



# Half Yearly Report

## 31 December 2025

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2025

SAPPHIRE TEXTILE MILLS LIMITED



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# COMPANY INFORMATION

## Board Of Directors

Mr. Mohammad Abdullah  
Chairman / Non - Executive Director

Mr. Nadeem Abdullah  
Chief Executive / Executive Director

Mr. Shahid Abdullah  
Non - Executive Director

Mr. Amer Abdullah  
Non - Executive Director

Mr. Yousuf Abdullah  
Non - Executive Director

Mr. Nabeel Abdullah  
Executive Director

Mr. Umer Abdullah  
Executive Director

Mr. Mirza Saleem Baig  
Independent Director

Mr. Shahid Shafiq  
Independent Director

Ms. Mashmooma Zehra Majeed  
Independent Director

## Audit Committee

Mr. Shahid Shafiq - Chairman  
Mr. Amer Abdullah - Member  
Mr. Yousuf Abdullah - Member  
Mr. Mirza Saleem Baig - Member

## Legal Advisor

A. K. Brohi & Company

## Bankers

Allied Bank Limited  
Bank Alfalah Limited  
Bank Al Habib Limited  
BankIslami Pakistan Limited  
Faysal Bank Limited  
Habib Bank Limited  
Habib metropolitan Bank Limited  
Industrial and Commercial Bank of China  
Meezan Bank Limited  
MCB Bank Limited  
National Bank of Pakistan  
Soneri Bank Limited  
Standard Chartered Bank (Pakistan) Ltd.  
The Bank of Punjab  
United Bank Limited

## Human Resource & Remuneration Committee

Ms. Mashmooma Zehra Majeed - Chairperson  
Mr. Nadeem Abdullah - Member  
Mr. Nabeel Abdullah - Member  
Mr. Umer Abdullah - Member  
Mr. Shahid Shafiq - Member

## Shares Registrar

Hameed Majeed Associates (Pvt.) Ltd.

## Chief Financial Officer

Mr. Abdul Sattar

## Tax Consultants

Yousuf Adil,  
Chartered Accountants

## Company Secretary

Mr. Zeeshan

## Auditors

Shinewing Hameed Chaudhri & Company  
Chartered Accountants

## Registered Office

212, Cotton Exchange Building,  
I. I. Chundrigar Road, Karachi.  
Tel: +92 21 111 000 100  
www.sapphire.com.pk/stml

## Mills

### Spinning Units

A-17,SITE, Kotri  
A-84,SITE Area, Nooriabad  
63/64-KM, Multan Road, Jumber Khurd, Chunian,  
District Kasur  
1.5-KM, Warburton Road, Feroze Wattoan,  
Sheikhupura.

### Weaving unit, yarn dyeing unit, Printing & processing unit, Home Textile and Stitching unit

2-KM, Warburton Road, Feroze Wattoan,Sheikhupura.

### Stitching unit

1.5-KM Off, Defence Road, Bhutian Chowk,  
Raiwind Road, Lahore.



**UNCONSOLIDATED  
CONDENSED INTERIM  
FINANCIAL STATEMENTS  
FOR THE HALF YEAR ENDED  
DECEMBER 31, 2025**

## DIRECTORS' REPORT TO THE SHAREHOLDERS

The Directors of the Company are pleased to present their Report together with the un-audited financial statements for the half year ended December 31, 2025, which have been reviewed by the External Auditors. The Auditors' Review Report is annexed to these financial statements.

### Financial Review

A Summary of key financial figures is presented below:

	December 31,	
	2025	2024
	Rupees in thousand	
Net turnover	<b>41,111,201</b>	46,764,738
Gross profit	<b>4,693,338</b>	6,898,427
Profit from operations	<b>7,352,474</b>	5,658,422
Other income	<b>5,075,427</b>	1,076,014
Finance cost	<b>(1,800,533)</b>	(2,527,784)
Profit before taxation	<b>5,551,940</b>	3,130,638
Profit after taxation	<b>4,008,480</b>	1,900,722

During the period under review, the Company's net turnover declined to Rs. 41.111 billion, compared with Rs. 46.765 billion in the corresponding period last year. This decrease was primarily attributable to lower product prices and the closure of certain spinning capacity that did not align with the Company's strategic focus on value-added segment.

The gross profit margin decreased to 11.42% from 14.75%, mainly due to reduced margins in the spinning segment. Other income, however, increased significantly to Rs. 5.075 billion (2024: Rs. 1.076 billion), driven predominantly by higher dividend income from the energy segment.

Finance costs declined to Rs. 1.801 billion from Rs. 2.528 billion, reflecting a reduction in the policy rate as well as lower borrowings resulting from decreased working capital requirements. As a combined effect of these factors, profit after tax rose to Rs. 4.008 billion, compared with Rs. 1.901 billion in the corresponding period last year.

### Earnings per Share

The earnings per share (EPS) for the half year ended December 31, 2025 stood at Rs. 184.81, compared to Rs. 87.63 in the corresponding period of the previous year.

### Dividend

The Board of directors of the Company is pleased to recommend interim cash dividend of 100% i.e. Rs.10 per share for the year ending June 30, 2026.

### Future Prospects

Pakistan's textile sector continues to operate in a challenging environment characterized by global trade uncertainties, domestic policy volatility, rising energy and input costs, declining domestic cotton production, and an increasing taxation burden. In addition, risks relating to changes in preferential market access regimes and evolving trade policies in key export markets further heighten the level of uncertainty for the industry. These factors have collectively exerted pressure on margins, planning visibility, and new investment decisions.

Despite these headwinds, the long-term prospects of the sector remain anchored in Pakistan's fundamental strengths, including a large and well-established manufacturing base, a skilled workforce, and diversified product capabilities across the textile value chain. These structural advantages continue to provide a solid foundation for sustainable growth, provided the operating environment becomes more predictable and supportive of industrial competitiveness.

In response to the prevailing challenges, the Company has accelerated its strategic focus on value-added and specialty products, which offer relatively higher margins and greater resilience against external volatility. The Company is also prioritizing the strengthening of long-term relationships with international buyers, enhancing operational efficiencies, and implementing cost-optimization initiatives across all business segments to maintain competitiveness and support sustainable growth.

### **Acknowledgment**

The Board places on record its sincere appreciation for the support extended by the shareholders, customers, bankers, suppliers, regulatory bodies, and all other stakeholders. The Directors also commend the dedication and hard work of the Company's management, staff, and workers.

On behalf of the Board



**NADEEM ABDULLAH**

CHIEF EXECUTIVE

Lahore.

Dated: February 24, 2026



**MOHAMMAD ABDULLAH**

CHAIRMAN / DIRECTOR

## حصص یا فنڈنگ کے لئے ڈائریکٹرز رپورٹ

کمپنی کے ڈائریکٹرز 31 دسمبر، 2025 کو ختم ہونے والی ششماہی کیلئے اپنی رپورٹ کے ہمراہ کمپنی کے غیر آڈٹ شدہ مالی گوشوارے پیش کرنے میں مسرت محسوس کرتے ہیں جس کا بیرونی آڈیٹرز کی طرف سے جائزہ لیا گیا ہے۔ آڈیٹرز کی جائزہ رپورٹ مالی گوشواروں کے ساتھ منسلک ہے۔

### مالی کارکردگی کا جائزہ

اہم مالی اعداد و شمار کا خلاصہ درج ذیل ہیں

31 دسمبر  
2025  
(روپے ہزار میں)

خالص آمدن	41,111,201	46,764,738
مجموعی منافع	4,693,338	6,898,427
آپریٹرز سے حاصل منافع	7,352,474	5,658,422
دیگر آمدن	5,075,427	1,076,014
مالی لاگت	(1,800,533)	(2,527,784)
فصل اورنگس منافع	5,551,940	3,130,638
بعد اورنگس منافع	4,008,480	1,900,722

زیر جائزہ مدت کے دوران کمپنی کی خالص آمدن گزشتہ سال کی 46.765 ملین روپے سے کم ہو کر 41.111 ملین روپے رہی۔ آمدن میں کمی کی بنیادی وجوہات میں مصنوعات کی کم قیمتیں اور مخصوص اسپننگ پیداوار کی بندش شامل ہے جو ویلیو ایڈڈ سیکٹس پر کمپنی کی تدویراتی توجہ سے ہم آہنگ نہیں تھیں۔

مجموعی منافع 14.75 فیصد سے کم ہو کر 11.42 فیصد ہو گیا جس کی بنیادی وجہ اسپننگ سیکٹس کے منافع میں کمی ہے۔ تاہم دیگر آمدن میں نمایاں اضافہ ہوا جو بڑھ کر 5.075 ملین روپے ہو گیا (2024: 3.130 ملین روپے) جس کی وجہ ایئر سی ٹیکنالوجی سے منافع منقسم میں اضافہ ہے۔

فروخت کے فیصد کے طور پر مجموعی منافع گزشتہ سال کے دوران 13.43 فیصد کے مقابلے میں 13.65 ہا۔ سال کے دوران دیگر آمدن گزشتہ سال کی 5.895 ملین روپے کے مقابلے میں کم ہو کر 3.434 ملین روپے ہو گئی۔ جس کی وجہ ایئر سی ٹیکنالوجی سے منافع منقسم میں کمی ہے۔ سال کے دوران کمپنی کی مالی لاگت گزشتہ سال کی 6.397 ملین روپے سے کم ہو کر 4.666 ملین روپے ہو گئی جس کی بنیادی وجہ پالیسی ریٹ میں کمی اور کم شرح سود پر غیر ملکی کرنسی میں نفاذ ناکے۔ ٹیکس ریزیم میں سستی ٹیکس سے نابلد ٹیکس میں تبدیلی کی وجہ سے سال کیلئے ٹیکسیشن کے اخراجات بڑھے۔ ٹیکس ریزیم میں تبدیلی کے نتیجے میں کمپنی نے موجودہ سال میں 574 ملین روپے کے موخر شدہ ٹیکس اخراجات تسلیم کیے جبکہ گزشتہ سال کے اسی حصے میں 517 ملین روپے کی موخر شدہ ٹیکس آمدنی ریکارڈ کی گئی تھی۔ بعد اورنگس منافع گزشتہ سال کے 5.174 ملین روپے کے مقابلے میں کم ہو کر 3.951 ملین روپے ہو گیا۔ منافع منقسم کی آمدن میں کمی اور کم مالی لاگت کے باوجود بہت زیادہ ٹیکسیشن کی وجہ سے موجودہ سال کیلئے بعد اورنگس منافع میں کمی ہوئی۔

کمپنی کی مالی لاگت 2.528 ملین روپے سے کم ہو کر 1.801 ملین روپے رہ گئی جس کی بنیادی وجہ پالیسی ریٹ میں کمی اور ورکنگ کپٹل کی ضروریات میں کمی کے نتیجے میں کم قرضے ہیں۔ ان عوامل کے مجموعی اثرات کے نتیجے میں بعد ٹیکس منافع گزشتہ سال کی اسی مدت کے 1.901 ملین روپے سے بڑھ کر 4.008 ملین روپے ہو گیا۔

### فی حصص آمدن

31 دسمبر، 2025 کو ختم ہونے والی ششماہی کیلئے فی حصص آمدن گزشتہ سال کی اسی مدت کی 87.63 روپے فی حصص آمدن کے مقابلے میں 184.81 روپے رہی۔

### منافع منقسم

کمپنی کے بورڈ آف ڈائریکٹرز 30 جون 2026 کو ختم ہونے والے سال کے لیے 100 فیصد یعنی فی حصص 10 روپے نقد مجموعی منافع منقسم کی تجویز کرنے میں خوشی محسوس کرتے ہیں۔

### مستقبل کی پیش بینی

پاکستان کی ٹیکسٹائل کا شعبہ عالمی تجارتی غیر یقینی صورتحال، کئی پالیسی میں اتار چڑھاؤ، توانائی اور پیداوار کی بڑھتی ہوئی لاگتوں، کمان کی کئی پیداوار میں کمی اور ٹیکسوں کے بڑھتے ہوئے بوجھ کی وجہ سے مشکل حالات میں کام کر رہا ہے۔ اس کے علاوہ اہم برآمدی منڈیوں میں ترقیاتی مارکیٹس کے نامیاتی کھٹاؤں اور ترقی پذیر تجارتی پالیسیوں کے متعلق خطرات صنعت کے لیے غیر یقینی صورتحال کو بڑھا دیتے ہیں۔ ان عوامل کی وجہ سے مجموعی طور پر منافع کے مارژن، منصوبہ بندی اور سرمایہ کاری کے لئے فیصلے دینا بڑھ چکا ہے۔

