انتظامی اخراجات
(4,248)	(3,527)	دیگر اخراجات
8,993	458	دیگر آمدن
<u>(1,980)</u>	<u>(737)</u>	مالیاتی اخراجات
58,492	44,463	نفع قبل از ٹیکس اور محصول (لیوی)
-	-	محصول (لیوی)
58,492	44,463	قبل از ٹیکس نفع
873	(10,443)	ٹیکس
<u>59,365</u>	<u>34,020</u>	بعد از ٹیکس نتائج
<u>4.51</u>	<u>2.58</u>	فی شخص نتائج (روپے میں)

زیر جائزہ ششماہی کے دوران کھینچی 908,869 ملین روپے کی آمدنی حاصل کی۔ جو کہ پچھلے سال کی اسی مدت میں 1,217,788 ملین روپے تھی۔ بعد از ٹیکس نتائج 34,020 ملین روپے رہا جو کہ گزشتہ سال کے اسی عرصہ کے دوران میں 59,365 ملین روپے تھا۔ فی شخص آمدنی 2.58 روپے ہے۔ جو پچھلے سال کی اسی مدت کے لیے 4.51 روپے تھی۔

انڈسٹری کا جائزہ:

سینکب انڈسٹری، جو پاکستان کی ٹیکسٹائل صنعت کا ایک اہم ستون ہے۔ اس وقت شدید چیلنجز سے دوچار ہے تو انائی کی بلند لاگت - شرح سود ٹیکس میں عدم توازن، پالیسی میں عدم تسلسل اور علاقائی سطح پر سخت مسابقت نے ٹیکسٹائل برآمدی منڈیوں میں اس کی مسابقتی حیثیت کو کمزور کیا ہے۔ ان عوامل نے صنعت کی مجموعی کارکردگی اور قومی معیشت میں اس کے کردار کو منفی طور پر متاثر کیا ہے۔

مستقبل کے امکانات:

سینکب انڈسٹری اس وقت معاشی دباؤ اور آئیٹیریشنل پابندیوں کے باعث ایک مشکل مرحلے میں کام کر رہی ہے۔ موجودہ حالات کا موثر طور پر مقابلہ کرنے اور طویل مدتی استحکام حاصل کرنے کے لیے آپریشنل بہتری، منڈیوں میں توجہ اور پالیسی سطح پر فعال حکمت عملی نہایت ضروری ہے۔

اگرچہ مشکلات دستور ہیں مگر کئی کی انتظامیہ نے ان حالات کے پیش نظر لاگت میں کمی، آپریشنل کارکردگی میں بہتری، توانائی کے بہتر انتظام اور ورکنگ کپٹل کے متناہد کنٹرول پر توجہ عملی اپنائی ہے۔ انتظامیہ توجہ اور لیوی یڈیٹ مصنوعات کے فروغ پر بھی کام کر رہی ہے تاکہ مارکیٹ شیئر برقرار رکھا جاسکے۔ پورڈ معاشی استحکام کی صورت میں کھینچی کو فائدہ پہنچانے کے لیے مالی مشیونری میں اضافے کے عزم پر قائم ہے۔

بورڈ کی ساخت:

ڈائریکٹرز کی کل تعداد سات ہے، جن کی تفصیل درج ذیل ہے۔

06	مرد:
01	خواتین:

بورڈ کی ساخت:

02	آزاد ڈائریکٹرز:
03	غیر ایگزیکٹو ڈائریکٹرز:
ممبر	جناب قیصر ناصر
ممبر	جناب محمد اقبال

نمائندگی کی کمیٹی:

جناب محمد اشرف	چیئرمین / ممبر
جناب زاہد علی	ممبر
جناب قاسم علی	ممبر

رسک مینجمنٹ کمیٹی:

جناب محمد اقبال	چیئرمین / ممبر
جناب محمد اشرف	ممبر
جناب زاہد علی	ممبر

استیکام کمیٹی:

