

UN-AUDITED
HALF YERALLY REPORT
DECEMBER 31,

2025

SURAJ
سورج

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GOVERNANCE

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Company Information

Board of Directors

Mr. Khalid Bashir (Chairman)
Mr. Adil Bashir
Mr. Ahsan Bashir
Mr. Asif Bashir
Ms. Maheen Hisham Adamjee
Mr. Mohammad Iqbal
Mr. Shams Rafi

Chief Executive Officer

Mr. Nadeem Maqbool

Chief Financial Officer

Mr. Naeem Sheikh

Audit Committee

Mr. Shams Rafi (Chairman)
Mr. Asif Bashir
Mr. Mohammad Iqbal

HR, Nomination & Remuneration Committee

Ms. Maheen Hisham Adamjee (Chairperson)
Mr. Khalid Bashir
Mr. Nadeem Maqbool

Risk Management Committee

Mr. Asif Bashir (Chairman)
Mr. Nadeem Maqbool
Mr. Shams Rafi

Share Registrar

Corptec Associates (Pvt.) Ltd.
503-E, Johar Town, Lahore

Auditors

Riaz Ahmad & Co.
Chartered Accountants

Company Secretary

Ms. Maria Atif

Bankers

Allied Bank Limited
Habib Bank Limited
MCB Bank Limited
National Bank of Pakistan
MCB Islamic Bank Limited
United Bank Limited
Habib Metropolitan Bank Limited
Samba Bank Limited
FINCA Microfinance Bank Limited
Meezan Bank Limited
Bank Alfalah Limited

Registered Office

Tricon Corporate Center, 8th Floor, 73-E, Main Jail Road, Gulberg II, Lahore
Ph: +92-423-5760379, 35760382
Fax: +92-423-5760376
Email: corp.info@suraj.com
Web: www.suraj.com

Project Locations

Nooriabad, District Dadu, Sindh.
Kotla Kahloon, District Nankana Sahib, Punjab.
Bhalkot, Rawind, District Lahore, Punjab.

Directors' Report

On behalf of the Board of Directors, I am pleased to present the Condensed Interim Financial Statements of Suraj Cotton Mills Limited for the Half Year ended December 31, 2025.

Overview

The Company sustained strong financial performance during the period under review, demonstrating resilience in a challenging business environment. For the half year ended December 31, 2025, net profit increased by 53.11 percent to Rs. 825.539 million, compared to Rs. 539.186 million in the corresponding period of the previous year. Earnings per share (EPS) improved to Rs. 16.91 from Rs. 11.05, reflecting strengthened profitability, effective cost management, and improved overall operational performance.

The increase in profitability is primarily attributable to higher other income, particularly unrealized gains on equity investments measured at fair value through profit or loss, supported by favorable equity market conditions. Despite the decline in revenue, gross profit improved slightly to Rs. 1,153.021 million (2024: Rs. 1,147.631 million), mainly attributable to lower raw material, fuel, and power costs.

Sales amounted to Rs. 14,046 million, compared to Rs. 14,358 million in the corresponding period last year, reflecting a decline of 2.17 percent primarily due to lower sales volumes of fabric. Distribution costs decreased by 7.90 percent. Administrative expenses reduced marginally by 2.46 percent, reflecting prudent control over operating overheads. Finance cost declined by 25.18 percent as a result of repayment of long-term financing and reduced reliance on short-term borrowings, leading to lower markup expense.

Financial Performance

The Company's financial performance for the Half Year ended December 31, 2025, as compared to the corresponding period last year, is presented below:

Brief Income Statement	2025	2024	% Change
	(PKR in Million)		
Sales	14,046	14,358	(2.17%)
Gross profit	1,153	1,147	0.47%
Operating profit	1,202	1,122	7.08%
Financial cost	80	107	(25.18%)
Profit before taxation	1096	861	27.29%
Taxation	296	476	(37.77%)
Net Profit	825	539	53.11%
Earnings per Share (EPS)	16.91	11.05	53.03%

Future Outlook

The textile sector remains a cornerstone of Pakistan's economy; however, it continues to face structural challenges, including high energy tariffs, increasing taxation, exchange rate volatility, and intensified regional competition. The recent shortfall in domestic cotton production has further increased reliance on imports, adding pressure to foreign exchange reserves. These factors are expected to influence industry performance in the near term. Notwithstanding these challenges, the long-term fundamentals of the sector remain intact. Global demand for value-added textiles is gradually stabilizing, and supply chain diversification by international buyers presents opportunities for competitive producers. The long-term sustainability of the industry will depend upon regionally competitive energy pricing, stable monetary and fiscal policies, consistent export facilitation measures, and revival of domestic cotton production.

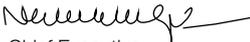
Suraj Cotton Mills Limited continues to strengthen its strategic positioning through operational efficiency, technological modernization, and disciplined financial management. The Company remains focused on optimizing capacity utilization, improving product quality, and enhancing cost competitiveness. Management

Directors' Report

is actively evaluating opportunities in higher value-added segments, diversification, and export market expansion to mitigate concentration risks. The Company is committed to aligning its operations with international standards, enhancing energy efficiency, and adopting practices that support long-term resilience and access to global markets. While short-term pressures related to energy costs, taxation, and monetary tightening may persist, the Board remains cautiously optimistic that structural reforms and supportive policy measures will gradually restore industry momentum. Through prudent risk management, balanced capital allocation, and continued focus on core competencies, the Company aims to preserve profitability, strengthen its financial position, and deliver sustainable value to shareholders.

Acknowledgements

The Board of Directors expresses its sincere appreciation to the Company's shareholders, employees, and financial partners for their continued support. The Board also acknowledges the commitment and professionalism of the management team in navigating industry challenges with diligence and foresight.