ان مشکلات کے باوجود شعبہ کے طویل مدت امکانات بڑی اور مستحکم ہیں۔ پیچھے جھکے ہوئے بہتر مندرجہ ذیل قوت اور متنوع مصنوعات کی صلاحیت جیسی پاکستان کی مضبوط بنیادوں پر قائم ہے۔ یہ درآمدی مستقل ترقی کے لیے مضبوط بنیاد فراہم کرتے ہیں بشرطیکہ کام کو عالمی زیادہ حکمت عملی اور مستحق مقابلے کے لیے سازگار ہو۔

ان چیلنجز اور مشکلات سے نمٹنے کیلئے کمپنی نے ویلیو ایڈڈ اور خاص مصنوعات پر اپنی تدویراتی توجہ کو بڑھا دیا ہے۔ نسبتاً زیادہ منافع بخش ہوں اور بیرونی غیر یقینی صورتحال کے خلاف زیادہ مضبوطی فراہم کریں۔ کمپنی عالمی خریداروں کے ساتھ اپنے طویل مدت تعلقات کو مضبوط بنانے، آپریٹنگ کارکردگی میں اضافہ، تمام کاروباری سیکٹرز میں لاگت میں کمی کے اقدامات کے نفاذ کو ترجیح دی رہی ہے تاکہ مسابقت کو برقرار رکھا جاسکے اور پائیدار ترقی میں معاونت ملے۔

### اہم ہدف

بورڈ حصص یافتگان، صارفین، سپلائرز، ریگولیٹری اداروں اور تمام اسٹیک ہولڈرز کی معاونت کیلئے خلوص دل سے واڈیشن کا اظہار کرتا ہے۔ ڈائریکٹرز کمپنی کی انتظامیہ، ملازمین اور ورکرز کی لگن اور اہمکیت کو سراہتے ہیں۔

منجانب بورڈ  
محمد عبداللہ  
چیف مین ڈائریکٹر

ندیم عبداللہ  
چیف ایگزیکٹو

لاہور

مورخہ: 24 فروری، 2026

# INDEPENDENT AUDITORS' REVIEW REPORT

To the Members of Sapphire Textile Mills Limited

Report on Review of Unconsolidated Condensed Interim Financial Statements

## Introduction

We have reviewed the accompanying unconsolidated condensed interim statement of financial position of **Sapphire Textile Mills Limited** (the Company) as at December 31, 2025 and the related unconsolidated condensed interim statement of profit or loss, unconsolidated condensed interim statement of other comprehensive income, unconsolidated condensed interim statement of changes in equity, unconsolidated condensed interim statement of cash flows, and notes to the unconsolidated condensed interim financial statements for the six months period then ended (here-in-after referred to as the "interim financial statements"). Management is responsible for the preparation and presentation of these interim financial statements in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on these interim financial statements based on our review.

## Scope of Review

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

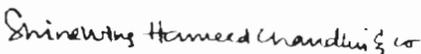
## Conclusion

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

Pursuant to the requirement of section 237 (1) (b) of the Companies Act, 2017, only cumulative figures for the six months 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 unconsolidated condensed interim statement of profit or loss and unconsolidated condensed interim statement of other comprehensive income for the three months period ended December 31, 2025 and 2024 have not been reviewed by us.

The engagement partner on the review resulting in this independent auditors' review report is Osman Hameed Chaudhri.



**SHINEWING HAMEED CHAUDHRI & CO.,**  
**CHARTERED ACCOUNTANTS**  
**LAHORE: FEBRUARY 26, 2026**  
**UDIN: RR2025101040dh9k6Ej3**

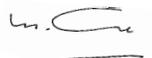
# UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION

AS AT DECEMBER 31, 2025

	Note	Un-audited December 31, 2025	Audited June 30, 2025
		----- Rupees -----	
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	4	27,193,449,640	26,433,773,204
Investment property		147,264,589	153,811,557
Long term investments	5	21,409,868,168	18,058,672,125
Long term loans and advances		131,446,590	61,178,437
Long term deposits		98,148,246	98,148,246
		<b>48,980,177,233</b>	<b>44,805,583,569</b>
<b>Current assets</b>			
Stores, spares and loose tools		622,147,969	885,592,506
Stock in trade		26,003,865,406	28,433,524,343
Trade debts		8,207,196,375	9,721,683,648
Loans and advances		158,094,766	201,919,917
Short term deposits		457,539,867	153,208,672
Other receivables		1,578,224,456	1,577,571,950
Short term investments		8,925,880,812	7,031,015,869
Tax refunds due from Government		4,718,663,932	3,412,026,926
Cash and bank balances		140,934,071	153,387,486
		<b>50,812,547,654</b>	<b>51,569,931,317</b>
<b>Total assets</b>		<b>99,792,724,887</b>	<b>96,375,514,886</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Share capital and reserves</b>			
Authorized share capital		<b>350,000,000</b>	<b>350,000,000</b>
35,000,000 ordinary shares of Rs.10 each			
Issued, subscribed and paid up capital		216,897,910	216,897,910
21,689,791 ordinary shares of Rs.10 each			
Reserves		50,076,301,677	42,530,122,429
<b>Total equity</b>		<b>50,293,199,587</b>	<b>42,747,020,339</b>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
Long term loans		15,407,937,964	16,254,979,207
Lease liabilities		121,014,092	120,813,263
Deferred income - Government grant		141,099,401	169,620,752
Staff retirement benefit - gratuity		808,943,019	832,934,148
Deferred tax liability		1,753,062,944	940,906,510
		<b>18,232,057,420</b>	<b>18,319,253,880</b>
<b>Current liabilities</b>			
Trade and other payables		10,088,814,876	9,912,351,480
Contract liabilities		1,717,293,349	1,722,396,530
Accrued mark-up		453,994,784	771,368,299
Short-term borrowings		15,747,143,607	19,596,928,908
Current portion of long-term liabilities		3,257,956,409	3,303,930,595
Unclaimed dividend		2,264,855	2,264,855
		<b>31,267,467,880</b>	<b>35,309,240,667</b>
<b>Total liabilities</b>		<b>49,499,525,300</b>	<b>53,628,494,547</b>
<b>Contingencies and commitments</b>	6		
<b>Total equity and liabilities</b>		<b>99,792,724,887</b>	<b>96,375,514,886</b>

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

  
Chief Executive Officer

  
Chairman / Director

  
Chief Financial Officer

# UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS (UN-AUDITED)

FOR THE QUARTER AND SIX MONTHS PERIOD ENDED DECEMBER 31, 2025

Note	Quarter ended		Six months period ended		
	December 31, 2025	December 31, 2024	December 31, 2025	December 31, 2024	
----- Rupees -----					
Net turnover	7	19,127,497,186	23,205,659,753	41,111,200,976	46,764,737,871
Cost of sales	8	(16,957,433,294)	(20,075,764,668)	(36,417,863,215)	(39,866,311,082)
<b>Gross profit</b>		<b>2,170,063,892</b>	3,129,895,085	<b>4,693,337,761</b>	6,898,426,789
Distribution cost		(705,690,098)	(775,634,747)	(1,707,726,964)	(1,607,129,439)
Administrative expenses		(281,782,785)	(269,866,892)	(588,071,052)	(536,652,514)
Other operating expenses		(83,126,235)	(67,021,551)	(120,493,616)	(172,236,858)
Other income	9	3,732,746,820	750,758,285	5,075,427,427	1,076,013,824
<b>Profit from operations</b>		<b>4,832,211,594</b>	2,768,130,180	<b>7,352,473,556</b>	5,658,421,802
Finance cost		(843,764,924)	(1,246,459,692)	(1,800,533,370)	(2,527,783,794)
<b>Profit before revenue tax income tax and levy</b>		<b>3,988,446,670</b>	1,521,670,488	<b>5,551,940,186</b>	3,130,638,008
Revenue and levy taxes	10	(289,250,102)	(446,020,286)	(640,368,794)	(933,322,272)
<b>Profit before income tax</b>		<b>3,699,196,568</b>	1,075,650,202	<b>4,911,571,392</b>	2,197,315,736
Income tax expense	10	(590,869,682)	(208,482,803)	(903,091,646)	(296,593,415)
<b>Profit for the period</b>		<b>3,108,326,886</b>	867,167,399	<b>4,008,479,746</b>	1,900,722,321
<b>Earnings per share</b>					
- basic and diluted		143.31	39.98	184.81	87.63

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

  
Chief Executive Officer

  
Chairman / Director

  
Chief Financial Officer

**UNCONSOLIDATED CONDENSED INTERIM  
STATEMENT OF OTHER COMPREHENSIVE INCOME (UN-AUDITED)**  
FOR THE QUARTER AND SIX MONTHS PERIOD ENDED DECEMBER 31, 2025

	<u>Quarter ended</u>		<u>Six months period ended</u>	
	December 31, 2025	2024	December 31, 2025	2024
	----- Rupees -----			
<b>Profit after taxation</b>	<b>3,108,326,886</b>	867,167,399	<b>4,008,479,746</b>	1,900,722,321
<b>Other comprehensive income:</b>				
<b>Items that will be reclassified to statement of profit or loss subsequently</b>				
<b>Forward foreign currency contracts</b>				
Net change on remeasurement of forward foreign exchange contracts	<b>135,266,180</b>	(51,382,332)	<b>286,335,699</b>	(40,221,274)
<b>Items that will not be reclassified to statement of profit or loss subsequently</b>				
Exchange loss on translation of investment in foreign currency	<b>(391,552)</b>	-	<b>(5,632,695)</b>	-
Unrealised gain on remeasurement of investment at fair value through other comprehensive income - net of tax	<b>269,490,396</b>	2,039,432,094	<b>3,105,503,073</b>	1,653,131,253
Realised gain / (loss) on sale of investment at fair value through other comprehensive income	<b>149,804,132</b>	(183,728,381)	<b>151,493,425</b>	270,681,636
Other comprehensive income for the period	<b>554,169,156</b>	1,804,321,381	<b>3,537,699,502</b>	1,883,591,615
<b>Total comprehensive income for the period</b>	<b>3,662,496,042</b>	2,671,488,780	<b>7,546,179,248</b>	3,784,313,936

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

  
Chief Executive Officer

  
Chairman / Director

  
Chief Financial Officer

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

FOR THE SIX MONTHS PERIOD ENDED DECEMBER 31, 2025

	Rupees											
	Reserves					Revenue						
	Issued, subscribed and paid-up capital	Share Premium	Fixed assets replacement	Capital Reserve against capacity expansions and long term investments	Exchange gain on translation of foreign investment	Fair value reserve of financial asset at fair value through OCI	Sub-total	General	Cash flow hedge reserve	Unappropriated profit	Sub-total	Total Equity
Balance as at July 01, 2024 (Audited)	216,897,910	782,796,090	65,000,000	-	-	1,459,803,448	2,307,599,538	1,330,000,000	60,421,094	33,001,934,741	34,392,355,835	36,916,853,283
Transaction with owners of the Company												
Final dividend related to the year ended June 30, 2024 at the rate of Rs.10 per share	-	-	-	-	-	-	-	-	-	(216,897,910)	(216,897,910)	(216,897,910)
Transfer of reserves	-	-	-	30,730,000,000	-	-	30,730,000,000	(1,330,000,000)	-	(29,400,000,000)	(30,730,000,000)	-
<b>Total comprehensive income for the period ended December 31, 2024</b>	-	-	-	-	-	1,923,812,889	1,923,812,889	-	(40,221,274)	1,900,722,321	1,900,722,321	1,900,722,321
Profit after taxation	-	-	-	-	-	1,923,812,889	1,923,812,889	-	(40,221,274)	1,900,722,321	1,860,501,047	1,860,501,047
Other comprehensive income	-	-	-	-	-	-	-	-	-	-	-	-
Reclassification adjustment of realised gain on sale of equity instrument at fair value through other comprehensive income	-	-	-	-	-	(270,681,636)	(270,681,636)	-	-	270,681,636	270,681,636	-
<b>Balance as at December 31, 2024 (Un-audited)</b>	<b>216,897,910</b>	<b>782,796,090</b>	<b>65,000,000</b>	<b>30,730,000,000</b>	<b>-</b>	<b>3,112,934,701</b>	<b>34,690,730,791</b>	<b>-</b>	<b>20,199,820</b>	<b>5,556,440,788</b>	<b>5,576,640,608</b>	<b>40,484,269,309</b>
Balance as at July 01, 2025 (Audited)	216,897,910	782,796,090	65,000,000	30,730,000,000	2,052,868	3,792,249,867	35,372,098,825	-	(48,027,016)	7,206,050,622	7,158,023,604	42,747,020,339
Total comprehensive income for the period ended December 31, 2025	-	-	-	-	-	3,256,936,498	3,251,863,803	-	-	4,008,479,746	4,008,479,746	4,008,479,746
Profit after taxation	-	-	-	-	-	3,256,936,498	3,251,863,803	-	-	286,335,699	286,335,699	286,335,699
Other comprehensive income	-	-	-	-	-	(6,632,695)	(6,632,695)	-	-	-	-	-
Reclassification adjustment of realised gain on sale of equity instrument at fair value through other comprehensive income	-	-	-	-	-	3,256,936,498	3,251,863,803	-	-	4,008,479,746	4,294,815,445	7,546,179,848
<b>Balance as at December 31, 2025 (Un-audited)</b>	<b>216,897,910</b>	<b>782,796,090</b>	<b>65,000,000</b>	<b>30,730,000,000</b>	<b>(5,579,827)</b>	<b>6,887,752,940</b>	<b>38,471,969,203</b>	<b>-</b>	<b>238,308,681</b>	<b>11,366,023,793</b>	<b>11,604,332,474</b>	<b>50,293,199,387</b>

