



*of Companies*

HALF YEARLY ACCOUNTS  
2025-2026  
(UN - AUDITED)

UMER GROUP OF COMPANIES

BHANERO TEXTILE MILLS LIMITED



## **Vision**

A premier quality company providing quality products by maintaining an excellent level of ethical & professional standards.



## **Mission Statement**

To become a leading manufacturer of textile products globally and explore the new era to achieve the highest level of success.

**INDEPENDENT AUDITORS' REVIEW REPORT TO THE MEMBERS OF BHANERO  
TEXTILE MILLS LIMITED**

**REPORT ON REVIEW OF CONDENSED INTERIM FINANCIAL STATEMENTS**

**Introduction**

We have reviewed the accompanying condensed interim statement of financial position of **Bhanero Textile Mills Limited** as at December 31, 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 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 fair 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.

**Scope of Review**

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Statements 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.

**Conclusion**

Based on our review, nothing has come to our attention that causes us to believe that the accompanying 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 Paragraph**

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 the 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 other comprehensive income for the quarter ended December 31, 2025 and December 31, 2024 have not been reviewed, as we are required to review only the cumulative figures for the half year ended December 31, 2025.

The engagement partner on the review resulting in this independent auditor's review report is **Nouman Arshad, ACA.**

  
Mushtaq & Co.



**MUSHTAQ & CO.**  
Chartered Accountants

Lahore:  
Date: February 26, 2026  
UDIN: RR2025107249EQYuf8JF

## Directors' Review

On behalf of the board of directors of Bhanero Textile Mills Limited, I am pleased to present the unaudited condensed interim financial statements for the half year ended December 31, 2025.

### Significant Financial Performance for the Half Year Ended December 31, 2025

Profit after tax for the half year ended December 31, 2025 is PKR 41.004 million as compared to PKR 53.266 million in the corresponding period ending December 31, 2024.

Earnings per share for the half year ended December 31, 2025 is PKR 13.49 (December 31, 2024: PKR 17.52).

Break-up value of the share as on December 31, 2025 is PKR 3,618.32 (June 30, 2025: PKR 3,604.83).

The current ratio as on December 31, 2025 is PKR 1.47 (June 30, 2025: PKR 1.50).

### Outlook of Textile Sector

Pakistan's textile sector is indeed at a critical inflection point, following a modest recovery in 2025, with exports rising to US\$17.85 billion, the industry now confronts mounting challenges. Its long-standing export model is under strain from tightening global regulations, intensifying international competition and persistent domestic cost pressures.

Pakistan's preferential access to European markets under the GSP Plus regime is now under serious scrutiny and faces growing uncertainty. Stricter sustainability and labor standards are becoming mandatory and failure to comply these requirements could jeopardize Pakistan's GSP Plus status, significantly eroding its competitiveness in the European Union which is one of the country's largest textile markets.

The textile sector should also be prepared to face another challenge i.e European Union's Green Deal which is reshaping global procurement, with regulations such as the Ecodesign for Sustainable Products Regulation and the Carbon Border Adjustment Mechanism which is shifting buyer priorities from price to sustainability and provenance. The exporters must demonstrate credible compliance systems else face the risk of exclusion from European markets. Industry estimates indicate CBAM levies could offset the 10 to 12 percent price advantage of GSP Plus, effectively neutralizing preferential access.

Consequent to trade restrictions and imposition of high tariff by US on China, the growing influx of diverted Chinese textile shipments that are increasingly entering the European Union and Middle Eastern markets. This redirection of surplus Chinese inventory at sharply discounted prices poses a significant threat to our exports and has intensified competitive pressures in these key markets.

Domestic constraints are compounded by rising energy costs, as elevated grid tariffs have severely eroded margins in the textile sector. This pressure is forcing manufacturers to reassess and adapt their operating models to remain viable.

In the current global environment, the textile sector cannot rely solely on price competitiveness against large volume rivals. A strategic shift toward high compliance and value-added segments is imperative. Vertically integrated mills managing the full value chain from spinning to stitching will hold a distinct advantage through shorter lead times, enhanced transparency and stronger alignment with buyer compliance standards. Importantly, strict adherence to the EU's Rules of Origin enables Pakistani exporters to legitimately access GSP Plus duty-free benefits, a privilege not extended to diverted Chinese goods.