Chief Executive



Director

February 24, 2026
Lahore

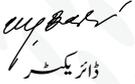
ڈائریکٹرز رپورٹ

میں اضافے جیسی ساختی مشکلات کا سامنا ہے۔ مقامی کپاس کی پیداوار میں حالیہ کمی کے باعث درآمدات پر انحصار بڑھ گیا ہے، جس سے زر مبادلہ کے ذخائر پر دباؤ میں اضافہ ہوا ہے۔ یہ عوامل قلیل مدتی طور پر صنعت کی کارکردگی کو متاثر کر سکتے ہیں۔ تاہم، طویل مدتی بنیادیں مضبوط ہیں۔ ویلیو ایڈڈ ٹیکسٹائل مصنوعات کی عالمی طلب بتدریج مستحکم ہو رہی ہے، جبکہ بین الاقوامی خریداروں کی جانب سے سپلائی چین تنوع کے رجحان سے مسابقتی پیداواری اداروں کے لیے نئے مواقع پیدا ہو رہے ہیں۔ صنعت کی پائیدار ترقی کا انحصار مسابقتی توانائی قیمتوں، مستحکم مالی و مالیاتی پالیسیوں، برآمدی سہولت کاری کے تسلسل اور مقامی کپاس کی پیداوار کی بحالی پر ہو گا۔

سورج کاٹن ملز لمیٹڈ آپریشنل موثریت، تکنیکی جدت اور نظم و ضبط پر مبنی مالی انتظام کے ذریعے اپنی اسٹریٹجک پوزیشن کو مزید مستحکم کر رہی ہے۔ کمپنی صلاحیت کے بہتر استعمال، مصنوعات کے معیار میں بہتری اور لاگتی مسابقت بڑھانے پر توجہ مرکوز کیے ہوئے ہے۔ انتظامیہ اعلیٰ ویلیو ایڈڈ مصنوعات، تنوع اور برآمدی منڈیوں میں توسیع کے مواقع کا جائزہ لے رہی ہے تاکہ ارتکازی خطرات کم کیے جاسکیں۔ کمپنی بین الاقوامی معیار کے مطابق آپریشنز، توانائی بچت اور پائیدار طریقہ کار اپنانے کے لیے پرعزم ہے تاکہ عالمی منڈیوں تک رسائی اور طویل مدتی استحکام یقینی بنایا جاسکے۔ اگرچہ توانائی لاگت، ٹیکسوں اور مالیاتی سختی سے متعلق قلیل مدتی دباؤ برقرار رہ سکتے ہیں، بورڈ محتاط طور پر پرامید ہے کہ ساختی اصلاحات اور معاون پالیسی اقدامات بتدریج صنعتی رفتار کو بحال کریں گے۔ خطرات کے محتاط انتظام، سرمائے کی متوازن تقسیم اور بنیادی صلاحیتوں پر مسلسل توجہ کے ذریعے کمپنی کا مقصد منافع کو برقرار رکھنا، اپنی مالی پوزیشن کو مزید مستحکم بنانا اور شیئر ہولڈرز کے لیے پائیدار قدر فراہم کرنا ہے۔

اظہار تشکر

بورڈ آف ڈائریکٹرز کمپنی کے شیئر ہولڈرز، ملازمین اور مالی شرکاءت داروں کا مسلسل تعاون پر تہہ دل سے شکر گزار ہے۔ بورڈ انتظامیہ کی پیشہ ورانہ صلاحیت اور صنعت کی مشکلات کا بصیرت اور محنت سے مقابلہ کرنے کو بھی سراہتا ہے۔


ڈائریکٹر



چیف ایگزیکٹو

24 فروری 2026

لاہور

ڈائریکٹرز رپورٹ

بورڈ آف ڈائریکٹرز کی جانب سے مجھے، 31 دسمبر 2025 کو ختم ہونے والی ششماہی کے لئے سورج کاٹن ملز لمیٹڈ کے مختصر عبوری مالی گوشوارے پیش کرتے ہوئے خوشی ہو رہی ہے۔

حبابزہ

زیر جائزہ مدت کے دوران کمپنی نے مشکل کاروباری ماحول کے باوجود مضبوط مالی کارکردگی برقرار رکھی اور نمایاں استحکام کا مظاہرہ کیا۔ 31 دسمبر 2025 کو ختم ہونے والی ششماہی مدت کے لیے خالص منافع 53.11 فیصد اضافے کے ساتھ 825.539 ملین روپے ہو گیا، جو گزشتہ سال کے اسی عرصے میں 539.186 ملین روپے تھا۔

فی حصص آمدنی (EPS) 11.05 روپے سے بڑھ کر 16.91 روپے ہو گئی، جو منافع کی بہتری، موثر لاگت کنٹرول اور مجموعی آپریشنل کارکردگی میں بہتری کی عکاسی کرتی ہے۔

منافع میں اضافہ کی بنیادی وجہ دیگر آمدنی میں اضافہ ہے، خاص طور پر ایکویٹی سرمایہ کاریوں پر غیر حقیقی منافع جس کی منافع یا نقصان کے ذریعے منصفانہ قدر پر پیمائش کی گئی، جسے سازگار اسٹاک مارکیٹ حالات کی حمایت حاصل رہی۔

آمدن میں کمی کے باوجود مجموعی منافع معمولی اضافے کے ساتھ 1,153.021 ملین روپے ہو گیا (2024: 1,147.631 ملین روپے)، جس کی بنیادی وجہ خام مال، ایندھن اور بجلی کی لاگت میں کمی تھی۔

فروخت 14,046 ملین روپے رہی، جبکہ گزشتہ سال اسی مدت میں یہ 14,358 ملین روپے تھی، جو 2.17 فیصد کمی کو ظاہر کرتی ہے، جس کی بنیادی وجہ کپڑے (Fabric) کی فروخت کے حجم میں کمی تھی۔ تقابلی اخراجات میں 7.90 فیصد کمی جبکہ انتظامی اخراجات میں 2.46 فیصد کمی ریکارڈ کی گئی، جو آپریٹنگ اوور ہیڈز پر محتاط کنٹرول کی عکاسی کرتی ہے۔ مالی لاگت میں 25.18 فیصد کمی واقع ہوئی، جو طویل مدتی قرضوں کی ادائیگی اور قلیل مدتی قرضوں پر کم انحصار کے باعث مارک اپ اخراجات میں کمی کی وجہ سے ممکن ہوئی۔