جناب قاسم علی	چیئرمین / ممبر
جناب قیصر ناصر	ممبر
جناب محمد اقبال	ممبر

ڈائریکٹرز کا معاوضہ:

کمیٹی اپنے نان ایگزیکٹو ڈائریکٹرز سے آراوڈ ڈائریکٹرز کا اعلان نہیں کے علاوہ معاوضہ ادا نہیں کرتی۔ ڈائریکٹرز کو ادا کئے گئے معاوضہ کی مجموعی رقم منسلک مالی حسابات کے نوٹ نمبر 07 میں دیکھی جاسکتی ہے۔

اعتراف:

ہم اپنے ملازمین کی محنت، لگن اور غیر متزلزل عزم کو سراہتے ہیں۔ جن کی کوششیں کمیٹی کی کارکردگی میں اگلیوں کی کردار ادا کرتی ہیں۔ ہم اپنے معزز شیئرز، ہولڈرز اور مالیاتی اداروں کے مسلسل اعتماد اور تعاون پر بھی دلی شکر ادا کرتے ہیں۔

بورڈ آف ڈائریکٹرز کی طرف سے:



ڈیشان سعید
ڈائریکٹر



محمد اقبال
چیف ایگزیکٹو آفیسر

نیپل آباد

25 فروری 2026



INDEPENDENT AUDITOR'S REVIEW REPORT

To the members of Arctic Textile Mills Limited

Report on review of Condensed Interim Financial Statements

Introduction

We have reviewed the accompanying condensed interim statement of financial position of ARCTIC TEXTILE MILLS LIMITED 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 changes in equity, and condensed interim statement of cash flows, and notes to condensed interim financial statements for the half year then ended (here-in-after referred to as "condensed interim financial statements"). Management is responsible for the preparation and presentation of these condensed 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 condensed interim financial statements based on our review.

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 condensed 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.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed interim financial statements are not prepared, in all material respects, in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting.

Other Matter

Pursuant to the requirement of Section 237 (1) (b) of the Companies Act, 2017, only cumulative figures for the half year, presented in the second quarter accounts are subject to a limited scope review by the statutory auditors of the company. Accordingly, the figures of the condensed interim statement of profit or loss and condensed interim statement of comprehensive income for the three months period ended 31 December 2025 have not been reviewed by us.

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

RIAZ AHMAD & COMPANY
Chartered Accountants

Faisalabad

Date: 25 February 2026

UDIN: RR202510158Dqn6aIhbT



CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2025

		Un-audited 31 December 2025	Audited 30 June 2025
	NOTE	(Rupees in thousand)	
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorized share capital			
30 000 000 (30 June 2025: 30 000 000) ordinary shares of Rupees 10 each		300,000	300,000
Issued, subscribed and paid up share capital			
13 174 800 (30 June 2025: 13 174 800) ordinary shares of Rupees 10 each fully paid in cash		131,748	131,748
Reserves			
Capital reserves			
Equity portion of former shareholders' loan		13,335	13,335
Surplus on revaluation of property, plant and equipment - net of deferred income tax		164,253	166,590
		177,588	179,925
Revenue reserve			
Unappropriated profit		155,885	116,569
Total reserves		333,473	296,494
Total equity		465,221	428,242
LIABILITIES			
NON-CURRENT LIABILITIES			
Deferred income tax liability		40,110	48,620
Staff retirement gratuity		100,556	88,615
		140,666	137,235
CURRENT LIABILITIES			
Trade and other payables	3	225,020	325,330
TOTAL LIABILITIES		365,686	462,565
CONTINGENCIES AND COMMITMENTS			
TOTAL EQUITY AND LIABILITIES	4	830,907	890,807
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	5	571,706	597,748
Long term deposits and prepayment		26,720	26,720
		598,426	624,468
CURRENT ASSETS			
Stores, spare parts and loose tools		64,665	66,920
Trade debts		96,604	46,541
Loans and advances		5,047	3,278
Advance income tax - net		26,976	21,237
Short term deposits, prepayments and other receivables		28,830	45,077
Cash and bank balances		10,359	83,286
TOTAL ASSETS		232,481	266,339
		830,907	890,807

The annexed notes form an integral part of these condensed interim financial statements.