### **Acknowledgement**

The board extends its sincere appreciation to employees and financial institutions for their continued support.

On behalf of the Board



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**Khurram Salim - CEO**



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**Mohammad Salim - Director**

**February 26, 2026**

# Bhanero Textile Mills Limited

## Condensed Interim Statement of Financial Position (Un-Audited) As at December 31, 2025

	December 31, 2025	Jun 30, 2025		December 31, 2025	Jun 30, 2025		
EQUITY AND LIABILITIES	Note	Un-Audited Rupees	Audited Rupees	ASSETS	Note	Un-Audited Rupees	Audited Rupees
<b>SHARE CAPITAL AND RESERVES</b>				<b>NON CURRENT ASSETS</b>			
<b>Authorized capital</b>				Property, plant and equipment	6	9,019,285,530	8,857,084,233
6,000,000 (June 30, 2025: 6,000,000) ordinary shares of Rs.10 each		<b>60,000,000</b>	60,000,000	Long term investments	7	<b>375,000,000</b>	-
Issued, subscribed and paid up capital		<b>30,409,640</b>	30,409,640	Long term deposits		<b>65,237,929</b>	65,237,929
Share premium		<b>108,598,461</b>	108,598,461			<b>9,459,523,459</b>	8,922,322,162
Reserves		<b>9,000,000,000</b>	9,000,000,000				
Loan from directors and sponsors	4	<b>183,118,200</b>	183,118,200				
Unappropriated profit		<b>1,681,044,995</b>	1,640,029,176				
		<b>11,003,171,296</b>	10,962,155,477				
<b>NON CURRENT LIABILITIES</b>				<b>CURRENT ASSETS</b>			
Long term financing - secured		<b>3,467,311,292</b>	2,988,011,357	Stores, spares and loose tools		<b>289,913,740</b>	284,877,976
Staff retirement benefits		<b>432,267,278</b>	413,323,013	Stock in trade		<b>11,088,357,740</b>	12,016,094,917
Deferred government grant		<b>486,445,908</b>	558,708,185	Trade debts		<b>3,766,328,338</b>	3,635,024,902
		<b>4,386,024,478</b>	3,960,042,555	Short term investments	8	<b>567,102,030</b>	-
<b>CURRENT LIABILITIES</b>				Loans and advances		<b>71,083,085</b>	79,291,143
Trade and other payables		<b>3,326,943,609</b>	3,117,714,669	Trade deposits and prepayments		<b>462,104,815</b>	901,656,182
Unclaimed dividend		<b>1,831,650</b>	1,831,650	Other receivables		<b>50,023,073</b>	67,621,057
Accrued interest/markup		<b>134,583,110</b>	82,354,892	Advance income tax		<b>559,171,007</b>	450,212,786
Short term borrowings - secured		<b>8,276,473,645</b>	7,908,084,420	Sales tax refundable		<b>913,951,395</b>	396,074,692
Current portion of non current liabilities		<b>901,970,276</b>	892,828,966	Cash and bank balances		<b>803,439,382</b>	171,836,812
		<b>12,641,802,290</b>	12,002,814,597			<b>18,571,474,605</b>	18,002,690,467
<b>CONTINGENCIES AND COMMITMENTS</b>	5						
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>28,030,998,064</b>	26,925,012,629	<b>TOTAL ASSETS</b>		<b>28,030,998,064</b>	26,925,012,629