مالی کارکردگی

31 دسمبر 2025 کو ختم ہونے والی ششماہی مدت کی مالی کارکردگی گزشتہ سال کی اسی مدت کے مقابلے میں درج ذیل ہے:

آمدنی کا مختصر بیان	2025	2024	تبدیلی
	(پاکستانی روپے ملین میں)		
فروخت	14,046	14,358	(2.17%)
مجموعی منافع	1,153	1,147	0.47%
آپریٹنگ منافع	1,202	1,122	7.08%
مالی لاگت	80	107	(25.18%)
قبل از ٹیکس منافع	1,096	861	27.29%
ٹیکس	296	476	(37.77%)
خالص منافع	825	539	53.11%

فی حصص آمدنی (روپے)	16.91	11.05	53.03%
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مستقبل کا نقطہ نظر

ٹیکسٹائل سیکٹر پاکستان کی معیشت کا ایک اہم ستون ہے، تاہم اسے زیادہ توانائی نرخوں، بڑھتے ہوئے ٹیکسوں، شرح مبادلہ میں اتار چڑھاؤ اور علاقائی مسابقت

INDEPENDENT AUDITOR'S REVIEW REPORT

To the members of Suraj Cotton Mills Limited
Report on review of Condensed Interim Financial Statements

Introduction

We have reviewed the accompanying condensed interim statement of financial position of SURAJ COTTON 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 the condensed interim financial statements for the half year then ended (here-in-after referred to as the "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 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

Lahore
Date: 24 February 2026
UDIN: RR202510158Pt4sdMhog

Condensed Interim Statement of Financial Position

As at December 31, 2025

	Note	Un-Audited	Audited
		Dec 31 - 2025	June 30-2025
		(Rupees in thousand)	
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorized share capital 100,000,000 (30 June 2025: 100,000,000) ordinary shares of Rupees 10 each		1,000,000	1,000,000
Issued, subscribed and paid up share capital 48,809,515 (30 June 2025: 48,809,515) ordinary shares of Rupees 10 each		488,094	488,094
Reserves	4	14,028,384	13,057,701
TOTAL EQUITY		14,516,478	13,545,795
LIABILITIES			
NON CURRENT LIABILITIES			
Long term financing - secured	5	2,172,725	2,470,692
Deferred liabilities		1,591,038	1,586,297
		3,763,763	4,056,989
CURRENT LIABILITIES			
Trade and other payables		4,658,522	3,836,359
Accrued mark-up		22,293	38,841
Short term borrowings		1,048,072	1,164,739
Current portion of non - current liabilities		1,149,763	1,153,152
Taxation and levy - net		616,136	489,700
Unclaimed dividend		8,577	8,577
		7,503,363	6,691,368
TOTAL LIABILITIES		11,267,126	10,748,357
CONTINGENCIES AND COMMITMENTS	6		
TOTAL EQUITY AND LIABILITIES		25,783,604	24,294,152

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



CHIEF EXECUTIVE OFFICER



DIRECTOR



CHIEF FINANCIAL OFFICER

		Un-Audited Dec 31 - 2025	Audited June 30-2025
	Note	(Rupees in thousand)	
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	7	8,271,401	8,546,997
Investment properties		472,690	472,690
Long term investments		1,916,325	1,364,971
Long term deposits		239,500	129,284
		10,899,916	10,513,942
CURRENT ASSETS			
Stores, spare parts and loose tools		593,199	567,742
Stock-in-trade		7,566,870	7,389,621
Trade debts		4,126,168	3,220,558
Loans and advances		74,599	144,171
Short term deposits and prepayments		156,950	81,194
Other receivables		492,774	968,188
Short term investments	8	1,607,231	1,238,626
Cash and bank balances		259,231	163,444
		14,877,022	13,773,544
Non-current assets classified as held for sale		6,666	6,666
		14,883,688	13,780,210
TOTAL ASSETS		25,783,604	24,294,152



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	9	14,046,175	14,358,204	7,556,276	6,755,299
Cost of sales	10	(12,893,154)	(13,210,573)	(6,891,733)	(6,092,313)
Gross profit		1,153,021	1,147,631	664,543	662,986
Distribution cost		(119,558)	(129,814)	(62,612)	(64,998)
Administrative expenses		(155,663)	(159,597)	(74,770)	(78,621)
Other expenses		(105,362)	(101,319)	(59,144)	(35,775)
		(380,583)	(390,730)	(196,526)	(179,394)
		772,438	756,901	468,017	483,592
Other income		429,648	365,672	126,579	253,291
Profit from operations		1,202,086	1,122,573	594,596	736,883
Finance cost		(80,370)	(107,418)	(41,121)	(46,267)
Profit before levy and taxation		1,121,716	1,015,155	553,475	690,616
Levy		(25,939)	(154,349)	1,247	(122,930)
Profit before taxation		1,095,777	860,806	554,722	567,686
Taxation		(270,238)	(321,620)	(125,679)	(215,210)
Profit after taxation		825,539	539,186	429,043	352,476
Earnings per share - basic and diluted (rupees)	11	16.91	11.05	8.79	7.22

The annexed notes form an integral part of this interim financial information.


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	825,539	539,186	429,043	352,476
Other comprehensive income Items that will not be reclassified to profit or loss:				
Fair value adjustment arising on remeasurement of investments at fair value through other comprehensive income - net of tax	389,192	385,729	(12,702)	427,109
Items that may be reclassified subsequently to profit or loss	-	-	-	-
Other comprehensive income / (loss) for the period - net of tax	389,192	385,729	(12,702)	427,109
Total comprehensive income for the period	1,214,731	924,915	416,341	779,585

The annexed notes form an integral part of this interim financial information.