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

  
Chief Executive Officer

  
Chairman / Director

  
Chief Financial Officer

# UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF CASH FLOWS (UN-AUDITED)

FOR THE SIX MONTHS PERIOD ENDED DECEMBER 31, 2025

	Note	Six months period ended	
		December 31,	
		2025	2024
		----- Rupees -----	
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Cash generated from / (used in) operations	11	8,235,682,639	(2,999,054,585)
Long term loans and advances - net		(70,268,153)	(9,238,330)
Long term deposits		-	(5,684,690)
Finance cost paid		(2,106,465,417)	(2,601,367,662)
Staff retirement benefits - gratuity paid		(258,753,077)	(105,654,526)
Taxation - net		(2,936,407,485)	(2,625,172,703)
<b>Net cash generated from / (used in) operating activities</b>		<b>2,863,788,507</b>	<b>(8,346,172,496)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Purchase of property, plant & equipment		(1,992,787,208)	(1,555,401,108)
Investment in equity		(1,556,364,785)	(2,082,495,267)
Proceeds from disposal of property, plant & equipment		32,637,390	41,097,894
Proceeds from disposal of investments		377,831,654	1,527,503,911
Dividend received		4,895,625,256	912,169,729
Interest received		2,349,343	6,026,595
Rental income received		110,809,358	103,587,766
<b>Net cash generated from / (used in) investing activities</b>		<b>1,870,101,008</b>	<b>(1,047,510,480)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Short term borrowings - net		(3,849,785,301)	10,735,583,090
Proceeds from long term loans		780,069,975	562,434,695
Repayment of long term loans		(1,655,383,813)	(1,259,728,374)
Repayment of lease liabilities		(21,243,791)	(20,342,993)
Dividend paid		-	(216,818,870)
<b>Net cash (used in) / generated from financing activities</b>		<b>(4,746,342,930)</b>	<b>9,801,127,548</b>
<b>Net (decrease) / increase in cash and cash equivalents</b>		<b>(12,453,415)</b>	<b>407,444,572</b>
<b>Cash and cash equivalents</b> - at beginning of the period		<b>153,387,486</b>	<b>330,173,801</b>
<b>Cash and cash equivalents</b> - at end of the period		<b>140,934,071</b>	<b>737,618,373</b>

  
Chief Executive Officer

  
Chairman / Director

  
Chief Financial Officer

# NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)

FOR THE SIX MONTHS PERIOD ENDED DECEMBER 31, 2025

## 1. LEGAL STATUS AND OPERATIONS

Sapphire Textile Mills Limited (the Company) was incorporated in Pakistan on March 11, 1969 as a public limited company under the Companies Act, 1913 (now the Companies Act, 2017). The shares of the Company are listed on Pakistan Stock Exchange.

The Company is principally engaged in manufacturing and sale of yarn, fabrics, home textile products, finishing, stitching and printing of fabrics. Following are the business units of the Company along with their respective locations:

<b>Business unit</b>	<b>Location</b>
<b>Registered Office</b> Karachi	212, Cotton Exchange Building, I. I. Chundrigar Road, Karachi.
<b>Lahore Office</b>	4th Floor Tricon Corporate Center, 73-E Main Jail Road, Gulberg II, Lahore.
<b>Production Plants</b>	
Spinning	A-17, SITE, Kotri.
Spinning	A-84, SITE Area, Nooriabad.
Spinning	63/64-KM, Multan Road, Jumber Khurd, Chunian, District Kasur.
Spinning	1.5-KM, Warburtan Road, Feroze Wattoan, Sheikhpura.
Weaving, Yarn Dyeing, Printing, Processing, Home Textile and stitching	2-KM, Warburtan Road, Feroze Wattoan, Sheikhpura.
Stitching	1.5-KM Off, Defence Road, Bhubtian Chowk, Raiwind Road, Lahore

## 2. BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES

### 2.1 Statement of compliance

**2.1.1** These unconsolidated 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 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."

These unconsolidated condensed interim financial statements does not include all the information and disclosures as required in an annual audited financial statements, and these should be read in conjunction with the Company's annual audited financial statements for the year ended June 30, 2025. These unconsolidated condensed interim financial statements are being submitted to the shareholders as required by the section 237 of the Companies Act, 2017.

**2.1.2** These are separate financial statements, where the investment in subsidiaries and associates is shown at cost less impairment (if any); consolidated financial statements are separately presented.

### 2.2 Standards, amendments to approved accounting standards effective in current period and are relevant

Certain standards, amendments and interpretations to IFRSs are effective for accounting periods beginning on July 01, 2025 but are considered not to be relevant or to have any significant effect on the Company's operations (although they may affect the accounting for future transactions and events) and are, therefore, not detailed in these unconsolidated condensed interim financial statements.

### 2.3 Standards, amendments to approved accounting standards and interpretations that are not yet effective and have not been early adopted by the Company

There are certain standards, amendments to the accounting standards and interpretations that are effective for accounting periods beginning on and after July 01, 2026 but are considered not to be relevant or to have any significant effect on the Company's operations and are, therefore, not detailed in these unconsolidated condensed interim financial statements.

### 2.4 Material Accounting policies

All the accounting policies and the methods of computation adopted in the preparation of these unconsolidated condensed interim financial statements are consistent with those applied in the preparation of audited annual financial statements for the year ended June 30, 2025.

### 3. ACCOUNTING ESTIMATES AND JUDGMENTS

The preparation of unconsolidated condensed interim financial statements require management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates.

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

		Un-audited DECEMBER 31, 2025	Audited June 30, 2025
Note		----- Rupees -----	
<b>4. PROPERTY, PLANT AND EQUIPMENT</b>			
Operating fixed assets	4.1	25,041,746,938	24,382,916,014
Right-of-use asset		109,066,290	123,203,852
Capital work-in-progress	4.2	2,042,636,412	1,927,653,338
		<b>27,193,449,640</b>	<b>26,433,773,204</b>
<b>4.1 Operating fixed assets</b>			
Net book value at beginning of the period / year		24,382,916,014	23,524,817,361
Additions during the period / year	4.1.1	1,877,804,134	3,389,503,454
Disposals costing Rs.88.946 million (June 30, 2025: Rs.468.928 million) - at net book value		(19,813,269)	(128,001,479)
Depreciation charge for the period / year		(1,199,159,941)	(2,403,403,322)
Net book value at end of the period / year		<b>25,041,746,938</b>	<b>24,382,916,014</b>

# NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)

FOR THE SIX MONTHS PERIOD ENDED DECEMBER 31, 2025

## 4.1.1 Additions to and disposals of operating fixed assets, including transfer from capital work-in-progress, during the period / year:

	Un-audited December 31, 2025		Audited June 30, 2025	
	Addition Cost	Disposal Book Value	Addition Cost	Disposal Book Value
	----- Rupees -----			
Free hold land	3,646,942	-	20,035,868	-
Lease hold land	-	-	-	6,915,875
Buildings on free-hold land :				
- Factory building	494,259,070	-	153,887,907	-
- Labour, staff colony and others	96,854,572	-	307,616,455	-
Buildings on lease-hold land :				
- Factory building	8,437,380	-	3,757,050	-
- Labour, staff colony and others	-	-	76,630,421	-
Plant and machinery	1,003,592,960	8,886,653	2,376,114,161	95,290,097
Electric installation	540,000	-	33,439,629	342,819
Equipment :				
- Fire fighting	1,027,000	-	-	-
- Electric	10,315,348	-	23,450,528	2,556,412
- Office	-	-	3,844,477	116,413
- Mills	53,564,743	-	55,681,227	51,915
Computer	34,887,488	2,624,620	50,087,554	1,591,642
Furniture & fixtures	49,671,468	-	69,747,787	-
Vehicles	121,007,163	8,301,996	215,210,390	21,136,306
	<u>1,877,804,134</u>	<u>19,813,269</u>	<u>3,389,503,454</u>	<u>128,001,479</u>

4.1.2 These include transfer from capital work-in-progress amounting Rs.1,740.27 million (June 30, 2025: Rs.2,663.854 million).

	Un-audited December 31, 2025	Audited June 30, 2025
	----- Rupees -----	
<b>4.2 Capital work-in-progress</b>		
Civil works and buildings	<b>765,602,226</b>	723,331,940
Plant and machinery (including in transit aggregating Rs. 158.250 million (June 30, 2025: Rs.49,465 million))	<b>1,277,034,186</b>	1,202,778,898
Furniture and fixtures	-	1,542,500
	<u><b>2,042,636,412</b></u>	<u>1,927,653,338</u>

## 5. LONG TERM INVESTMENTS

The Company during the period, has made further investment amounting to Rs.1,000 million (June 30, 2025: Rs. 900 million) in Sapphire Chemicals (Private) Limited (a Subsidiary Company), Rs.40 million (June 30, 2025: Rs.50 million) in Sapphire Green Energy (Private) Limited (a Subsidiary Company) and Rs.28.295 millions in Sapphire Retail USA (a subsidiary Company) by subscribing their ordinary shares.

## 6. CONTINGENCIES AND COMMITMENTS

### 6.1 Contingencies

There are no contingencies to be reported as at December 31, 2025 and June 30, 2025.

### 6.2 Commitments

**6.2.1** Guarantees aggregating Rs.3,247.705 million (June 30, 2025: Rs.3,179.939 million) have been issued by banks of the Company.

**6.2.1** Post dated Cheques have been issued to Collector of Customs as an indemnity to adequately discharge the liabilities for taxes and duties leviable on imports. As at December 31, 2025 the value of these cheques amounted to Rs.10,136.370 million (June 30, 2025: Rs. 10,159.126 million).

**6.2.3** A commercial bank has issued a guarantee amounting Rs.45 million in favour of excise and taxation department of Government of Sindh on behalf of Sapphire Wind Power Company Limited (a Subsidiary Company) against charge of Rs.60 million on fixed assets of the Company.

**6.2.4** A commercial bank has issued a guarantee amounting USD125,000 in favour of Directorate of Alternative Energy, Energy department Government of Sindh on behalf of Sapphire Green Energy (Pvt.) Limited (a Subsidiary Company).