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

  
CHIEF EXECUTIVE

  
DIRECTOR

  
CHIEF FINANCIAL OFFICER

# Bhanero Textile Mills Limited

## Condensed Interim Statement of Profit or Loss (Un-Audited) For The Half Year Ended December 31, 2025

Note	Half Year Ended		Quarter Ended	
	December 31, 2025	December 31, 2024	December 31, 2025	December 31, 2024
	Rupees	Rupees	Rupees	Rupees
Sales	15,959,996,566	17,013,043,972	7,699,534,591	8,331,841,718
Cost of sales	(14,545,406,546)	(15,613,473,406)	(7,022,724,881)	(7,688,085,457)
<b>Gross profit</b>	<b>1,414,590,020</b>	<b>1,399,570,566</b>	<b>676,809,710</b>	<b>643,756,261</b>
Distribution cost	(371,091,593)	(374,416,713)	(185,746,669)	(166,902,074)
Administrative expenses	(202,461,735)	(195,214,158)	(104,729,480)	(97,324,129)
	(573,553,328)	(569,630,871)	(290,476,149)	(264,226,203)
Other income	57,052,927	64,956,798	32,995,596	33,307,464
	898,089,619	894,896,493	419,329,157	412,837,522
Other operating expenses	(12,908,873)	(20,306,334)	(6,048,903)	(10,137,890)
Finance cost	(636,465,192)	(603,313,452)	(294,904,135)	(267,439,897)
	(649,374,065)	(623,619,786)	(300,953,038)	(277,577,787)
<b>Profit before levies and taxation</b>	<b>248,715,554</b>	<b>271,276,707</b>	<b>118,376,119</b>	<b>135,259,735</b>
Levies	(207,699,735)	(218,010,644)	(104,967,855)	(106,545,670)
<b>Profit before taxation</b>	<b>41,015,819</b>	<b>53,266,063</b>	<b>13,408,264</b>	<b>28,714,065</b>
Taxation	-	-	-	-
<b>Profit after taxation</b>	<b>41,015,819</b>	<b>53,266,063</b>	<b>13,408,264</b>	<b>28,714,065</b>
<b>Earning per share - basic &amp; diluted</b>	<b>13.49</b>	<b>17.52</b>	<b>4.41</b>	<b>9.57</b>

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

  
CHIEF EXECUTIVE

  
DIRECTOR

  
CHIEF FINANCIAL OFFICER

# Bhanero Textile Mills Limited

## Condensed Interim Statement of Comprehensive Income (Un-Audited) For The Half Year Ended December 31, 2025

	Half Year Ended		Quarter Ended	
	December 31, 2025	December 31, 2024	December 31, 2025	December 31, 2024
	Rupees	Rupees	Rupees	Rupees
Profit for the period after taxation	41,015,819	53,266,063	13,408,264	28,714,065
Other comprehensive income	-	-	-	-
<b>Total comprehensive Income for the period</b>	<b>41,015,819</b>	<b>53,266,063</b>	<b>13,408,264</b>	<b>28,714,065</b>

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

  
CHIEF EXECUTIVE

  
DIRECTOR

  
CHIEF FINANCIAL OFFICER

# Bhanero Textile Mills Limited

## Condensed Interim Statement of Cash Flows (Un-Audited) For The Half Year Ended December 31, 2025

	December 31, 2025	December 31, 2024
	Rupees	Rupees
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit before levies and taxation	248,715,554	271,276,707
<b>Adjustments for:</b>		
Depreciation on property, plant and equipment	431,157,402	438,079,331
Provision for employees' benefits	74,040,000	68,910,000
Provision for bad debts	-	-
Gain on disposal of property, plant and equipment	(97,734)	(1,075,510)
Changes in fair value of short term investments	(4,602,030)	-
Finance cost	636,465,192	603,313,452
<b>Operating cash flows before changes in working capital</b>	<b>1,385,678,384</b>	<b>1,380,503,980</b>
<b>Working capital changes</b>		
Inventories	922,701,413	565,420,274
Trade debts	(131,303,436)	88,363,597
Loans and advances	8,208,058	(292,227)
Trade deposits & prepayments	439,551,367	(452,724,790)
Other receivables	17,597,984	(32,797,533)
Sales tax refundable	(517,876,703)	151,440,289
Trade and other payables	209,228,940	424,434,961
	<b>948,107,623</b>	<b>743,844,571</b>
<b>Cash generated from operations</b>	<b>2,333,786,007</b>	<b>2,124,348,551</b>
Finance cost paid	(584,236,974)	(825,137,704)
Employees' benefits paid	(55,095,735)	(18,630,149)
Income taxes paid	(316,657,956)	(232,911,401)
Long term deposits - net	-	-
	<b>(955,990,665)</b>	<b>(1,076,679,254)</b>
<b>Net cash generated from operating activities</b>	<b>A 1,377,795,342</b>	<b>1,047,669,297</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Proceeds from disposal of property, plant and equipment	2,966,102	4,000,000
Additions in property, plant and equipment	(596,227,067)	(107,042,233)
Long term investments	(375,000,000)	-
Short term investments	(562,500,000)	-
<b>Net cash used in investing activities</b>	<b>B (1,530,760,965)</b>	<b>(103,042,233)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Repayment of long term financing	(353,086,000)	(315,159,311)
Proceeds from long term loans	769,264,968	-
Loans received from directors and sponsors	-	2,500,000
Short term borrowings- net	368,389,225	(837,006,030)
Dividend paid	-	-
<b>Net cash generated from / (used in) financing activities</b>	<b>C 784,568,193</b>	<b>(1,149,665,341)</b>
<b>Net Increase/ (decrease) in cash and cash equivalents</b>	<b>A+B+C 631,602,570</b>	<b>(205,038,277)</b>
<b>Cash and cash equivalents at the beginning of the period</b>	<b>171,836,812</b>	<b>736,372,277</b>
<b>Cash and cash equivalents at the end of the period</b>	<b>803,439,382</b>	<b>531,334,000</b>