CHIEF EXECUTIVE OFFICER



DIRECTOR



CHIEF FINANCIAL OFFICER

Condensed Interim Statement of Changes in Equity (Un-Audited) FOR THE HALF YEAR ENDED 31 DECEMBER 2025

Share Capital	Reserves							Total Equity
	Capital Reserves			Revenue Reserves			Total	
	Share premium reserve	Fair value reserve on FVTOCI investments	Sub total	General Reserve	Unappropriated profit	Sub total		

------(Rupees in thousand)-----

Balance as at 30 June 2024 - (Audited)	488,094	29,000	78,007	107,007	3,714,000	7,825,911	11,539,911	11,646,918	12,135,012
Transactions with owners:									
Final dividend for the year ended 30 June 2024 @ Rupees 5 per share	-	-	-	-	-	(244,048)	(244,048)	(244,048)	(244,048)
Transfer of gain on disposal of FVTOCI investment to retained earnings	-	-	(113,252)	(113,252)	-	113,252	113,252	-	-
Profit for the period	-	-	-	-	-	539,186	539,186	539,186	539,186
Other comprehensive income for the period	-	-	385,729	385,729	-	-	-	385,729	385,729
Total comprehensive income for the period	-	-	385,729	385,729	-	539,186	539,186	924,915	924,915
Balance as at 31 December 2024 - (un-audited)	488,094	29,000	350,484	379,484	3,714,000	8,234,301	11,948,301	12,327,785	12,815,879
Transfer of gain on disposal of FVTOCI investments to retained earnings	-	-	(77,272)	(77,272)	-	77,272	77,272	-	-
Profit for the period	-	-	-	-	-	579,497	579,497	579,497	579,497
Other comprehensive income for the period	-	-	150,419	150,419	-	-	-	150,419	150,419
Total comprehensive income for the period	-	-	150,419	150,419	-	579,497	579,497	729,916	729,916
Balance as at 30 June 2025 - (audited)	488,094	29,000	423,631	452,631	3,714,000	8,891,070	12,605,070	13,057,701	13,545,795
Transaction with owners:									
Final dividend for the year ended 30 June 2025 @ Rupees 5 per share	-	-	-	-	-	(244,048)	(244,048)	(244,048)	(244,048)
Transfer of gain on disposal of FVTOCI investments to retained earnings	-	-	(94,181)	(94,181)	-	94,181	94,181	-	-
Profit for the period	-	-	-	-	-	825,539	825,539	825,539	825,539
Other comprehensive income for the period	-	-	389,192	389,192	-	-	-	389,192	389,192
Total comprehensive income for the period	-	-	389,192	389,192	-	825,539	825,539	1,214,731	1,214,731
Balance as at 31 December 2025 - (un-audited)	488,094	29,000	718,642	747,642	3,714,000	9,566,742	13,280,742	14,028,384	14,516,478

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

	Note	HALF YEAR ENDED	
		31 December 2025	31 December 2024
(Rupees in thousand)			
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash generated from operations	12	1,448,467	1,192,395
Finance cost paid		(96,918)	(122,187)
Workers' profit participation fund paid		(107,977)	(105,988)
Workers' welfare fund paid		(1)	(5,536)
Income tax and levy paid		(188,554)	(204,903)
Profit on bank deposits		18,023	64,719
Increase in long term deposits		(110,216)	-
Net cash generated from operating activities		962,824	818,500
CASH FLOWS FROM INVESTING ACTIVITIES			
Capital expenditure on property, plant and equipment		(108,102)	(615,376)
Proceeds from disposal of property, plant and equipment		21,250	24,250
Investments made		(1,195,245)	(2,063,747)
Proceeds from disposal of investments		1,066,822	2,841,466
Interest received		2,655	-
Dividends received		70,050	52,788
Net cash (used in) / from investing activities		(142,570)	239,381
CASH FLOWS FROM FINANCING ACTIVITIES			
Repayment of long term financing		(363,752)	(350,502)
Short term borrowings - net		(116,667)	(496,635)
Dividend paid		(244,048)	(242,784)
Net cash used in financing activities		(724,467)	(1,089,921)
Net increase / (decrease) in cash and cash equivalents		95,787	(32,040)
Cash and cash equivalents at the beginning of the period		163,444	378,804
Cash and cash equivalents at the end of the period		259,231	346,764

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 (Un-Audited) FOR THE HALF YEAR ENDED 31 DECEMBER 2025

1. THE COMPANY AND ITS ACTIVITIES

- 1.1 Suraj Cotton Mills Limited is a public limited company incorporated in Pakistan under the Companies Act, 1913 (Now Companies Act, 2017) and is listed on Pakistan Stock Exchange Limited. Its registered office is situated at Office No. 802, Tricon Corporate Centre, 73-E, Main Jail Road, Gulberg-II, Lahore. The Company is engaged in manufacturing, sale, trading and dealing in yarn and cloth.

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, 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 and disclosures required in annual financial statements and should be read in conjunction with the annual audited financial statements of the Company for the year ended 30 June 2025. These condensed interim financial statements are un-audited, however, have been subjected to limited scope review by the auditors 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. MATERIAL ACCOUNTING POLICY INFORMATION

The material accounting policy information and methods of computations adopted for the preparation of these condensed interim financial statements are the same as applied in the preparation of the preceding audited annual published financial statements of the Company for the year ended 30 June 2025.

3.1 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 preceding audited annual published financial statements of the Company for the year ended 30 June 2025.

**Selected Notes to the Condensed Interim Financial Statements (Un-Audited)
 FOR THE HALF YEAR ENDED 31 DECEMBER 2025**

	Un-Audited 31 December 2025	Audited 30 June 2025
Note	(Rupees in thousand)	
4. RESERVES		
Capital reserves:		
Share premium reserve	29,000	29,000
Fair value reserve on FVTOCI investments - net of deferred income tax	718,642	423,631
	747,642	452,631
Revenue reserves:		
General reserve	3,714,000	3,714,000
Un-appropriated profit	9,566,742	8,891,070
	13,280,742	12,605,070
	14,028,384	13,057,701
5. LONG TERM FINANCING - SECURED		
From banking companies		
Opening balance	3,063,146	3,624,454
Less: Repaid during the period / year	(363,752)	(717,885)
Add: Deferred income - Government grant	71,021	156,577
	2,770,415	3,063,146
Less: Current portion shown under current liabilities	(597,690)	(592,454)
	2,172,725	2,470,692