**Un-audited**                      **Audited**  
**December 31,**                      **June 30,**  
**2025**                                      **2025**  
----- Rupees -----

### 6.2.5 Commitments in respect of:

- letters of credit for capital expenditure

**3,810,153,455**                      538,278,071

- letters of credit for purchase of raw materials  
and stores, spare parts & chemicals

**1,964,595,580**                      2,749,598,603

- capital expenditure other than letters of credit

**431,990,274**                      220,064,994

- forward foreign currency contracts

**13,665,582,820**                      4,190,219,763

# NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)

FOR THE SIX MONTHS PERIOD ENDED DECEMBER 31, 2025

## 7. NETTURNOVER

Revenue from contracts with respect to type of goods and services and geographical market is presented below:

For the six months period ended - Un-audited

	Export Sales		Local Sales		Total	
	December 31,		December 31,		December 31,	
	2025	2024	2025	2024	2025	2024
	-----Rupees-----					
Yarn	2,239,508,975	3,018,058,007	12,609,976,856	17,748,666,359	14,849,485,831	20,766,724,366
Fabric	9,248,182,674	10,550,390,682	4,962,499,716	3,000,696,626	14,210,682,390	13,551,087,308
Home textile products / Garments	9,408,613,478	8,762,759,184	231,010,116	1,028,486,455	9,639,623,594	9,791,245,639
Raw material	-	-	59,570,517	43,642,119	59,570,517	43,642,119
Waste	-	-	438,649,229	599,597,916	438,649,229	599,597,916
Processing income	-	-	1,868,632,573	1,960,814,299	1,868,632,573	1,960,814,299
	20,896,305,127	22,331,207,873	20,170,339,007	24,381,903,774	41,066,644,134	46,713,111,647
Export rebate	44,556,842	51,626,224	-	-	44,556,842	51,626,224
	20,940,861,969	22,382,834,097	20,170,339,007	24,381,903,774	41,111,200,976	46,764,737,871

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

Note	----- Un-audited -----			
	Quarter ended		Six months period ended	
	December 31,		December 31,	
	2025	2024	2025	2024
	----- Rupees -----			

## 8. COST OF SALES

Finished goods at beginning of the period		6,397,481,022	5,936,168,741	6,926,961,315	6,523,909,035
Cost of goods manufactured	8.1	16,260,950,618	20,618,653,901	35,138,909,404	39,807,448,647
Cost of raw materials sold		9,211,524	23,844,684	62,202,366	37,856,058
		16,270,162,142	20,642,498,585	35,201,111,770	39,845,304,705
		22,667,643,164	26,578,667,326	42,128,073,085	46,369,213,740
Finished goods at end of the period		(5,710,209,870)	(6,502,902,658)	(5,710,209,870)	(6,502,902,658)
		16,957,433,294	20,075,764,668	36,417,863,215	39,866,311,082

	----- Un-audited -----			
	Quarter ended		Six months period ended	
	December 31,		December 31,	
	2025	2024	2025	2024
----- Rupees -----				
<b>8.1 Cost of Goods Manufactured</b>				
Work-in-process at beginning of the period	<b>1,804,904,361</b>	1,691,532,413	<b>1,844,583,487</b>	1,692,571,224
Raw materials consumed	<b>10,698,832,925</b>	14,371,773,253	<b>23,192,147,328</b>	27,084,760,124
Direct labour and other overheads	<b>5,627,889,545</b>	6,406,284,983	<b>11,972,854,802</b>	12,881,054,047
	<b>16,326,722,470</b>	20,778,058,236	<b>35,165,002,130</b>	39,965,814,171
	<b>18,131,626,831</b>	22,469,590,649	<b>37,009,585,617</b>	41,658,385,395
Work-in-process at end of the period	<b>(1,870,676,213)</b>	(1,850,936,748)	<b>(1,870,676,213)</b>	(1,850,936,748)
	<b>16,260,950,618</b>	20,618,653,901	<b>35,138,909,404</b>	39,807,448,647

## 9. OTHER INCOME

This mainly includes dividend of Rs.2,520 million (December 31, 2024: Rs.420 million) received from Sapphire Wind power Company Ltd. (a Subsidiary Company) and Rs.1,828 million (December 31, 2024: Nil) received from Tricon Boston Consulting (Pvt.) Ltd. (a Subsidiary Company).

## 10. PROVISION FOR INCOME TAX & LEVIES

The provision for income tax and levies for the six month period ended and quarter ended December 31, 2025 has been made using the best possible estimate of total annual tax liability of the Company.

	Note	(Un-audited)	
		Six months period ended	
		December 31,	
		2025	2024
----- Rupees -----			
<b>11. CASH GENERATED FROM / (USED IN) OPERATIONS</b>			
Profit before taxation		<b>5,551,940,186</b>	3,130,638,008
<b>Adjustments for non-cash items:</b>			
Depreciation on property, plant & equipment	4.1	<b>1,199,159,941</b>	1,155,828,255
Depreciation on right-of-use asset		<b>14,137,562</b>	13,158,916
Depreciation on investment property		<b>6,546,968</b>	7,291,546
Amortisation of Government grant		<b>(36,219,790)</b>	(40,770,263)
Gain on sale of property, plant and equipment		<b>(8,393,724)</b>	(4,364,487)
Interest income		<b>(2,349,343)</b>	(6,026,595)
Dividend income		<b>(4,898,466,813)</b>	(903,169,729)
Provision for gratuity		<b>234,761,948</b>	180,623,127
Reversal of provision for stores, spares and loose tools		<b>(3,697,199)</b>	(3,933,436)
Provision against doubtful sales tax refundable		<b>80,620,485</b>	57,427,629
Unrealized exchange loss / (gain) on receivable		<b>13,490,000</b>	(380,000)
Unwinding of lease liability		<b>11,441,468</b>	10,186,039
Finance cost		<b>1,789,091,902</b>	2,517,597,755
Rental income		<b>(111,296,000)</b>	(102,968,680)
Working capital changes	11.1	<b>4,394,915,048</b>	(9,010,192,670)
		<b>8,235,682,639</b>	(2,999,054,585)

# NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)

FOR THE SIX MONTHS PERIOD ENDED DECEMBER 31, 2025

	(Un-audited)	
	Six months period ended	
	December 31,	
	2025	2024
	----- Rupees -----	
<b>11.1 Working capital changes</b>		
<b>Decrease / (increase) in current assets</b>		
- stores, spares and loose tools	267,141,736	(256,564,468)
- stock-in-trade	2,429,658,937	(8,445,675,471)
- trade debts	1,506,104,661	(1,361,319,346)
- loans and advances	43,825,151	(74,014,581)
-short term deposits	(304,331,195)	(80,441,285)
- other receivables	227,538,397	(73,217,723)
	<b>4,169,937,687</b>	<b>(10,291,232,874)</b>
<b>Increase / (decrease) in current liabilities</b>		
- trade and other payables	230,080,542	2,060,867,806
- contract liabilities	(5,103,181)	(779,827,602)
	<b>224,977,361</b>	<b>1,281,040,204</b>
	<b>4,394,915,048</b>	<b>(9,010,192,670)</b>
<b>12. TRANSACTIONS WITH RELATED PARTIES</b>		
<b>12.1 Significant transactions with related parties are as follows:</b>		
<b>Transactions with Subsidiary Companies:</b>		
- sales / processing	5,282,025,366	4,156,447,488
- purchases	-	4,860,784
- investment made	1,068,295,000	450,000,000
- expenses charged to	3,960,491	5,147,918
- rental income	103,995,000	96,315,000
- dividend received	4,376,199,998	419,999,999
<b>Transactions with Associated Companies:</b>		
- sales / processing	4,295,352,255	2,667,716,920
- purchases / rental charged	460,884,831	489,099,564
- expenses charged to	62,910,032	51,963,228
- mark-up charged by	68,447,102	100,128,729
- dividend received	10,897,228	19,265,302
- dividend paid	-	168,213,640
- loans (repaid) / obtained - net	(233,622,319)	830,122,394
- donation made	10,000,000	-
<b>Transactions with others:</b>		
- contribution to provident fund	63,531,124	59,104,284
- dividend paid	-	21,641,960
- remuneration to key management personnel	79,265,459	68,038,642

	Un-audited December 31, 2025	Audited June 30, 2025
	----- Rupees -----	
<b>13. FINANCIAL INSTRUMENTS</b>		
<b>13.1 Financial instruments by Category</b>		
<b>FINANCIAL ASSETS</b>		
Debt instruments at amortised cost		
- Long term loans and advances	131,446,590	61,178,437
- Long term deposits	98,148,246	98,148,246
- Trade debts	8,207,196,375	9,773,217,030
- Loan to employees	108,470,227	112,244,950
- Short term deposits	457,539,867	153,208,672
- Other receivables	1,578,224,456	1,577,571,950
- Cash & bank balances	140,934,071	153,387,486
	<b>10,721,959,832</b>	<b>11,928,956,771</b>
<b>Equity instruments at fair value through OCI</b>		
- Quoted equity shares	15,491,988,142	11,308,589,461
- Un-quoted equity shares	178,363,903	183,996,598
	<b>15,670,352,045</b>	<b>11,492,586,059</b>
Total current	<b>10,492,364,996</b>	<b>11,769,630,088</b>
Total non current	<b>15,899,946,881</b>	<b>11,651,912,742</b>
<b>At amortized cost</b>		
- Long-term loan	15,407,937,964	16,254,979,207
- Deferred income-Government grant	141,099,401	169,620,752
- trade and other payables	8,151,394,684	8,054,711,132
- Current portion of long-term liabilities	3,257,956,409	3,303,930,595
- unclaimed dividend	2,264,855	2,264,855
- Short term borrowings	15,747,143,607	19,596,928,908
- accrued mark-up	453,994,784	771,368,299
	<b>43,161,791,704</b>	<b>48,153,803,748</b>
<b>Total current</b>	<b>27,612,754,339</b>	<b>31,729,203,789</b>
<b>Total non current</b>	<b>15,549,037,365</b>	<b>16,424,599,959</b>

# NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)

FOR THE SIX MONTHS PERIOD ENDED DECEMBER 31, 2025

## 13.2 Fair value of financial instruments

Carrying values of the financial assets and financial liabilities approximate their fair values. Fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction.

## 13.3 Fair value hierarchy

The carrying value of all financial assets and liabilities reflected in the financial statements approximate their fair value.

The table below analyse financial instruments carried at fair value, by valuation method. The different levels have been defined as follows:

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

The main level of inputs used by the Company for its financial assets are derived and evaluated as follows:

	Level 1	Level 2	Level 3
	----- Rupees -----		
<b>As at December 31, 2025</b>			
Assets carried at fair value			
Equity instruments at fair value through OCI	<b>15,491,988,142</b>	-	<b>178,363,903</b>
<b>As at June 30, 2025</b>			
Assets carried at fair value			
Equity instruments at fair value through OCI	<b>11,308,589,461</b>	-	<b>183,996,598</b>

During the period ended December 31, 2025, there were no transfers amongst the levels. Further, there were no changes in the valuation techniques during the period.

## 14. SHARIAH SCREENING DISCLOSURE

	Un-audited December 31, 2025		Audited June 30, 2025	
	Conventional	Shariah Compliant	Conventional	Shariah Compliant
	----- Rupees -----			
<b>Statement of Financial Position - Assets</b>				
Long term investments	21,401,406,317	8,461,851	18,050,210,274	8,461,851
Short term investments	4,075,929,577	4,849,951,235	4,222,075,285	2,808,940,584
Bank balances	140,108,251	825,820	152,949,403	438,085
<b>Statement of Financial Position - Liability</b>				
Long Term Finances	15,796,283,236	2,808,188,840	16,750,889,142	2,728,896,772
Short term borrowings	11,635,072,287	2,105,496,460	9,926,411,883	2,163,551,555
Running finances under mark-up arrangements	816,749,427	1,189,825,433	5,036,704,517	2,470,260,953
Accrued mark-up	402,661,617	51,333,167	628,528,948	145,639,351

	Un-audited December 31, 2025		Un-audited December 31, 2024	
	Conventional	Shariah Compliant	Conventional	Shariah Compliant
----- Rupees -----				
<b>Statement of Profit and Loss and other Comprehensive Income</b>				
Revenue earned from shariah compliant business segments	-	<b>41,111,200,976</b>	-	46,764,737,871
Un-realised gain on investments				
i) Long term investment	<b>2,332,913,543</b>	-	1,444,576,003	-
ii) Short term investment	<b>206,602,731</b>	<b>1,376,518,154</b>	46,974,489	605,947,464
Other income				
i) Profit on bank deposits	<b>2,349,343</b>	-	6,026,595	-
ii) Dividend Income	<b>4,776,683,176</b>	<b>121,783,637</b>	843,900,841	59,268,888
iii) Exchange loss on actual currency	<b>(370,386)</b>	-	(2,335,737)	-
Mark-up on running finances				
under mark-up arrangements	<b>378,236,088</b>	<b>83,166,882</b>	598,472,512	158,408,256
Mark-up on short term finances	<b>473,917,259</b>	<b>63,930,881</b>	582,760,693	82,548,657
Mark-up on long term finances	<b>682,801,853</b>	<b>118,480,407</b>	1,013,214,084	92,379,592

The Company have banking relation with the following shariah-compliant financial institutions:

- i) Meezan Bank Limited
- ii) Dubai Islamic Bank Limited
- iii) Bank Islami Pakistan Limited
- iv) Faysal Bank Limited

# NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)

FOR THE SIX MONTHS PERIOD ENDED DECEMBER 31, 2025

## 15. CORRESPONDING FIGURES

In order to comply with the requirements of International Accounting Standard 34 - 'Interim Financial Reporting', the unconsolidated condensed interim statement of financial position has been compared with the balances of audited unconsolidated annual financial statements of the Company for the year ended June 30, 2025, whereas, the unconsolidated condensed interim statement of profit or loss, unconsolidated condensed interim statement of other comprehensive income, unconsolidated condensed interim statement of cash flows and unconsolidated condensed interim statement of changes in equity have been compared with the balances of comparable period of unconsolidated condensed interim financial statements of the Company for the six months period ended December 31, 2024.