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

  
CHIEF EXECUTIVE

  
Bhanero Textile Mills Ltd  
DIRECTOR

  
CHIEF FINANCIAL OFFICER

# Bhanero Textile Mills Limited

## Condensed Interim Statement of Changes in Equity (Un-Audited) For The Half Year Ended December 31, 2025

	Share capital	Share premium	Reserve for issue of shares	Revenue Reserves		Loan from directors and sponsors	Total
				General reserve	Unappropriated profits		
Rupees							
<b>Balance as at July 01, 2024 - Audited</b>	30,409,640	108,598,461	-	9,000,000,000	1,543,487,381	180,618,200	10,863,113,682
<b>Comprehensive income</b>							
Profit after taxation	-	-	-	-	53,266,063	-	53,266,063
Other comprehensive income	-	-	-	-	-	-	-
	-	-	-	-	53,266,063	-	53,266,063
Loan proceeds from directors and sponsors	-	-	-	-	-	2,500,000	2,500,000
<b>Balance as at December 31, 2024-(Un-Audited)</b>	<u>30,409,640</u>	<u>108,598,461</u>	<u>-</u>	<u>9,000,000,000</u>	<u>1,596,753,444</u>	<u>183,118,200</u>	<u>10,918,879,745</u>
<b>Balance as at July 01, 2025 - Audited</b>	<b>30,409,640</b>	<b>108,598,461</b>	<b>-</b>	<b>9,000,000,000</b>	<b>1,640,029,176</b>	<b>183,118,200</b>	<b>10,962,155,477</b>
<b>Comprehensive income</b>							
Profit after taxation	-	-	-	-	41,015,819	-	41,015,819
Other comprehensive income	-	-	-	-	-	-	-
	-	-	-	-	41,015,819	-	41,015,819
Loan proceeds from directors and sponsors	-	-	-	-	-	-	-
<b>Balance as at December 31, 2025-(Un-Audited)</b>	<u><b>30,409,640</b></u>	<u><b>108,598,461</b></u>	<u><b>-</b></u>	<u><b>9,000,000,000</b></u>	<u><b>1,681,044,995</b></u>	<u><b>183,118,200</b></u>	<u><b>11,003,171,296</b></u>

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



CHIEF EXECUTIVE



DIRECTOR



CHIEF FINANCIAL OFFICER

**Bhanero Textile Mills Limited****Notes to the Condensed Interim Financial Information (Un-audited)****For The Half Year Ended December 31, 2025****1 THE COMPANY AND ITS OPERATIONS**

Bhanero Textile Mills Limited (the Company) was incorporated on 30th March 1980 as a public limited company in Pakistan under repealed Companies Ordinance, 1984 now the Companies Act, 2017 and is quoted on Pakistan Stock Exchanges Limited. The registered office of the Company is located at Umer House, 23/1, Sector 23, S. M. Farooq Road, Korangi Industrial Area Karachi. The company is principally engaged in manufacturing and sales of yarn and fabric. The production facilities are located at Kotri, District Dadu in the province of Sindh and Feroze Wattwan, District Sheikhpura in the province of Punjab.

**2 BASIS OF PREPARATION****2.1 Statement of compliance**

This condensed interim financial information is un-audited and has been prepared in accordance with the requirements of the IAS 34 Interim Financial Reporting and provisions of and directives issued under the Companies Act, 2017 as applicable in Pakistan. This condensed interim financial information does not include all of the information and disclosures required for annual financial statements and should be read in conjunction with the financial statements of the Company as at and for the year ended June 30, 2025.