6. CONTINGENCIES AND COMMITMENTS
6.1 Contingencies

i) The Company filed a complaint dated 20 April 2022 against Chief Commissioner Inland Revenue in terms of section 10(1) of the Federal Tax Ombudsman (FTO) Ordinance, 2000 for delay in processing / sanctioning of sales tax refund of Rupees 69.657 million for the tax periods from December 2013 to October 2017. As per the tax department, the Company used to fall under zero-rated regime. Two electricity connections of the Company were included in Sales Tax General Order dated 13 September 2007 for the purpose of zero-rating. No zero-rated facility was however available on another electricity connection till 21 November 2017. On 21 November 2017, this electricity connection was included in Sales Tax General Order for zero-rating. The Company filed writ petition before Honourable Lahore High Court, Lahore (LHC) against recovery notices issued by Lahore Electric Supply Company Limited for recovery of sales tax for above-mentioned periods. Petition was disposed by LHC on 21 September 2017 with direction that only tax department or competent authority, under law, shall be entitled to recover arrears of sales tax. LESCO vide letter dated 21 May 2021 directed the Company to deposit sales tax in its account since tax department has already recovered sales tax of Rupees 69.657 million which was deposited by the Company. Later, the Company requested for issuance of refund under section 66 of the Sales Tax Act, 1990. FTO vide order dated 01 June 2022 recommended the tax department to direct Commissioner Inland Revenue to process / sanction Company's refund claims for the tax periods from December 2013 to October 2017 on provision of requisite documents by the Company. During the period, the Company has received amount of Rupees 63.629 million. The Company is confident of favourable outcome of the matter, hence no provision thereagainst has been made in these financial statements.

Selected Notes to the Condensed Interim Financial Statements (Un-Audited) FOR THE HALF YEAR ENDED 31 DECEMBER 2025

ii) Guarantees of Rupees 878.430 million (2025: Rupees 810.980 million) are given by the banks of the Company to Sui Northern Gas Pipelines Limited against gas connections, Lahore Electricity Supply Company Limited against electricity connections and Director Excise and Taxation, Karachi against infrastructure cess and others.

6.2 Commitments

i) Contracts for capital expenditure are approximately of Rupees 2,299.683 million (30 June 2025: Rupees Nil)

ii) Letters of credit other than for capital expenditure are of Rupees 1,321.361 million (30 June 2025: Rupees 6,657.684 million).

iii) Following represent commitments arising from short-term and low value leases recognized on a straight-line basis as expense under the practical expedients applied by the Company. The amount of future payments under these leases and the period in which these payments will become due are as follows:

	Note	Un-Audited 31 December 2025 (Rupees in thousand)	Audited 30 June 2025
Not later than 1 year		1,635	3,270
7	PROPERTY, PLANT AND EQUIPMENT		
Operating fixed assets	(7.1)	8,267,261	8,410,684
Capital work-in-progress	(7.2)	4,140	136,313
		8,271,401	8,546,997
7.1	OPERATING FIXED ASSETS		
Opening book value		8,410,684	8,345,728
Add: Additions during the period / year -cost	(7.1.1)	240,274	875,016
		8,650,958	9,220,744
Less: Book value of deletions during the period / year		(9,321)	(28,451)
Less: Depreciation charged during the period / year	(7.1.2)	(374,376)	(781,609)
		8,267,261	8,410,684
7.1.1	COST OF ADDITIONS		
Buildings on freehold land		-	8,731
Plant and machinery		219,895	649,184
Factory equipment		-	114,841
Office premises		-	52,892
Electric installations		7,803	39,713
Vehicles		12,576	9,655
		240,274	875,016

Selected Notes to the Condensed Interim Financial Statements (Un-Audited)
 FOR THE HALF YEAR ENDED 31 DECEMBER 2025

	Note	Un-Audited	Audited
		31 December 2025	30 June 2025
		(Rupees in thousand)	
7.1.2	Book value of deletions		
	Plant and machinery	6,590	23,716
	Vehicles	2,731	4,735
		9,321	28,451
7.2	CAPITAL WORK-IN-PROGRESS		
	Plant and machinery	4,140	136,313
8.	SHORT TERM INVESTMENTS		
	At fair value through profit or loss:		
	Equity investments	1,137,731	725,280
	Mutual funds	-	111,191
		1,137,731	836,471
	At amortized cost:		
	Debt instruments - term deposit receipts	469,500	402,155
		1,607,231	1,238,626

Selected Notes to the Condensed Interim Financial Statements (Un-Audited)
FOR THE HALF YEAR ENDED 31 DECEMBER 2025

9. REVENUE FROM CONTRACTS WITH CUSTOMERS

9.1 In the following table, revenue from contracts with customers is disaggregated by primary geographical market, major products and service lines and timing of revenue recognition:

	Spinning						Weaving						Total - Company					
	Half year ended		Quarter ended		Half year ended		Quarter ended		Half year ended		Quarter ended		Half year ended		Quarter ended			
	31 December 2025	31 December 2024	31 December 2025	31 December 2024	31 December 2025	31 December 2024	31 December 2025	31 December 2024	31 December 2025	31 December 2024	31 December 2025	31 December 2024	31 December 2025	31 December 2024	31 December 2025	31 December 2024		
Primary geographical markets	----- (RUPEES IN THOUSAND) -----																	
Pakistan	6,836,293	5,748,495	3,896,924	2,301,609	6,432,091	8,311,213	3,253,586	4,279,278	13,268,384	14,059,708	7,150,510	6,680,887						
Lithuania	-	-	-	-	20,461	-	20,461	-	20,461	-	20,461	-	20,461					
Italy	-	-	-	-	35,551	-	27,208	-	35,551	-	27,208	-	27,208					
Portugal	-	-	-	-	566,226	261,430	174,412	566,226	261,430	224,572	174,412	174,412						
Spain	-	-	-	-	155,553	-	133,525	-	155,553	-	133,525	-	133,525					
Germany	-	-	-	-	-	-	-	-	-	-	-	-	34,896					
Sri Lanka	-	-	-	-	2,170	-	-	-	2,170	-	-	-	2,170					
	6,836,293	5,785,561	3,896,924	2,301,609	7,209,882	8,572,643	3,659,352	4,453,690	14,046,175	14,358,204	7,556,276	6,755,299						
Major products lines																		
Yarn	6,487,391	5,651,134	3,790,189	2,295,154	-	-	-	-	6,487,391	5,651,134	3,790,189	2,295,154						
Greige fabric	-	-	-	-	7,209,882	8,572,643	3,659,352	4,453,690	7,209,882	8,572,643	3,659,352	4,453,690						
Cotton	348,902	134,427	106,735	6,455	-	-	-	-	348,902	134,427	106,735	6,455						
	6,836,293	5,785,561	3,896,924	2,301,609	7,209,882	8,572,643	3,659,352	4,453,690	14,046,175	14,358,204	7,556,276	6,755,299						
Timing of revenue recognition																		
Products transferred at a point in time	6,836,293	5,785,561	3,896,924	2,301,609	7,209,882	8,572,643	3,659,352	4,453,690	14,046,175	14,358,204	7,556,276	6,755,299						
Products transferred over time	-	-	-	-	-	-	-	-	-	-	-	-	-					