Comparative information has been re-classified, re-arranged or additionally incorporated in these interim financial statements, where necessary, to facilities better comparison and to conform with the changes in presentation.

## 16. GENERAL

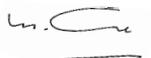
### 16.1 Non adjusting events subsequent to the reporting date

The Board of Directors of the Company in its meeting held on February 24, 2026 has recommended an interim cash dividend for the year ending June 30, 2026 of Rs.10 per share. These unconsolidated condensed interim financial statements for the six months period ended December 31, 2025 do not include the effect of these appropriations which will be accounted for subsequent to the period end.

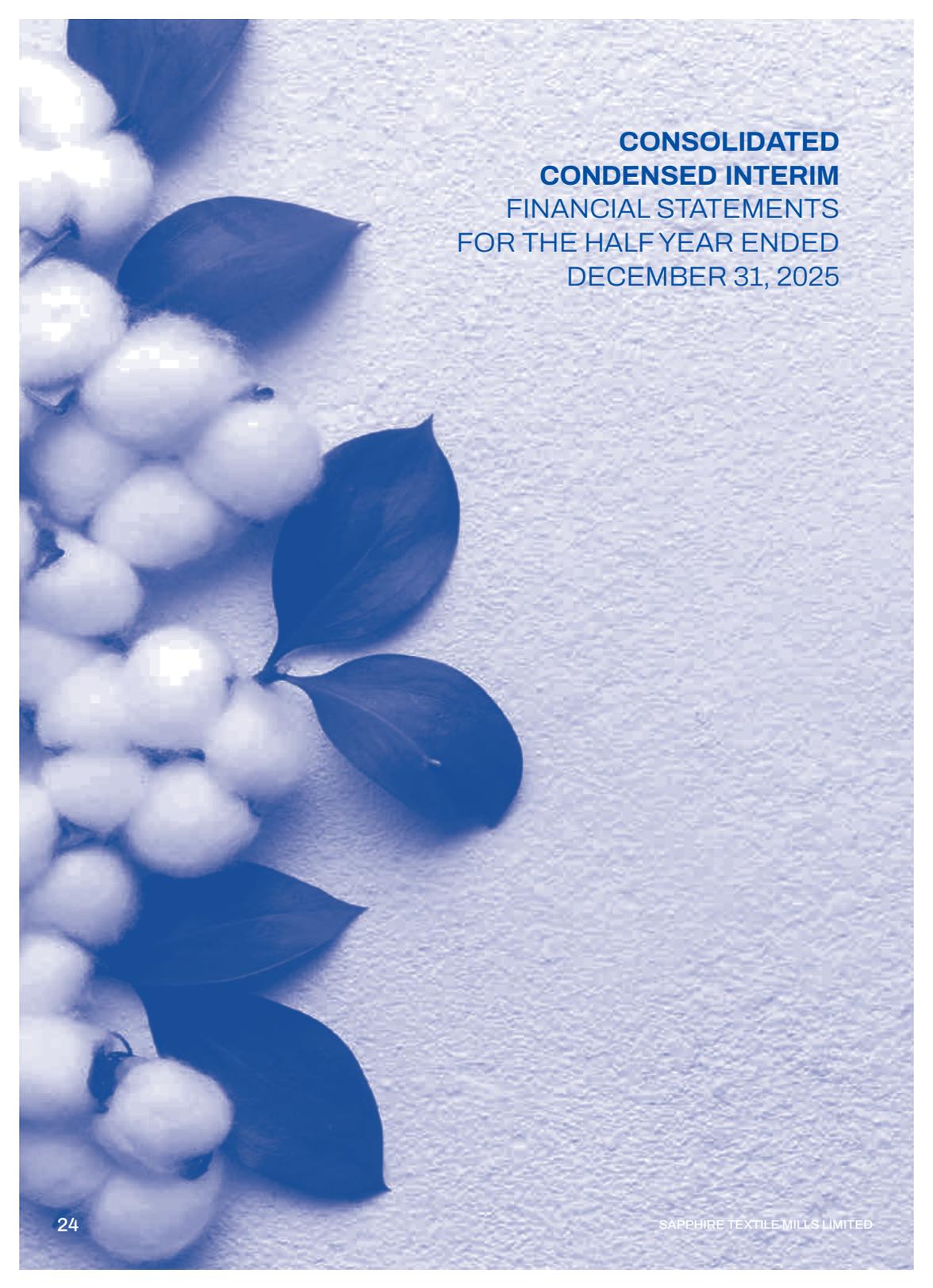
## 17. DATE OF AUTHORIZATION FOR ISSUE

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

  
Chief Executive Officer

  
Chairman / Director

  
Chief Financial Officer



**CONSOLIDATED  
CONDENSED INTERIM  
FINANCIAL STATEMENTS  
FOR THE HALF YEAR ENDED  
DECEMBER 31, 2025**

## DIRECTORS' REPORT TO THE SHAREHOLDERS

On behalf of the Board of Directors of the Holding Company of, Sapphire Wind Power Company Limited, Sapphire Retail Limited, Triconboston Consulting Corporation (Private) Limited, Sapphire International APS, Desigtex (SMC-Private) Limited, Sapphire Real Estate (Private) Limited, Sapphire Chemicals (Private) Limited, Sapphire Green Energy (Private) Limited, Creek Properties (Private) Limited, Sapphire Retail International Limited, Sapphire Retail Trading One Person Company L.L.C, and Sapphire Retail US Corporation, we are pleased to present the Directors' Report together with the un-audited Consolidated Financial Statements for the half year ended December 31, 2025.

The performance and key developments of the major subsidiary companies are summarized below.

	<b>December 31,</b>	
	<b>2025</b>	<b>2024</b>
	<b>Rupees in thousand</b>	
Net turnover	<b>69,977,540</b>	69,467,945
Gross profit	<b>16,488,224</b>	18,208,268
Profit from operations	<b>10,725,603</b>	12,670,829
Other income	<b>1,105,222</b>	1,257,755
Finance cost	<b>(3,738,839)</b>	(5,040,759)
Profit before taxation	<b>7,050,146</b>	7,725,315
Profit after taxation	<b>4,930,026</b>	5,938,521

### **Sapphire Wind Power Company Limited (SWPCL)**

SWPCL is 70% owned by Sapphire Textile Mills Limited and 30% by Bank Alfalah Limited. The Company operates a 52.80 MW wind power project located in Jhimpir, Sindh, which commenced commercial operations in November 2015. The project continues to operate efficiently, following industry best practices, and is delivering stable and satisfactory energy output in line with expectations.

### **Sapphire Retail Limited (SRL)**

SRL is a wholly owned subsidiary of Sapphire Textile Mills Limited and is engaged in the retail business under the brand name "Sapphire". The Company operates over 50 retail outlets across Pakistan, supported by a rapidly growing digital commerce business through its online platform. The brand continues to expand its footprint and strengthen market share in both fashion and lifestyle retail segments.

### **Tricon Boston Consulting Corporation (Private) Limited (TBCC)**

TBCC is 57.125% owned by Sapphire Textile Mills Limited. The Company owns and operates three wind power projects of 50 MW each, located in Jhimpir. All three projects successfully achieved commercial operations in September 2018 and continue to perform as per the designed operational benchmarks.

### **Sapphire International APS (Denmark)**

Sapphire International APS is wholly owned subsidiary of Sapphire Textile Mills Limited and a limited liability Company incorporated in Denmark formed to strengthen exports.

### **Desigtex (SMC-Private) Limited**

Desigtex is a wholly owned subsidiary of Sapphire Retail Limited, which in turn is wholly owned by Sapphire Textile Mills Limited. The Company is engaged in the manufacture of textile and ancillary products.

### **Sapphire Real Estate (Private) Limited**

Sapphire Real Estate (Private) Limited is a wholly owned subsidiary of Sapphire Textile Mills Limited and formed for the purpose of investment in real estate projects.

### **Sapphire Chemicals (Private) Limited**

Sapphire Chemicals (Private) Limited is a wholly owned subsidiary company and formed for the purpose of manufacture and sale of chemical products. The company is in process of setting up of soda ash manufacturing facility with capacity of 220,000 tons per annum

### **Sapphire Green Energy (Private) Limited**

Sapphire Green Energy (Private) Limited, a wholly owned subsidiary, has been incorporated during the year 2023 with the purpose to make investment in Renewable Energy Projects.

### **Creek Properties (Private) Limited**

Creek Properties (Private) Limited (the company) was incorporated as a private Company limited under Companies Act, 2017. Sapphire Real Estate (Private) Limited holds 65% shareholding of the company which is wholly owned subsidiary of Sapphire Textile Mills Limited. The principal business of the company is marketing and development of real estate projects.

### **Sapphire Retail International Limited (United Kingdom)**

This wholly owned foreign subsidiary has been incorporated to operate Sapphire's retail business in the United Kingdom. The Company has established two retail outlets, located in Bradford and Birmingham, marking the brand's expansion into the UK retail market.

### **Sapphire Retail Trading One Person Company L.L.C (UAE)**

A wholly owned subsidiary established to operate retail outlets in the United Arab Emirates. The Company has commenced operations with its first outlet located in Sharjah, contributing to the Group's growing international retail footprint.

### **Sapphire Retail US Corporation**

This wholly owned subsidiary has been incorporated in the United States of America to undertake Sapphire's retail operations in the U.S. market.

On behalf of the Board



### **NADEEM ABDULLAH**

CHIEF EXECUTIVE

Lahore.