CHIEF EXECUTIVE OFFICER

DIRECTOR

CHIEF FINANCIAL OFFICER

**CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS (Un-audited)
FOR THE HALF YEAR ENDED 31 DECEMBER 2025**

	NOTE	Half year ended		Quarter ended	
		31 December 2025	31 December 2024	31 December 2025	31 December 2024
		(Rupees in thousand)			
REVENUE FROM CONTRACTS WITH CUSTOMERS	6	908,869	1,217,788	461,069	746,439
COST OF SALES		(835,002)	(1,137,367)	(421,748)	(703,727)
GROSS PROFIT		73,867	80,421	39,321	42,712
DISTRIBUTION COST		(2,871)	(4,013)	(2,070)	(3,110)
ADMINISTRATIVE EXPENSES		(22,727)	(20,681)	(11,707)	(10,542)
OTHER EXPENSES		(3,527)	(4,248)	(1,044)	(2,128)
OTHER INCOME		458	8,993	458	8,993
FINANCE COST		(737)	(1,980)	(624)	(1,054)
PROFIT BEFORE TAXATION AND LEVY		44,463	58,492	24,334	34,871
LEVY		-	-	-	-
PROFIT BEFORE TAXATION		44,463	58,492	24,334	34,871
TAXATION		(10,443)	873	(7,022)	2,030
PROFIT AFTER TAXATION		34,020	59,365	17,312	36,901
EARNINGS PER SHARE - BASIC AND DILUTED (RUPEES)		2.58	4.51	1.31	2.80

The annexed notes form an integral part of these condensed interim financial statements.

CHIEF EXECUTIVE OFFICER

DIRECTOR

CHIEF FINANCIAL OFFICER

**CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (Un-audited)
FOR THE HALF YEAR ENDED 31 DECEMBER 2025**

	Half year ended		Quarter ended	
	31 December 2025	31 December 2024	31 December 2025	31 December 2024
	(Rupees in thousand)			
PROFIT AFTER TAXATION	34,020	59,365	17,312	36,901
OTHER COMPREHENSIVE INCOME				
Items that will not be reclassified subsequently to profit or loss				
Surplus on revaluation of property, plant and equipment	-	62,995	-	62,995
Related deferred income tax liability	-	(8,966)	-	(8,966)
Items that may be reclassified subsequently to profit or loss				
	-	54,029	-	54,029
	-	-	-	-
Other comprehensive income for the period - net of tax	-	54,029	-	54,029
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	34,020	113,394	17,312	90,930

The annexed notes form an integral part of these condensed interim financial statements.

CHIEF EXECUTIVE OFFICER

DIRECTOR

CHIEF FINANCIAL OFFICER

**CONDENSED INTERIM STATEMENT OF CASH FLOWS (Un-audited)
FOR THE HALF YEAR ENDED 31 DECEMBER 2025**

	Half year ended	
	31 December 2025	31 December 2024
(Rupees in thousand)		
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation and levy	44,463	58,492
Adjustments for non-cash charges and other items:		
Depreciation	26,042	22,693
Gain on sale of property, plant and equipment	-	(8,515)
Provision for staff retirement gratuity	19,241	19,563
Liability transferred from other company	9,164	-
Finance cost	737	1,980
	99,647	94,213
Working capital changes		
Net decrease / (increase) in current assets:		
Stores, spare parts and loose tools	2,255	(94,628)
Trade debts	(50,063)	(57,515)
Loans and advances	(1,769)	(10,767)
Short term deposits, prepayments and other receivables	16,247	(2,644)
	(33,330)	(165,554)
(Decrease) / increase in trade and other payables	(100,734)	123,903
Cash (used in) / generated from operations	(34,417)	52,562
Finance cost paid	(313)	(1,404)
Income tax and levy paid	(21,733)	(41,074)
Staff retirement gratuity paid	(16,464)	(7,926)
Net increase in long term deposits and prepayment	-	(17,530)
Net cash used in operating activities	(72,927)	(15,372)
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from sale of property, plant and equipment	-	24,437
Net cash from investing activities	-	24,437
NET (DECREASE) / INCREASE IN CASH AND CASH EQUIVALENTS	(72,927)	9,065
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	83,286	12,605
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	10,359	21,670

The annexed notes form an integral part of these condensed interim financial statements.