9.2 Revenue is recognised at point in time as per the terms and conditions of underlying contracts with customers.

**Selected Notes to the Condensed Interim Financial Statements (Un-Audited)
FOR THE HALF YEAR ENDED 31 DECEMBER 2025**

	Un-Audited			
	Half year ended		Quarter ended	
	31 December 2025	31 December 2024	31 December 2025	31 December 2024
----- (Rupees in Thousand) -----				
10. COST OF SALES				
Raw materials consumed	9,418,352	9,458,518	4,619,547	4,079,185
Sizing expenses	88,092	71,970	45,698	36,197
Stores, spare parts and loose tools consumed	157,887	171,204	75,941	94,267
Packing materials consumed	104,329	104,016	51,535	53,325
Salaries, wages and other benefits	867,956	828,797	421,166	414,873
Fuel and power	1,836,499	2,044,669	846,633	977,518
Repair and maintenance	134,408	138,381	64,689	69,548
Insurance	22,430	23,938	11,244	11,720
Other factory overheads	19,995	19,295	9,313	9,309
Depreciation on property, plant and equipment	358,107	364,893	180,341	189,890
	13,008,055	13,225,681	6,326,107	5,935,832
Work-in-process:				
Opening stock	342,632	396,277	363,298	385,296
Closing stock	(352,289)	(389,923)	(352,289)	(389,923)
	(9,657)	6,354	11,009	(4,627)
Cost of goods manufactured	12,998,398	13,232,035	6,337,116	5,931,205
Finished goods:				
Opening stock	3,267,719	2,840,590	3,927,580	3,023,160
Closing stock	(3,372,963)	(2,862,052)	(3,372,963)	(2,862,052)
	(105,244)	(21,462)	554,617	161,108
	12,893,154	13,210,573	6,891,733	6,092,313

**Selected Notes to the Condensed Interim Financial Statements (Un-Audited)
FOR THE HALF YEAR ENDED 31 DECEMBER 2025**

		Un-Audited Half year ended	
		31 December 2025	31 December 2024
11.	EARNINGS PER SHARE - BASIC AND DILUTED		
	There is no dilutive effect on the basic earnings per share which is based on:		
	Profit attributable to ordinary shareholders (Rupees in thousand)	825,539	539,186
	Weighted average number of ordinary shares (Numbers)	48,809,515	48,809,515
	Earnings per share - Basic and diluted (Rupees)	16.91	11.05
		Un-Audited Half year ended	
		31 December 2025	31 December 2024
		(Rupees in thousand)	
	Note		
12.	CASH GENERATED FROM OPERATIONS		
	Profit before levy and taxation	1,121,716	1,015,155
	Adjustments for non-cash charges and other items:		
	Depreciation on property, plant and equipment	374,376	380,339
	Gain on disposal of investments at fair value through profit or loss	(27,693)	(95,100)
	Exchange gain	(8,276)	(277)
	Allowance for expected credit loss	4,999	15,730
	Dividend income	(70,050)	(52,788)
	Gain on disposal of property, plant and equipment	(11,929)	(18,599)
	Provision for slow moving, obsolete and damaged store items	12,021	5,295
	Provision for workers' profit participation fund	60,242	54,520
	Provision for workers' welfare fund	22,893	20,717
	Finance cost	80,370	107,418
	Unrealized gain on re-measurement of investments at fair value through profit or loss	(291,355)	(123,172)
	Profit on bank deposits	(18,023)	(64,719)
	Working capital changes 12.1	199,176	(52,124)
		1,448,467	1,192,395

Selected Notes to the Condensed Interim Financial Statements (Un-Audited)
FOR THE HALF YEAR ENDED 31 DECEMBER 2025

	Note	Un-Audited	
		Half year ended	
		31 December 2024	31 December 2023
		(Rupees in thousand)	
12.1 Working capital changes			
(Increase) / decrease in current assets:			
Stores, spare parts and loose tools		(37,478)	120,410
Stock-in-trade		(177,249)	137,048
Trade debts		(902,333)	(823,300)
Loans and advances		69,572	47,941
Short term deposits and prepayments		(75,756)	158,829
Other receivables		475,414	62,026
		(647,830)	(297,046)
Increase in trade and other payables		847,006	244,922
		199,176	(52,124)

Selected Notes to the Condensed Interim Financial Statements (Un-Audited)
FOR THE HALF YEAR ENDED 31 DECEMBER 2025

13 SEGMENT INFORMATION

13.1 The Company has two reportable segments. The following summary describes the operation in each of the Company's reportable segments:

Spinning: Production of different quality of yarn using natural and artificial fibers.

Weaving: Production of different quality of greige fabric using yarn.

13.2 Transactions between operating segments are recorded on arm's length basis in a manner similar to transactions with third parties. Inter segment sales and purchases have been eliminated from the total.