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

**2.2 Basis of measurement**

This condensed interim financial information has been prepared under the historical cost convention except for certain financial instruments at fair value, certain financial liabilities at amortized cost and employees retirement benefits at present value. In this financial information, except for the amounts reflected in the statement of cash flows, all transactions have been accounted for on accrual basis.

**2.3 Judgments, estimates and assumptions**

The preparation of financial information requires management to make judgments, 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 judgments 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 judgments 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.

**2.4 The Company's financial risk management objectives and policies are consistent with those disclosed in the financial statements as at and for the year ended 30 June 2025.****2.5 Functional currency**

This financial information is prepared in Pak Rupees which is the Company's functional currency.

**3 MATERIAL ACCOUNTING POLICY INFORMATION**

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 June 30, 2025.

**4 LOAN FROM DIRECTORS AND SPONSORS**

Directors and sponsors entered into a contract with the Company to provide funds to the Company. As per the contract, the loans are unsecured, interest free and repayable at the discretion of the Company. The loans are presented under equity as per Technical Release-32 of The Institute of Chartered Accountants of Pakistan.

<u>December 31, 2025</u>	<u>June 30, 2025</u>
<i>Rupees</i>	<i>Rupees</i>
<i>(Un-Audited)</i>	<i>(Audited)</i>

**5 CONTINGENCIES AND COMMITMENTS**

There is no material change in contingencies and commitments as disclosed in annual financial statements for the year ended June 30, 2025 except following:

**5.1 Contingencies**

Bills Discounted	<u>4,230,722,459</u>	<u>2,903,624,332</u>
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**5.1.1** The Government of Pakistan levied Super Tax applicable from Tax Year 2022, in addition to the applicable corporate tax rate of 29%. The Company, along with other taxpayers, challenged the levy before the Sindh High Court, which decided the matter in favour of the petitioners. Subsequently, the Federal Board of Revenue filed an appeal before the Supreme Court of Pakistan, which directed the Company to deposit the disputed amount with the Nazir of the Court. Accordingly, the Company provided security equivalent to 100% of the disputed amount, of which 50% has been encashed and deposited

Thereafter, vide short order dated 27 January 2026, passed in connected appeals including Transfer Case No. 318/2025, the Federal Constitutional Court upheld the constitutional validity of Super Tax through short order. The detailed judgment is still awaited. The Company is in the process of filing a Civil Review Petition against the said judgment.

In view of the above, the ultimate outcome of the matter and the resultant financial impact, if any, cannot presently be determined. Accordingly, no adjustment has been made in these financial statements in respect of this matter.

**5.2 Commitments**

Letter of credit (for store, raw material and machinery)	<u>1,853,505,578</u>	<u>1,705,489,514</u>
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**Bhanero Textile Mills Limited****Notes to the Condensed Interim Financial Information (Un-audited)****For The Half Year Ended December 31, 2025**