Dated: February 24, 2026



### **MOHAMMAD ABDULLAH**

CHAIRMAN / DIRECTOR

### سفارت ریکل اسٹیٹ (پرائیویٹ) لمیٹڈ

سفارت ریکل اسٹیٹ (پرائیویٹ) لمیٹڈ مکمل طور پر سفارت نیٹسٹائل ملز لمیٹڈ کی ملکیت ذیلی کمپنی ہے جسے ریکل اسٹیٹ کے منصوبوں میں سرمایہ کاری کرنے کے مقصد کیلئے قائم کیا گیا ہے۔

### سفارت ٹیکسٹائل (پرائیویٹ) لمیٹڈ

سفارت ٹیکسٹائل (پرائیویٹ) لمیٹڈ مکمل طور پر ملکیتی ذیلی کمپنی ہے جسے ٹیکسٹائل مصنوعات کی تیاری اور فروخت کے مقصد کیلئے قائم کیا گیا ہے۔ کمپنی کا 220,000 ٹن سالانہ گنجائش کی حامل سوڈا ایش مینوفیکچرنگ فیکٹری کے قیام کا عمل جاری ہے۔

### سفارت گرین انرجی (پرائیویٹ) لمیٹڈ

سفارت گرین انرجی (پرائیویٹ) لمیٹڈ مکمل طور پر ملکیتی ذیلی کمپنی ہے۔ کمپنی کو 2023 میں قابل تجدید انرجی منصوبوں میں سرمایہ کاری کرنے کے مقصد کے ساتھ قائم کیا گیا۔

### کریک پراپرٹیز (پرائیویٹ) لمیٹڈ

کریک پراپرٹیز (پرائیویٹ) لمیٹڈ کو کمپنیز ایکٹ 2017 کے تحت پرائیویٹ لمیٹڈ کمپنی کے طور پر قائم کیا گیا۔ سفارت ریکل اسٹیٹ (پرائیویٹ) 65 فیصد حصص کی مالک ہے جو سفارت نیٹسٹائل ملز لمیٹڈ کی مکمل طور پر ذیلی کمپنی ہے۔ کمپنی کی بنیادی کاروباری سرگرمی ریکل اسٹیٹ منصوبوں کی مارکیٹنگ اور تعمیر شامل ہے۔

### سفارت ریشیل انٹرنیشنل لمیٹڈ (برطانیہ)

سفارت ریشیل انٹرنیشنل لمیٹڈ مکمل طور پر غیر ملکی ملکیتی ذیلی کمپنی ہے جسے برطانیہ میں نیٹسٹائل ریشیل آپریشنز کے مقصد کے ساتھ قائم کیا گیا۔ کمپنی نے برطانیہ کے شہر براؤنڈ اور برمنگھم میں ایک ایک ریشیل آؤٹ کھولا ہے جو برطانیہ کی ریشیل مارکیٹ میں برآمد کی توسیع کا مظہر ہے۔

### سفارت ریشیل ٹریڈنگ ون پرسن کمپنی ایل ایل سی (یو ای)

سفارت ریشیل ٹریڈنگ ون پرسن کمپنی ایل ایل سی مکمل طور پر ملکیتی ذیلی کمپنی ہے جسے متحدہ عرب امارات میں نیٹسٹائل ریشیل آپریشنز کے مقصد کے ساتھ قائم کیا گیا۔ کمپنی نے متحدہ عرب امارات، شارجہ میں ایک ریشیل آؤٹ کھولا ہے جو گروپ کی عالمی ریشیل مارکیٹ میں بڑھتی ہوئی موجودگی میں کردار کر رہا ہے۔

### سفارت ریشیل یو ایس کارپوریشن

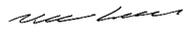
سفارت ریشیل یو ایس کارپوریشن مکمل طور پر ملکیتی ذیلی کمپنی ہے جسے ریاست ہائے متحدہ امریکہ میں نیٹسٹائل کے ریشیل آپریشنز کے مقصد کیلئے قائم کیا گیا۔

بجکم بورڈ



محمد عبداللہ

چیئر مین / ڈائریکٹر



ندیم عبداللہ

چیف ایگزیکٹو

لاہور

مورخہ: 24 فروری، 2026

## حصص یا ذائقان کے لئے ڈائریکٹرز رپورٹ

سفاژ ونڈ پاور کمپنی لمیٹڈ، سفاژ ریشیل لمیٹڈ، ٹرانسکون بوسٹن کنسلٹنگ کارپوریشن (پرائیویٹ) لمیٹڈ، سفاژ انٹرنیشنل اے پی ایس، ڈیزائن ٹیکس (ایس ایم سی - پرائیویٹ) لمیٹڈ، سفاژ ریشیل اسٹیٹ (پرائیویٹ) لمیٹڈ، سفاژ کیمیکلز (پرائیویٹ) لمیٹڈ، سفاژ گرین انرجی (پرائیویٹ) لمیٹڈ، کرک پراپرٹیز (پرائیویٹ) لمیٹڈ، سفاژ ریشیل انٹرنیشنل لمیٹڈ، سفاژ ریشیل ٹریڈنگ ون پرس کمپنی ایل ایل سی اور سفاژ ریشیل US کارپوریشن کی ہولڈنگ کمپنی کے بورڈ آف ڈائریکٹرز نہایت مسرت کے ساتھ 31 دسمبر 2025 تک ہونے والے ششماہی کے لیے ڈائریکٹرز رپورٹ معذہمہ آڈٹ شدہ کنسائڈریشنل فائنل اسٹیٹمنٹس پیش کر رہے ہیں۔

بڑی ذیلی کمپنیوں کے مالی اعداد و شمار اور اہم پیش رفتوں کا خلاصہ درج ذیل ہیں

31 دسمبر	2025	2024	
	(روپے ہزار میں)		
خالص آمدن	69,977,540	69,467,945	
مجموعی منافع	16,488,224	18,208,268	
آرٹھیٹر سے حاصل منافع	10,725,603	12,670,829	
دیگر آمدن	1,105,222	1,257,755	
مالی لاگت	(3,738,839)	(5,040,759)	
قبل از ٹیکس منافع	7,050,146	7,725,315	
بعد از ٹیکس منافع	4,930,026	5,938,521	

## سفاژ ونڈ پاور کمپنی لمیٹڈ (ایس ڈبلیو پی ایل سی)

ایس ڈبلیو پی ایل سی کی 70 فیصد سفاژ ٹیکسٹائل ملز لمیٹڈ کی ملکیت اور 30 فیصد بینک الفلاح لمیٹڈ کی ملکیت ہے۔ کمپنی نے چھ مہینوں میں 52.80 میگا واٹ بجائش کے ونڈ پاور پراجیکٹ لگائے ہیں جنہوں نے نومبر 2015ء سے تجارتی سرگرمیاں شروع کر دی ہیں۔ پروجیکٹ بہترین صنعتی عمل انجام دے رہا ہے اور صنعتی بہترین طریقہ کار پر عمل پیرا ہوتے ہوئے توقعات کے مطابق مستحکم اور اطمینان بخش توانائی پیدا اور فراہم کر رہا ہے۔

## سفاژ ریشیل لمیٹڈ (ایس آر ایل سی)

ایس آر ایل سی سفاژ ٹیکسٹائل ملز لمیٹڈ کا مکمل طور پر ملکیتی ذیلی ادارہ ہے جس کی بنیادی کاروباری سرگرمی ”سفاژ“ برانڈ کے ملبوسات اور دیگر مصنوعات کو فروخت کرنا ہے۔ کمپنی پاکستان بھر میں 49 سے زائد ریشیل آٹ لٹس چلا رہی ہے جنہیں آن لائن پلیٹ فارم کے ذریعے تیزی سے فروغ پاتے ڈیجیٹل کامرس کاروبار کی معاونت حاصل ہے۔ برانڈ فیشن اور لائف اسٹائل ریشیل کے دونوں شعبوں میں اپنی موجودگی کو مسلسل وسعت اور مارکیٹ شیئر کو مزید مستحکم کر رہا ہے۔

## ٹرانسکون بوسٹن کنسلٹنگ کارپوریشن (پرائیویٹ) لمیٹڈ (ٹی بی سی)

ٹرانسکون بوسٹن کنسلٹنگ کارپوریشن (پرائیویٹ) لمیٹڈ کی 57.125 فیصد کی ملکیت سفاژ ٹیکسٹائل ملز لمیٹڈ کے پاس ہے۔ کمپنی کو پاکستانی قوانین کے مطابق قائم کیا گیا جو چھ مہینوں میں 150 ایم ڈبلیو کے تین پروجیکٹ چلا رہی ہے۔ تینوں پراجیکٹس نے ستمبر، 2018 میں کرشل آپریشن کا میاں بی سے آغاز کر دیا ہے اور تینوں آپریشنل معیارات کے مطابق کام جاری رکھے ہوئے ہیں۔

## سفاژ انٹرنیشنل اے پی ایس (ڈنمارک)

سفاژ انٹرنیشنل اے پی ایس، سفاژ ٹیکسٹائل ملز لمیٹڈ کی ملکیتی ذیلی اور لمیٹڈ لائسنس کمپنی ہے جسے ڈنمارک میں برآمدات کو مضبوط بنانے کیلئے قائم کیا گیا ہے۔

## ڈیزائن ٹیکس (ایس ایم سی پرائیویٹ) لمیٹڈ

ڈیزائن ٹیکس مکمل طور پر سفاژ ریشیل لمیٹڈ کی ملکیتی ذیلی کمپنی ہے جبکہ سفاژ ریشیل لمیٹڈ، سفاژ ٹیکسٹائل ملز لمیٹڈ کی مکمل طور پر ملکیتی ذیلی کمپنی ہے۔ کمپنی کا بنیادی کاروبار ٹیکسٹائل اور متعلقہ مصنوعات کی تیاری ہے۔

# CONSOLIDATED CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION

AS AT DECEMBER 31, 2025

	Note	Un-audited December 31, 2025	Audited June 30, 2025
		----- Rupees -----	
<b>ASSETS</b>			
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment	4	89,912,800,084	89,753,201,787
Investment property		1,644,421,194	1,644,567,641
Intangible assets		457,644,941	462,887,168
Exploration and evaluation assets		139,333,174	135,428,274
Long-term investments		9,443,018,993	7,065,858,068
Long-term loans and advances		134,280,910	66,665,011
Long-term deposits		346,080,366	224,723,128
		<b>102,077,579,662</b>	<b>99,353,331,077</b>
<b>CURRENT ASSETS</b>			
Stores, spares and loose tools		943,048,610	1,196,630,130
Stock in trade		39,277,907,153	42,874,980,902
Trade debts		17,867,675,520	22,847,820,047
Loans and advances		592,969,604	319,352,919
Trade deposits and short term prepayments		763,665,015	337,525,221
Other receivables		2,369,058,099	3,047,688,935
Short-term investments		9,200,755,852	7,286,637,117
Tax refunds due from Government		6,325,678,139	5,456,638,983
Cash and bank balances		14,914,827,279	19,411,721,135
		<b>92,255,585,271</b>	<b>102,778,995,389</b>
		<b>194,333,164,933</b>	<b>202,132,326,466</b>
<b>TOTAL ASSETS</b>			
<b>EQUITY AND LIABILITIES</b>			
<b>SHARE CAPITAL AND RESERVES</b>			
Authorised share capital			
35,000,000 ordinary shares of Rs.10 each		350,000,000	350,000,000
Issued, subscribed and paid-up capital			
21,689,791 ordinary shares of Rs.10 each		216,897,910	216,897,910
Reserves		81,483,586,613	74,947,632,741
Equity attributable to equity holders of the parent		81,700,484,523	75,164,530,651
Non-controlling interest		22,132,497,136	22,618,917,226
		<b>103,832,981,659</b>	<b>97,783,447,877</b>
<b>NON-CURRENT LIABILITIES</b>			
Long-term loans and other payables		33,659,536,137	38,055,329,359
Lease liabilities		4,811,292,141	3,472,238,576
Deferred income - Government grant		141,099,399	169,620,752
Deferred tax liability		1,294,116,706	481,397,794
Staff retirement benefits - gratuity		960,182,987	944,933,052
		<b>40,866,227,370</b>	<b>43,123,519,533</b>
<b>CURRENT LIABILITIES</b>			
Trade and other payables		19,387,640,888	23,508,335,673
Contract liabilities		1,753,882,949	1,780,955,845
Accrued mark-up		571,380,859	950,759,085
Short-term borrowings		16,200,711,221	21,561,623,899
Current portion of long-term liabilities		11,718,075,132	13,421,419,699
Unclaimed dividend		2,264,855	2,264,855
		<b>49,633,955,904</b>	<b>61,225,359,056</b>
		<b>90,500,183,274</b>	<b>104,348,878,589</b>
<b>TOTAL LIABILITIES</b>			
<b>CONTINGENCIES AND COMMITMENTS</b>			
	5		
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>194,333,164,933</b>	<b>202,132,326,466</b>