	(UN-AUDITED)							
	Spinning		Weaving		Elimination of Inter-segment transactions		Total Company	
	Half year ended 31 December 2025	Half year ended 30 June 2025	Half year ended 31 December 2025	Half year ended 30 June 2025	Half year ended 31 December 2025	Half year ended 30 June 2025	Half year ended 31 December 2025	Half year ended 30 June 2025
	----- Un-Audited ----- (Rupees in thousand)							
Revenue from contracts with customers								
External	6,836,293	5,785,561	7,209,882	8,572,643	-	-	14,046,175	14,358,204
Inter-segment	3,219,058	5,681,423	-	-	(3,219,058)	(5,681,423)	-	-
	10,055,351	11,466,984	7,209,882	8,572,643	(3,219,058)	(5,681,423)	14,046,175	14,358,204
Cost of sales								
External	(6,395,628)	(5,346,943)	(6,497,526)	(7,863,630)	-	-	(12,893,154)	(13,210,573)
Inter-segment	(9,614,686)	(11,028,366)	(6,497,526)	(7,863,630)	3,219,058	5,681,423	(12,893,154)	(13,210,573)
	440,665	438,618	712,356	709,013	-	-	1,183,021	1,147,831
Gross profit	(30,341)	(35,431)	(89,217)	(94,383)	-	-	(119,558)	(129,814)
Distribution cost	(100,089)	(111,615)	(55,574)	(47,982)	-	-	(155,663)	(159,597)
Administrative expenses	(130,430)	(147,046)	(144,791)	(142,365)	-	-	(275,221)	(289,411)
Profit before taxation and unallocated expenses	310,235	291,572	567,565	566,648	-	-	877,800	858,220
Unallocated income and expenses:								
Other expenses							(105,362)	(101,319)
Other income							429,648	365,672
Finance cost							(80,370)	(107,418)
Levy							(25,939)	(154,349)
Taxation							(270,238)	(321,620)
Profit after taxation							825,559	539,186

Selected Notes to the Condensed Interim Financial Statements (Un-Audited)
FOR THE HALF YEAR ENDED 31 DECEMBER 2025

13.3 Reconciliation of Reportable Segment Assets and Liabilities

	Spinning		Weaving		Total-Company	
	Un-Audited 31 December 2025	Audited 30 June 2025	Un-Audited 31 December 2025	Audited 30 June 2025	Un-Audited 31 December 2025	Audited 30 June 2025
Total assets for reportable segment	18,588,699	14,764,377	3,191,993	6,446,822	21,780,692	21,211,199
Unallocated assets:						
Investment properties					472,690	472,690
Long term investments					1,916,325	1,364,971
Short term investments					1,607,231	1,238,626
Non-current assets classified as held for sale					6,666	6,666
Total assets as per condensed interim statement of financial position					25,783,604	24,294,152
Total liabilities for reportable segments	6,512,682	5,771,118	2,538,693	2,692,665	9,051,375	8,663,783
Unallocated liabilities:						
Deferred liabilities					1,591,038	1,586,297
Provision for taxation and levy payable - net					616,136	489,700
Unclaimed dividend					8,577	8,577
Total liabilities as per condensed interim statement of financial position					11,267,126	10,748,357

**Selected Notes to the Condensed Interim Financial Statements (Un-Audited)
FOR THE HALF YEAR ENDED 31 DECEMBER 2025**

14. RECOGNIZED FAIR VALUE MEASUREMENTS - FINANCIAL INSTRUMENTS

(i) Fair value hierarchy

Judgements and estimates are made in determining the fair values of the financial instruments that are recognised and measured at fair value in these condensed interim financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the following three levels. An explanation of each level follows underneath the table.

Recurring fair value measurements at 31 December 2025 - Un-audited	Level 1	Level 2	Level 3	Total
	(Rupees in Thousand)			
Financial assets				
Fair value through other comprehensive income	1,911,140	-	-	1,911,140
Fair value through profit or loss	1,137,731	-	-	1,137,731
	3,048,871	-	-	3,048,871
Recurring fair value measurements at 30 June 2025 - Audited	Level 1	Level 2	Level 3	Total
	(Rupees in Thousand)			
Financial assets				
Fair value through other comprehensive income	1,359,786	-	-	1,359,786
Fair value through profit or loss	836,471	-	-	836,471
	2,196,257	-	-	2,196,257

The above table does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amounts are a reasonable approximation of fair value. Due to short term nature, carrying amounts of certain financial assets and financial liabilities are considered to be the same as their fair value. For the majority of the non-current receivables, the fair values are also not significantly different to their carrying amounts.

Selected Notes to the Condensed Interim Financial Statements (Un-Audited) FOR THE HALF YEAR ENDED 31 DECEMBER 2025

There were no transfers between levels 1 and 2 for recurring fair value measurements during the half year ended 31 December 2025. Further there was no transfer in and out of level 3 measurements.

The Company's policy is to recognise transfers into and transfers out of fair value hierarchy levels as at the end of the reporting period.

Level 1: The fair value of financial instruments traded in active markets (such as publicly traded derivatives, trading and equity securities) is based on quoted market prices at the end of the reporting period. The quoted market price used for financial assets held by the Company is the current bid price. These instruments are included in level 1.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities.

(ii) Valuation techniques used to determine fair values

Specific valuation techniques used to value financial instruments include the use of quoted market prices on Pakistan Stock Exchange and for funds, Net Asset Value (NAV) by respective Asset Management Company.