CHIEF EXECUTIVE OFFICER

DIRECTOR

CHIEF FINANCIAL OFFICER

**SELECTED NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (Unaudited)
FOR THE HALF YEAR ENDED 31 DECEMBER 2025****1. THE COMPANY AND ITS OPERATIONS**

Arctic Textile Mills Limited (the Company) is a public limited company incorporated in Pakistan under the repealed Companies Ordinance, 1984 (Now Companies Act, 2017) on 27 February 1986 and listed on Pakistan Stock Exchange Limited on 30 October 1989. Its registered office is situated at P-102, Jail Road, Faisalabad. The Company manufactures and deals in all types of yarn and also deals in trading of fabric / made ups. The manufacturing facility of the Company is situated at 35 Kilometers, Main Shekhupura Road, Mouza Johal, Tehsil Jaranwala, District Faisalabad.

2. BASIS OF PREPARATION AND STATEMENT OF MATERIAL ACCOUNTING POLICY INFORMATION**2.1 Statement of compliance**

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, directives and notifications issued under the Companies Act, 2017.

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

2.2 These condensed interim financial statements do not include all the information required for annual financial statements and should be read in conjunction with the annual financial statements of the Company for the year ended 30 June 2025.

2.3 Statement of material accounting policy information

The material accounting policy information applied in the preparation of these condensed interim financial statements are consistent with those applied in the preparation of the annual financial statements of the Company for the year ended 30 June 2025.

2.4 Critical accounting estimates and judgments

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

2.5 Financial risk management

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

Un-audited	Audited
31 December	30 June
2025	2025
(Rupees in thousand)	

3. TRADE AND OTHER PAYABLES

Creditors	47,772	118,742
Gas Infrastructure Development Cess (GIDC) payable	11,348	11,348
Accrued liabilities	147,071	167,188
Income tax deducted at source	985	393
Sales tax payable	1,270	7,167
Workers' profit participation fund	5,907	10,930
Workers' welfare fund	10,667	9,562
	225,020	325,330



4. CONTINGENCIES AND COMMITMENTS

a) Contingencies

- i) Guarantees of Rupees 20 million (30 June 2025: Rupees 20 million) are given by the Bank of the Company to Sui Northern Gas Pipelines Limited (SNGPL) against gas connections.
- ii) The Company filed writ petitions in Honorable Lahore High Court, Lahore on 17 August 2023 and 16 August 2024, against the recovery of demands having collective amount of Rupees 28.071 million (30 June 2025: Rupees 25.750 million) on increased rate of minimum wages raised by Employees Old Age Benefits Institution (EOBI). Keeping in view of the opinion of the legal counsel of the Company, the related provision is not made in these condensed interim financial statements as there are strong grounds of favorable outcome of the petitions.
- iii) The Company filed writ petitions in Lahore High Court, Lahore on 30 July 2025, against the imposition of gas levy amounting to Rupees 41.223 million (30 June 2025: Rupees 10.795 million) on the captive power plants under the Off the Grid (Captive Power Plants) Levy Ordinance, 2025. The Company has also given post-dated cheques of Rupees 36.337 million (30 June 2025: Rupees 3.241 million) against this amount to SNGPL. Subsequent to the reporting date on 12 February 2026, Lahore High Court, Lahore decided the petitions in favour of the Company by advising SNGPL to adjust any amount collected on this behalf. Moreover the post dated cheques collected by SNGPL to be returned to the Company. However the implication of this decision by SNGPL is still awaited.

b) Commitments

Commitments arising from short term lease to be recognised on a straight line basis as expense under the practical expedient applied by the Company with respect to IFRS 16 are of Rupees 31.649 million (30 June 2025: Rupees 50.628 million) which are to be paid within one year (30 June 2025: within one year).