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

  
Chief Executive Officer

  
Chairman / Director

  
Chief Financial Officer

# CONSOLIDATED CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS (UN-AUDITED)

FOR THE QUARTER AND SIX MONTHS PERIOD ENDED DECEMBER 31, 2025

Note	Quarter ended		Six months period ended		
	December 31,		December 31,		
	2025	2024	2025	2024	
Rupees					
Net turnover	6	30,906,343,939	31,013,315,221	69,977,540,163	69,467,945,396
Cost of sales	7	(25,017,238,856)	(23,450,429,052)	(53,489,315,780)	(51,259,677,114)
<b>Gross profit</b>		<b>5,889,105,083</b>	7,562,886,169	<b>16,488,224,383</b>	18,208,268,282
Distribution cost		(2,465,191,231)	(2,931,234,426)	(5,064,865,855)	(5,101,960,685)
Administrative expenses		(831,635,920)	(686,631,255)	(1,640,890,103)	(1,419,513,637)
Other operating expenses		(106,257,506)	(144,752,964)	(162,087,619)	(273,720,161)
Other income		500,701,126	633,730,956	1,105,222,033	1,257,754,790
<b>Profit from operations</b>		<b>2,986,721,552</b>	4,433,998,480	<b>10,725,602,839</b>	12,670,828,589
Finance cost		(1,760,327,652)	(2,402,157,582)	(3,738,839,264)	(5,040,758,627)
Share of profit of associated companies		34,766,819	54,887,157	63,382,426	95,245,454
<b>Profit before tax levies and income tax</b>		<b>1,261,160,719</b>	2,086,728,055	<b>7,050,146,001</b>	7,725,315,416
Tax levies		(289,250,102)	(446,020,287)	(640,368,794)	(933,322,273)
<b>Profit before income tax</b>		<b>971,910,617</b>	1,640,707,768	<b>6,409,777,207</b>	6,791,993,143
Income tax expense	8	(924,197,174)	(547,986,433)	(1,479,751,172)	(853,472,593)
<b>Profit for the period</b>		<b>47,713,443</b>	1,092,721,335	<b>4,930,026,035</b>	5,938,520,550
<b>Attributable to:</b>					
Equity holders of the parent		26,043,422	975,376,488	2,964,446,125	4,377,535,735
Non-controlling interest		21,670,021	117,344,847	1,965,579,910	1,560,984,815
		<b>47,713,443</b>	1,092,721,335	<b>4,930,026,035</b>	5,938,520,550
<b>Earnings per share</b>					
- basic and diluted		1.20	44.97	139.44	201.82

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

  
Chief Executive Officer

  
Chairman / Director

  
Chief Financial Officer

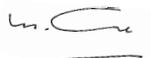
# CONSOLIDATED CONDENSED INTERIM STATEMENT OF OTHER COMPREHENSIVE INCOME (UN-AUDITED)

FOR THE QUARTER AND SIX MONTHS PERIOD ENDED DECEMBER 31, 2025

	Quarter ended		Six months period ended	
	December 31,		December 31,	
	2025	2024	2025	2024
	Rupees			
<b>Profit after taxation</b>	<b>47,713,443</b>	1,092,721,335	<b>4,930,026,035</b>	5,938,520,550
<b>Other comprehensive income:</b>				
<b>Items that will be reclassified to statement of profit or loss subsequently</b>				
<b>Forward foreign currency contracts</b>				
Net Change on remeasurement of forward foreign exchange contracts	135,266,180	(51,382,332)	286,335,699	(40,221,274)
Net change on remeasurement of forward foreign exchange contracts of associates	306,115	(324,155)	1,203,952	(174,622)
<b>Items that will not be reclassified to statement of profit or loss subsequently</b>				
Unrealised gain on remeasurement of investment at fair value through other comprehensive income	269,490,396	2,039,432,078	3,105,503,073	1,653,131,255
Realised gain / (loss) on sale of investment at fair value through other comprehensive income	149,804,132	(183,728,368)	151,493,425	270,681,636
Exchange difference on translation of foreign operations	(4,483,073)	(41,971,138)	(20,829,269)	(17,167,651)
Unrealised gain on remeasurement of investment at fair value through other comprehensive income - associates	7,103,329	24,201,925	48,039,741	25,563,176
<b>Other comprehensive income for the period</b>	<b>557,487,079</b>	1,786,228,010	<b>3,571,746,621</b>	1,891,812,520
<b>Total comprehensive income for the period</b>	<b>605,200,522</b>	2,878,949,345	<b>8,501,772,656</b>	7,830,333,070
<b>Attributable to:</b>				
Equity holders of the parent	583,530,501	2,761,604,498	6,536,192,746	6,269,348,255
Non-controlling interest	21,670,021	117,344,847	1,965,579,910	1,560,984,815
	<b>605,200,522</b>	2,878,949,345	<b>8,501,772,656</b>	7,830,333,070

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

  
Chief Executive Officer

  
Chairman / Director

  
Chief Financial Officer

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

FOR THE SIX MONTHS PERIOD ENDED DECEMBER 31, 2025

	Capital		Reserves				Revenue				Non-Controlling Interest	Total Equity		
	Share Capital	Share Premium	Fixed Assets Replacement	Capital reserve against capacity expansions and long term	Firmly reserved for stock split & fair value through OCI	Sub-total	Unrealized gain/loss on translation of foreign operation	Cash flow hedge reserve	General reserves	Unappropriated profit			Sub-total	Total
Balance as at 01 July 2024 (audited)	216,897,710	782,796,090	65,000,000	-	1,463,139,294	2,310,339,384	316,639,718	61,986,797	1,330,000,000	69,251,417,768	60,989,944,003	63,270,317,339	20,376,861,419	83,663,737,716
Transfer of reserves	-	-	-	30,730,000,000	-	30,730,000,000	-	-	(1,330,000,000)	(29,400,000,000)	(30,730,000,000)	-	-	-
<b>Total comprehensive income for the six month's period ended 31 December 2024</b>	-	-	-	-	-	-	-	-	-	4,277,535,736	4,277,535,736	4,277,535,736	1,580,994,015	6,368,520,520
Profit after taxation for the period	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other comprehensive income / (loss) for the period	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Reclassification adjustment of realized gain on sale of equity instrument of fair value through other comprehensive income	-	-	-	1,946,370,007	(17,167,681)	1,946,370,007	(17,167,681)	(40,395,698)	-	4,277,535,736	(97,666,947)	1,891,618,520	1,891,618,520	
Share of increase in reserves of associated companies under equity method	-	-	-	(270,661,638)	(770,661,638)	(770,661,638)	-	-	-	270,661,638	270,661,638	-	-	-
Transaction with owners	-	-	-	3,340,042	3,340,042	3,340,042	-	-	-	-	-	3,340,042	-	3,340,042
Firm dividend for the year ended June 30, 2024 @ 10c.10 per share	-	-	-	-	-	-	-	-	-	(216,897,510)	(216,897,510)	(216,897,510)	(179,669,698)	(216,897,510)
1st interim dividend @ 10c.10 per share - SVPC	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2nd interim dividend @ 10c.10 per share - SVPC	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Balance as at 31 December 2024 (Un-audited)</b>	<b>216,897,710</b>	<b>782,796,090</b>	<b>65,000,000</b>	<b>30,730,000,000</b>	<b>3,156,172,767</b>	<b>38,724,668,657</b>	<b>288,672,297</b>	<b>21,699,931</b>	<b>-</b>	<b>39,237,262,645</b>	<b>38,602,998,017</b>	<b>69,326,662,776</b>	<b>21,977,662,539</b>	<b>61,129,312,239</b>
Balance as at 01 July 2025 (audited)	216,897,710	782,796,090	65,000,000	30,730,000,000	3,831,999,267	35,409,792,357	398,046,516	(46,891,254)	-	39,186,463,122	38,537,949,394	74,941,632,741	22,816,917,226	97,763,447,977
<b>Total comprehensive income for the six month's period ended 31 December 2025</b>	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Profit after taxation for the period	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other comprehensive income / (loss) for the period	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Reclassification adjustment of realized gain on sale of equity instrument of fair value through other comprehensive income	-	-	-	3,305,038,239	(26,829,269)	3,305,038,239	(26,829,269)	287,699,651	-	3,024,448,125	3,024,448,125	3,024,448,125	1,905,579,010	4,930,028,036
Share of decrease in reserves of associated companies under equity method	-	-	-	(151,463,425)	(151,463,425)	(151,463,425)	-	-	-	151,463,425	151,463,425	-	-	-
Transaction with owners	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Firm dividend @ 10c.10 per share - TBCL	-	-	-	-	-	-	-	-	-	-	-	-	-	-
1st interim dividend @ 10c.10 per share - SVPC	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2nd interim dividend @ 10c.10 per share - SVPC	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Interim dividend @ 10c.10 per share - TBCL	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Balance as at 31 December 2025 (Un-audited)</b>	<b>216,897,710</b>	<b>782,796,090</b>	<b>65,000,000</b>	<b>30,730,000,000</b>	<b>4,086,531,091</b>	<b>39,562,326,171</b>	<b>377,213,247</b>	<b>20,746,637</b>	<b>-</b>	<b>42,927,136,793</b>	<b>42,900,253,142</b>	<b>81,541,969,611</b>	<b>22,077,497,136</b>	<b>103,629,761,169</b>

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



Chairman / Director



Chief Financial Officer



Chief Executive Officer

# CONSOLIDATED CONDENSED INTERIM STATEMENT OF CASH FLOWS (UN-AUDITED)

FOR THE SIX MONTHS PERIOD ENDED DECEMBER 31, 2025

	Note	Six months period ended	
		December 31,	
		2025	2024
		----- Rupees -----	
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Cash generated from operations	9	19,298,851,787	6,682,866,675
Long term loans, advances and deposits - net		(188,973,137)	(97,625,977)
Finance cost paid		(3,806,745,520)	(5,002,455,443)
Staff retirement benefits - gratuity paid		(278,052,006)	(108,545,326)
Taxes paid		(3,097,265,974)	(3,932,331,652)
Net cash generated from / (used in) operating activities		11,927,815,150	(2,458,091,723)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Fixed capital expenditure		(2,965,213,723)	(2,779,122,605)
Investment in shares and certificates		(501,690,839)	(1,661,510,517)
Exploration and evaluation expenditure		(3,904,900)	(4,500,000)
Proceeds from disposal of operating fixed assets		46,637,326	51,335,126
Proceeds from sale of equity instruments		377,831,654	1,527,503,911
Dividend income received - associates		10,895,778	19,263,851
Dividend income received - others		508,529,480	472,905,877
Rental income received		6,814,358	7,272,766
Interest income received		520,096,061	685,637,529
Net cash used in investing activities		(2,000,004,805)	(1,681,214,062)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Short term borrowings - net		(5,360,912,678)	12,767,046,930
Repayment of long term loans		(7,806,393,020)	(6,296,463,073)
Proceeds from long term loans		1,530,069,975	918,222,097
Exchange (loss) / gain on translation of foreign subsidiaries		(14,040,885)	643,460
Repayment of lease liabilities		(321,427,593)	(455,888,014)
Dividend paid		(2,452,000,000)	(727,568,871)
Net cash (used in) / generated from financing activities		(14,424,704,201)	6,205,992,529
<b>Net (decrease) / increase in cash and cash equivalents</b>		<b>(4,496,893,856)</b>	<b>2,066,686,744</b>
<b>Cash and cash equivalents at the beginning of the period</b>		<b>19,411,721,135</b>	<b>17,533,563,165</b>
<b>Cash and cash equivalents at the end of the period</b>		<b>14,914,827,279</b>	<b>19,600,249,909</b>

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

  
Chief Executive Officer

  
Chairman / Director

  
Chief Financial Officer

# NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)

FOR THE SIX MONTHS PERIOD ENDED DECEMBER 31, 2025

## 1. LEGAL STATUS AND OPERATIONS

Sapphire Textile Mills Limited (the Holding Company) was incorporated in Pakistan on 11 March 1969 as a public limited company under the Companies Act, 1913 (now the Companies Act, 2017). The shares of the Company are listed on Pakistan Stock Exchange.