	Note	December 31, 2025 <i>Rupees</i> <i>(Un-Audited)</i>	June 30, 2025 <i>Rupees</i> <i>(Audited)</i>
<b>5.3 Commitments under ijarah contracts</b>			
The aggregate amount of Ijarah payments for ijarah financing and the period in which these payments will become due are as follows:			
- payments not later than one year		80,700,965	99,787,632
- payments later than one year		100,263,964	166,011,895
		<u>180,964,929</u>	<u>265,799,527</u>
<b>6 PROPERTY, PLANT AND EQUIPMENT</b>			
Operating fixed assets	6.1	8,429,845,195	8,457,907,078
Capital work in progress		589,440,335	399,177,155
		<u>9,019,285,530</u>	<u>8,857,084,233</u>
<b>6.1 Operating fixed assets</b>			
Net book value at the beginning of the period/ year		8,457,907,078	8,755,049,425
Additions / transfers during the period / year			
Factory buildings		-	65,334,326
Plant and machinery		266,274,054	76,679,815
Equipment and other assets		-	108,602,750
Electric installation		139,689,833	300,779,127
Gas Pipe Lines		-	2,691,383
Boiler		-	918,750
Furniture & Fixtures - Factory		-	1,267,560
Vehicles		-	17,718,506
		<u>405,963,887</u>	573,992,217
Net book value of assets disposed during the period/year		<u>(2,868,368)</u>	(8,974,415)
Depreciation for the period/year		<u>(431,157,402)</u>	(862,160,149)
Net book value at the end of the period / year		<u>8,429,845,195</u>	<u>8,457,907,078</u>
<b>7 LONG TERM INVESTMENTS</b>			
These represent investments in term finance certificates (TFCs). These TFCs carry coupon rate of 12.68%, payable semi annually and are redeemable at par in December 2047.			
<b>8 SHORT TERM INVESTMENTS</b>			
These represent investments in mutual funds. These, being held for trading, are required to be measured at fair value through profit or loss mandatorily. Accordingly, these have been classified as 'financial assets at fair value through profit or loss'. Particulars of investments are as follows:			
Cost of investments		562,500,000	-
Changes in fair value		4,602,030	-
		<u>567,102,030</u>	<u>-</u>
<b>9 LEVIES &amp; TAXES</b>			
<b>9.1</b> The provision for minimum tax has been recognized as levies in these condensed interim financial statements as per the requirements of IFRIC 21/IAS37 and guidance on IAS 12 issued by ICAP.			
<b>10 TRANSACTIONS AND BALANCES WITH RELATED PARTIES</b>			
Related parties from the Company's perspective comprise associated companies and key management personnel. Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, and include the Chief Executive and Directors of the Company.			
Transactions with key management personnel are limited to payment of short term employee benefits only. The Company in the normal course of business carries out various transactions with associated companies and continues to have a policy whereby all such transactions are carried out on commercial terms and conditions which are equivalent to those prevailing in an arm's			
Names and details of transactions and balances with related parties are as follows:			
<b>Name</b>	<b>Nature of relationship</b>	<b>Shareholding</b>	
Faisal Spinning Mills Limited	Common directorship	N/A	
Blessed Textiles Limited	Common directorship	N/A	
Bhanero Energy Limited	Common directorship	N/A	
Admiral (Private) Limited	Directors' close family member	N/A	
Yasmin Begum	Directors' close family member	1.00%	
Khurram Salim	Director	2.06%	
Farrukh Salim	Directors' close family member	2.02%	
Yousuf Salim	Directors' close family member	1.67%	
Saqib Salim	Directors' close family member	1.71%	
Amna Khurram	Directors' close family member	2.44%	
Muhammad Umer	Directors' close family member	0.02%	
Yahvaa Farrukh	Directors' close family member	2.44%	
Saba Yousaf	Director	2.72%	
Saba Saqib	Directors' close family member	2.76%	
Samia Bilal	Directors' close family member	11.06%	

**Bhanero Textile Mills Limited**
**Notes to the Condensed Interim Financial Information (Un-audited)**
**For The Half Year Ended December 31, 2025**

	Half Year Ended		Quarter Ended	
	December 31, 2025	December 31, 2024	December 31, 2025	December 31, 2024
<b>Nature of transactions</b>	<b>Rupees</b>	<b>Rupees</b>	<b>Rupees</b>	<b>Rupees</b>
Purchases	220,967,115	398,872,163	88,893,697	217,443,437
Sales	710,055,741	472,141,635	333,886,733	203,020,348
Services received	309,000	309,000	154,500	154,000
Purchase of electricity	876,978	5,320,119	413,478	1,646,879
Remuneration to key management	10,800,000	10,800,000	5,400,000	5,400,000
Balance with related party	20,000	20,000	20,000	20,000
Loan received from directors & sponsors		2,500,000	-	-

**11 SEGMENT REPORTING**

The Company has two reportable segments, which offer different products and are managed separately. The following summary describes the operations in each of the company's reportable segments.

Reportable segment	Principal activity
Spinning	Manufacture and sale of yarn
Weaving	Manufacture and sale of woven fabric

Information about operating segments as at December 31, 2025 is as follows:

	Half Year Ended December 31, 2025			
	Spinning Rupees	Weaving Rupees	Total Rupees	
Revenue from external customers	11,432,683,029	4,527,313,537	15,959,996,566	
Inter-segment transfers	451,071,955	-	451,071,955	
Segment results	361,598,682	479,438,010	841,036,692	
Other operating income			57,052,927	
Other operating expenses			(12,908,873)	
Finance cost			(636,465,192)	
			248,715,554	
	Half Year Ended December 31, 2024			
	Spinning Rupees	Weaving Rupees	Total Rupees	
Revenue from external customers	12,244,849,114	4,768,194,858	17,013,043,972	
Inter-segment transfers	373,258,330	-	373,258,330	
Segment results	501,840,416	328,099,279	829,939,695	
Other operating income			64,956,798	
Other operating expenses			(20,306,334)	
Finance cost			(603,313,452)	
			271,276,707	
	<b>As at December 31, 2025- (Un-Audited)</b>			
	Spinning Rupees	Weaving Rupees	Un-allocated Rupees	Total Rupees
Segment assets	21,317,737,269	4,712,795,649	2,000,465,146	28,030,998,064
	<b>As at June 30, 2025 (Audited)</b>			
	Spinning Rupees	Weaving Rupees	Un-allocated Rupees	Total Rupees
Segment assets	20,831,177,424	4,280,653,616	1,813,181,589	26,925,012,629
	<b>As at December 31, 2025- (Un-Audited)</b>			
	Spinning Rupees	Weaving Rupees	Un-allocated Rupees	Total Rupees
Segment liabilities	13,850,742,011	3,175,253,107	1,831,650	17,027,826,768
	<b>As at June 30, 2025 (Audited)</b>			
	Spinning Rupees	Weaving Rupees	Un-allocated Rupees	Total Rupees
Segment liabilities	12,145,682,405	2,900,105,100	917,069,647	15,962,857,152

**Bhanero Textile Mills Limited****Notes to the Condensed Interim Financial Information (Un-audited)**

For The Half Year Ended December 31, 2025

	December 31, 2025	June 30, 2025
	<i>Rupees</i> <i>(Un-Audited)</i>	<i>Rupees</i> <i>(Audited)</i>
<b>12 SHARIAH COMPLIANCE DISCLOSURE</b>		
<b>Statement of Financial Position</b>		
<i>Liabilities</i>		
Long term financing-islamic mode	1,182,272,056	2,570,020,586
Short term financing-islamic mode	2,455,110,728	2,500,025,176
Accrued Markup-Islamic Financing	60,054,901	24,690,621
Accrued Markup-Conventional	86,186,512	57,664,271
<i>Assets</i>		
Sharia-Compliant bank deposits, bank balances	503,389,172	91,664,623
Sharia-Compliant TDR	640,100,000	120,100,000
	December 31, 2025	December 31, 2024
	<i>Rupees</i> <i>(Un-Audited)</i>	<i>Rupees</i> <i>(Un-Audited)</i>
<b>Statement of Profit or Loss</b>		
Profit earned from Sharia-Compliant bank deposits, bank balances	-	-
Profit earned from Sharia-Compliant TDR	-	-
Profit Accrued Sharia-Compliant TDR and subsequent received	5,827,477	10,779,386
Dividend Accrued Sharia-Compliant TDR BAF (IMMF) and subsequent receive	4,469,178	-
Exchange gain earned from actual currency	150,327,044	20,568,558
Markup paid on islamic mode of financing	157,260,792	210,074,286
Markup paid on Conventional mode	431,444,602	542,283,400
Interest earned on any conventional advance	-	-
<b>Breakup of income</b>		
<b>Non-Compliant Income</b>		
Profit on saving accounts	25,779	-
Profit on term deposit receipts	50,579,791	59,041,794

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

Name	Relationship
Faysal Bank Limited	Bank balance, long term financing and short term borrowing
Bank Islami Pakistan	Bank balance and short term borrowing
Al Baraka Bank	Bank Balance and Short term borrowing
Habib Metropolitan Bank Limited	Bank balance and short term borrowing
Meezan Bank Limited	Short term borrowing
Askari Bank Limited	Bank balance and short term borrowing

**13 EVENTS AFTER THE REPORTING PERIOD**

13.1 There are no significant events after the reporting period that may require any adjustment or disclosure in this condensed interim financial report.

**14 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 financial statements.

**15 DATE OF AUTHORIZATION FOR ISSUE**

This condensed interim financial information has been approved by the Board of Directors of the Company and authorized for issue on February 26, 2026.

**16 GENERAL**

16.1 There are no other significant activities since June 30, 2025 affecting the interim financial information.

16.2 Figures have been rounded off to the nearest Rupee.

  
CHIEF EXECUTIVE

  
DIRECTOR

  
CHIEF FINANCIAL OFFICER