	Un-audited 31 December 2025	Audited 30 June 2025
	(Rupees in thousand)	

5. PROPERTY, PLANT AND EQUIPMENT

Opening book value	597,748	498,560
Add:		
Cost of additions during the period / year	-	130,220
Effect of surplus on revaluation during the period / year	-	62,995
	597,748	691,775
Less: Book value of deletions during the period / year	-	(47,334)
	597,748	644,441
Less: Depreciation charged during the period / year	(26,042)	(46,693)
	571,706	597,748

6. REVENUE FROM CONTRACTS WITH CUSTOMERS

Whole of the revenue is earned from Pakistan and represents conversion and doubling income.

7. TRANSACTIONS WITH RELATED PARTIES

The related parties comprise of associate, directors and key management personnel. The Company in the normal course of business carries out transactions with various parties. Detail of transactions and balances with related parties are as follows:

(Un-audited)			
Half year ended		Quarter ended	
31 December 2025	31 December 2024	31 December 2025	31 December 2024
(Rupees in thousand)			

i) Transactions

Associate

Purchase of goods and other shared services	38,100	162,073	22,800	147,073
Revenue from conversion and doubling of yarn	788,319	1,121,019	447,267	670,190
Transfer of staff retirement gratuity	-	55,576	-	55,576



ARCTIC TEXTILE MILLS LIMITED

(Un-audited)			
Half year ended		Quarter ended	
31 December 2025	31 December 2024	31 December 2025	31 December 2024
(Rupees in thousand)			

Key management personnel

Remuneration, meeting fee and staff retirement gratuity paid to Chief Executive Officer, directors and executives

15,646	17,012	6,060	9,499
--------	--------	-------	-------

Un-audited 31 December 2025	Audited 30 June 2025
(Rupees in thousand)	

ii) Period end balances

Associate

Trade debts	72,914	19,395
Trade and other payables	12,600	-

8. DISCLOSURE REQUIREMENT FOR COMPANY NOT ENGAGED IN SHARIAH NON-PERMISSIBLE BUSINESS ACTIVITIES AS ITS CORE BUSINESS ACTIVITIES

(Un-audited)	
Half year ended	
31 December 2025	31 December 2024
(Rupees in thousand)	

Revenue earned from shariah compliant business segment	908,869	1,217,788
--	---------	-----------

Source and detailed breakup of other income, including breakup of other or miscellaneous portions of other income into Shariah-compliant and non-compliant income

Shariah-compliant

Gain on sale of property, plant and equipment	-	8,515
Scrap sales	170	-

Non-compliant

Profit on saving account with bank	288	478
------------------------------------	-----	-----

There were no late payments or liquidity damages during the period. Moreover the Company availed no borrowings from any bank and there was no bank deposit in Shariah compliant banks. Furthermore there were no long term or short term Shariah compliant / conventional investments.

9. DATE OF AUTHORIZATION FOR ISSUE

These condensed interim financial statements were approved and authorized for issue on 25 February 2026 by the Board of Directors of the Company.



10. CORRESPONDING FIGURES

In order to comply with the requirements of IAS 34, the condensed interim statement of financial position and condensed interim statement of changes in equity have been compared with the balances of annual 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.

11. GENERAL

Figures have been rounded off to the nearest thousand of Rupees unless otherwise indicated.

Handwritten signature of the Chief Executive Officer.

CHIEF EXECUTIVE OFFICER

Handwritten signature of the Director.

DIRECTOR

Handwritten signature of the Chief Financial Officer.

CHIEF FINANCIAL OFFICER

**BOOK
POST**

If undelivered please return to:

ARCTIC TEXTILE MILLS LIMITED

P-102 Jail Road,

Faisalabad.

Tel: +92-41-2605076