**Selected Notes to the Condensed Interim Financial Statements (Un-Audited)
FOR THE HALF YEAR ENDED 31 DECEMBER 2025**

15. TRANSACTIONS WITH RELATED PARTIES

The related parties comprise associated undertakings, joint ventures, other related parties and key management personnel. The Company is in the normal course of business carries out transactions with various related parties. Detail of transactions 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)		(Rupees in thousand)	
i) Transactions				
Associated companies				
Purchase of electricity	4,216	9,161	364	1,347
Sale of goods	125,947	241,777	116,082	241,777
Purchase of goods	79,243	217,533	77,405	217,533
Insurance expense	57,138	59,720	3,622	2,236
Freight services	-	70,390	-	34,270
Investment disposed of	-	73,264	-	73,264
Dividend paid	115,990	115,990	115,990	115,990
Key management personnel				
Remuneration paid to Chief Executive Officer, Director	38,834	34,561	19,330	17,950
Dividend paid	77,075	72,931	77,075	72,931
Other related parties				
Company's contribution to provident fund trust	34,520	32,562	17,806	17,528

Selected Notes to the Condensed Interim Financial Statements (Un-Audited)
FOR THE HALF YEAR ENDED 31 DECEMBER 2025

ii) Period end balances

As at 31 December 2025 (Un-audited)

	Associated Companies	Other Related Parties	Total
	(Rupees in Thousand)		
Trade debts	16,943	-	16,943
Trade and other payables	36,042	5,994	42,036
Loans and advances	7,788	-	7,788
Short term investments	-	6,101	6,101
Long term investments	154,125	-	154,125

As at 30 June 2025 (Audited)

	Associated Companies	Other Related Parties	Total
	(Rupees in Thousand)		
Trade debts	10,487	-	10,487
Trade and other payables	10,559	18,223	28,782
Loans and advances	7,788	-	7,788
Short term investments	-	15,688	15,688
Long term investments	115,919	-	115,919

Selected Notes to the Condensed Interim Financial Statements (Un-Audited)
FOR THE HALF YEAR ENDED 31 DECEMBER 2025

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

Description	Un-audited	Audited
	31 December 2025	30 June 2025
	(Rupees in thousand)	
Financing (long-term, short-term, or lease financing) obtained as per Islamic mode	422,281	185,737
Interest or mark-up accrued on any conventional loan or advance	15,517	20,630
Long-term and short-term Shariah compliant Investments	2,528,207	1,608,416
Shariah-compliant bank deposits, bank balances, and TDRs	313,198	345,468

Description	Un-audited			
	Half year ended		Quarter ended	
	31 December 2025	31 December 2024	31 December 2025	31 December 2024
	(Rupees in thousand)		(Rupees in thousand)	
Revenue earned from a Shariah-compliant business segment	14,046,175	14,358,204	7,556,276	6,755,299
Break-up of late payments or liquidated damages	-	-	-	-
Gain or loss or dividend earned on Shariah compliant investments or share of profit from Shariah-compliant associates				
Dividend income	51,536	40,026	33,662	24,937
Gain on disposal of investments at fair value through profit or loss	27,693	40,721	16,590	20,721
Unrealised gain on re-measurement of investments at fair value through profit or loss	231,021	102,445	71,790	102,445
Gain on disposal of investments at FVTOCI	94,181	65,038	76,433	65,038
Unrealised gain on re-measurement of investments at FVTOCI	268,085	254,321	32,104	215,645
Profit earned from Shariah-compliant bank deposits, bank balances, or TDRs				
Profit on deposits with banks	3,134	2,302	2,969	55
Return on term deposit receipts	7,660	12,159	6,388	2,307
Exchange gain earned from actual currency	8,276	277	5,454	(828)

Selected Notes to the Condensed Interim Financial Statements (Un-Audited)
FOR THE HALF YEAR ENDED 31 DECEMBER 2025

	Un-audited			
	Half year ended		Quarter ended	
	31 December 2025	31 December 2024	31 December 2025	31 December 2024
	(Rupees in thousand)		(Rupees in thousand)	
Exchange gains earned using conventional derivative financial instruments				
Profit paid on Islamic mode of financing	25,190	23,445	18,211	9,857
Total Interest earned on any conventional loan or advance				
Return on term deposit receipts	2,851	8,481	2,964	4,672
Profit on deposits with banks	4,378	41,777	525	-
Source and detailed breakup of other income, including breakup of other or miscellaneous portions of other income into Shariah-compliant and noncompliant income				
Shariah-compliant:				
Dividend income	51,536	40,026	33,662	24,937
Profit on deposits with banks	3,134	2,302	2,969	55
Return on term deposit receipts	7,660	12,159	6,388	2,307
Gain on disposal of investments at fair value through profit or loss	27,693	40,721	16,590	20,721
Unrealised gain on re-measurement of investments at fair value through profit or loss	231,021	102,445	71,790	102,445
Net exchange gain	8,276	277	5,454	(828)
Gain on disposal of property, plant and equipment - net	11,929	18,599	7,574	15,770
Scrap sales	2,322	11,017	898	8,347
Non-shariah compliant income:				
Dividend income	18,514	12,762	6,597	31,499
Return on term deposit receipts	2,851	8,481	2,964	4,672
Profit on deposits with banks	4,378	41,777	525	-
Gain on disposal of investments at fair value through profit or loss	-	54,379	-	5,246
Unrealised gain / (loss) on re-measurement of investments at fair value through profit or loss	60,334	20,727	(28,832)	38,120

**Selected Notes to the Condensed Interim Financial Statements (Un-Audited)
FOR THE HALF YEAR ENDED 31 DECEMBER 2025**

Relationship with Shariah-compliant financial institutions, including banks, takaful operators and their windows, etc

Name	Relationship
Meezan Bank Limited	Bank balance and short term borrowings
MCB Islamic Bank Limited	Bank balance and short term borrowings
Dubai Islamic Bank Limited	Bank balance
National Bank of Pakistan (Aitemaad Current Account)	Bank balance

17. FINANCIAL RISK MANAGEMENT

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

18. DATE OF AUTHORIZATION

These condensed interim financial statements were approved by the Board of Directors and authorized for issue on **February 24, 2026**.

19. CORRESPONDING FIGURES

In order to comply with the requirements of International Accounting Standard (IAS) 34 "Interim Financial Reporting", the condensed interim statement of 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 have been made.

20. GENERAL

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



CHIEF EXECUTIVE OFFICER



DIRECTOR



CHIEF FINANCIAL OFFICER

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SURAJ COTTON MILLS LIMITED

Address:

Tricon Corporate Center, 8th Floor, 73-E,
Main Jail Road, Gulberg II, Lahore.

PABX: +92 42 35760381

Fax:+92 42 35760376