The Holding Company is principally engaged in manufacturing and sale of yarn, fabrics, home textile products, finishing, stitching and printing of fabrics. Following are the business units of the Holding Company along with their respective locations:

Business unit	Location
<b>Registered Office</b> Karachi	212, Cotton Exchange Building, I. I. Chundrigar Road, Karachi.
<b>Lahore Office</b>	4th Floor Tricon Corporate Center, 73-E Main Jail Road, Gulberg II, Lahore.
<b>Production Plants</b>	
Spinning	A-17, SITE, Kotri.
Spinning	A-84, SITE Area, Nooriabad.
Spinning	63/64-KM, Multan Road, Jumber Khurd, Chunian, District Kasur.
Spinning	1.5-KM, Warburton Road, Feroze Wattoan, Sheikhpura.
Weaving, Yarn Dyeing, Printing, Processing, Home Textile and stitching	2-KM, Warburton Road, Feroze Wattoan, Sheikhpura.
Stitching	1.5-KM Off, Defence Road, Bhubtian Chowk, Raiwind Road, Lahore

### 1.1 The Group consists of:

- Sapphire Textile Mills Limited (the Holding Company)

Subsidiary Companies	% of shareholding
(i) Sapphire Retail Limited - (SRL)	100%
(ii) Sapphire Wind Power Company Limited - (SWPCL)	70%
(iii) Tricon Boston Consulting Corporation (Private) Limited - (TBCL)	57.125%
(iv) Sapphire International Aps	100%
(v) Sapphire Real Estate (Pvt.) Limited. - (SRESL)	100%
(vi) Sapphire Chemicals (Pvt.) Limited - (SCPL)	100%
(vii) Sapphire Green Energy (Pvt.) Limited - (SGEL)	100%
(viii) Creek Properties (Pvt.) Limited - (Subsidiary of SRESL) (CRPL)	65%
(ix) DesignTex (SMC-Pvt.) Limited - (Subsidiary of SRL) (DTL)	100%
(x) Sapphire Retail Trading One Person Company L.L.C	100%
(xi) Sapphire Retail International Limited	100%
(xii) Sapphire Retail US Corporation	100%

- i) Sapphire Retail Limited (SRL) was incorporated in Pakistan as an unlisted public Company limited by shares under the Companies Ordinance, 1984 (now the Companies Act, 2017) on June 11, 2014. Its registered office is situated at 7 A/K Main Boulevard, Gulberg-II, Lahore. The principal business of SRL is to operate "Sapphire" brand retail outlets for the sale of textile and other products. SRL is principally engaged in carrying out a business of trading of textile products that includes buying, selling, import and export of textile and other allied products. SRL operates through retail outlets in Pakistan and e-stores. SRL operates 49 retail outlets throughout the country.

# NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)

FOR THE SIX MONTHS PERIOD ENDED DECEMBER 31, 2025

- ii) Sapphire Wind Power Company Limited (SWPCL) was incorporated in Pakistan as a public Company limited by shares under the Companies Ordinance, 1984 (now the Companies Act, 2017) on 27 December 2006. Its registered office is located at 212, Cotton Exchange Building, I.I. Chundrigar Road, Karachi and the its wind power plant has been set up at Jhimpir, District Thatta, Sindh on land that is leased to the Company by Alternative Energy Development Board ('AEDB'), Government of Pakistan.

SWPCL's principal objective is to carry on the business of supplying general electric power and to setup and operate wind power generation projects to generate, accumulate, distribute and supply electricity.

It has set up a wind power station of 52.80 MW gross capacity at the abovementioned location and achieved Commercial Operations Date ('COD') on November 22, 2015. It has an Energy Purchase Agreement ('EPA') with its sole customer, Central Power Purchasing Agency Guarantee Limited ('CPPAGL') for twenty years which commenced from the COD.

- iii) Triconboston Consulting Corporation (Private) Limited (TBCL) was incorporated in Pakistan as a private Company limited by shares under the Companies Ordinance, 1984 (now the Companies Act, 2017) on 13 August 2012. Its principle objective is to carry on the business of supplying general electric power and to setup and operate wind power generation projects to generate, accumulate, distribute and supply electricity. Its registered office is located at 212, Cotton Exchange Building, I. I. Chundrigar Road, Karachi.

TBCL has set up three wind power station of each 49.735 MW gross capacity at Deh, Kohistan 7/1 Tapo Jhimpir, Taluka and District Thatta in the province of Sindh measuring 3,852 acres. It has achieved Commercial Operations Date ('COD') on 16 August 2018, 14 December 2018 and 11 December 2018 by Project A, B and C respectively (collectively defined as 'Projects'). It has also signed three Energy Purchase Agreement ('EPA') with its sole customer for its Projects, Central Power Purchaser Agency (Guarantee) Limited ('CPPA-G') for twenty years which commenced from the COD.

- iv) Sapphire International APS a limited liability Company was incorporated on 27 August 2019 in Denmark is formed to strengthen exports of the Holding Company and is engaged in selling textiles.
- v) Sapphire Real Estate (Private) Limited is 100% owned subsidiary incorporated under the Companies Act, 2017 on October 12, 2021 with the purpose of investment in real estate projects. The registered office of the Company is situated at 7-A/K, Main Boulevard, Gulberg II, Lahore.
- vi) Sapphire Chemicals (Private) Limited is a wholly owned subsidiary incorporated on 04 June, 2022 under the Companies Act, 2017. The principal line of business of the Company is to manufacture and sale of chemical products.
- vii) Sapphire Green Energy (Private) Limited a wholly owned subsidiary has been incorporated with the purpose to make investment in Renewable Energy Projects.
- viii) Creek Properties (Private) Limited (the Company) was incorporated as a private limited Company under Companies Act, 2017. Sapphire Real Estate (Private) Limited holds 65% shareholding of the Company which is wholly owned subsidiary of Sapphire Textile Mills Limited. The principal business of the Company is marketing and development of real estate projects.
- ix) Designtex (SMC-Private) Limited was incorporated in Pakistan on 6 February 2020 as a single member private company and is wholly owned subsidiary of Sapphire Retail Limited. The company is principally engaged in manufacturing of textile and ancillary products. The head office of the Company is located at 1.5KM, Defence Road, Bhotbain Chowk, Off Raiwind Road, Lahore.
- x) Sapphire Retail International Limited, a wholly owned subsidiary, has been incorporated with the purpose of textile retail operations in United Kingdom. The company has opened retail outlets in Bradford and Birmingham, United Kingdom.
- xi) Sapphire Retail Trading One Person Company L.L.C, a wholly owned subsidiary, has been incorporated with the purpose of textile retail operations in United Arab Emirates
- xii) Sapphire Retail US Corporation, a wholly owned subsidiary, has been incorporated with the purpose of textile retail operations in United States of America.

## 2. BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES

### 2.1 Statement of compliance

2.1.1 These consolidated condensed interim financial information of the Group has 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 Standards (IAS) 34, 'Interim Financial Reporting', issued by the International Accounting Standards Board ('IASB') as notified under the Companies Act, 2017 (the Act);
- Provisions of and directives issued under the Act; and

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

These consolidated condensed interim financial statements does not include all the information and disclosures as required in an annual audited financial statements, and these should be read in conjunction with the Group's annual audited financial statements for the year ended June 30, 2025. These consolidated condensed interim financial statements are being submitted to the shareholders as required by the section 237 of the Companies Act, 2017.

### 2.2 Standards, amendments to approved accounting standards effective in current period and are relevant

Certain standards, amendments and interpretations to IFRSs are effective for accounting periods beginning on July 01, 2025 but are considered not to be relevant or to have any significant effect on the Group's operations (although they may affect the accounting for future transactions and events) and are, therefore, not detailed in these consolidated condensed interim financial statements.

### 2.3 Standards, amendments to approved accounting standards and interpretations that are not yet effective and have not been early adopted by the Group

There are certain standards, amendments to the accounting standards and interpretations that are not effective for accounting periods beginning on July 01, 2025 but are considered not to be relevant or to have any significant effect on the Group's operations and are, therefore, not detailed in these consolidated condensed interim financial statements.

### 2.4 Material Accounting policies

All the accounting policies and the methods of computation adopted in the preparation of these consolidated condensed interim financial statements are consistent with those applied in the preparation of audited annual financial statements for the year ended June 30, 2025.

## 3. ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of consolidated condensed interim financial statements require management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates.

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

	Note	Un-audited December 31, 2025	Audited June 30, 2025
----- Rupees -----			
<b>4. PROPERTY, PLANT AND EQUIPMENT</b>			
Operating fixed assets	4.1	81,859,360,643	83,674,400,565
Right of use asset		4,709,641,415	3,545,057,057
Capital work-in-progress	4.2	3,274,581,770	2,464,527,909
Major spare parts and stand-by equipment		69,216,256	69,216,256
		<b>89,912,800,084</b>	<b>89,753,201,787</b>

# NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)

FOR THE SIX MONTHS PERIOD ENDED DECEMBER 31, 2025

	Note	Un-audited December 31, 2025	Audited June 30, 2025
		----- Rupees -----	
<b>4.1 Operating fixed assets</b>			
Net book value at beginning of the period / year		<b>83,674,400,565</b>	83,334,423,305
Cost of additions during the period / year	4.1.1	<b>2,065,802,756</b>	5,974,022,665
Net exchange loss / (gain) capitalised during the period / year		<b>(77,451,672)</b>	1,752,112,989
Disposals during the period / year	4.1.1	<b>(43,714,675)</b>	(150,163,041)
Depreciation during the period / year		<b>(3,759,676,331)</b>	(7,235,995,353)
Net book value at end of the period / year		<b>81,859,360,643</b>	83,674,400,565

## 4.1.1 Additions to and disposals from operating fixed assets, including transfer from capital work-in-progress during the period / year:

	Un-audited December 31, 2025		Audited June 30, 2025	
	Addition Cost	Disposal Book Value	Addition Cost	Disposal Book Value
----- Rupees -----				
Free hold land	<b>81,355,634</b>	-	47,920,782	-
Lease hold land	-	-	-	6,915,875
On Freehold land:				
- Factory building	<b>494,259,070</b>	-	1,203,914,907	-
- Labour, staff colony and others	<b>96,854,572</b>	-	307,616,455	-
Buildings on Lease-hold land:				
- Factory building	<b>8,437,380</b>	-	3,757,050	-
- Labour, staff colony and others	-	-	76,630,421	-
- Leased building improvements	<b>9,169,521</b>	<b>1,167,783</b>	811,375,996	1,096,811
Plant and machinery	<b>1,005,208,960</b>	<b>8,886,653</b>	2,376,599,345	95,296,824
Electric installation	<b>2,083,999</b>	-	43,801,420	342,819
Equipment :				
- Fire Fighting	<b>1,027,000</b>	-	-	-
- Electric	<b>35,281,945</b>	<b>2,938,161</b>	244,391,692	3,460,676
- Office	<b>1,240,300</b>	-	13,288,744	116,416
- Mills	<b>53,564,743</b>	-	55,681,227	51,915
Computer	<b>84,630,604</b>	<b>4,349,311</b>	167,959,254	18,488,140
Furniture and fixtures	<b>71,681,865</b>	<b>7,236,428</b>	337,689,185	3,257,258
Vehicles	<b>121,007,163</b>	<b>19,136,339</b>	283,396,188	21,136,307
	<b>2,065,802,756</b>	<b>43,714,675</b>	5,974,022,665	150,163,041

	<b>Un-audited December 31, 2025</b>	<b>Audited June 30, 2025</b>
	----- Rupees -----	
<b>4.2 Capital work-in-progress</b>		
Civil works and buildings	<b>1,487,226,819</b>	898,471,786
Plant and machinery	<b>1,781,003,460</b>	1,564,513,623
Electric installations	<b>6,351,491</b>	-
Furniture and fixtures	-	1,542,500
	<b>3,274,581,770</b>	<b>2,464,527,909</b>

## 5. CONTINGENCIES AND COMMITMENTS

### 5.1 Contingencies

There are no contingencies to be reported as at December 31, 2025 and June 30, 2025..

### 5.2 Commitments

**5.2.1** Guarantees aggregating Rs.3,247.705 million (30 June 2025: Rs.3,179.939 million) have been issued by banks of the Group.

**5.2.2** Post dated Cheques have been issued to Collector of Customs as an indemnity to adequately discharge the liabilities for taxes and duties leviable on imports. As at December 31, 2025 the value of these cheques amounted to Rs.10,136.370 million (June 30, 2025: Rs.10,159.126 million).

**5.2.3** There is no change in status of the commitments as disclosed in note 34.2.3 to 34.2.7 of the audited annual financial statements of the Group for the year ended 30 June 2025.

	<b>Un-audited December 31, 2025</b>	<b>Audited June 30, 2025</b>
	----- Rupees -----	
<b>5.2.4 Commitments in respect of:</b>		
- letter of credit for capital expenditure	<b>3,810,153,455</b>	538,278,071
- letters of credit for raw materials, stores, spare parts and chemicals	<b>8,054,595,580</b>	10,286,472,358
- capital expenditure other than letters of credit	<b>431,990,274</b>	220,064,994
- forward foreign currency contracts	<b>13,665,582,820</b>	4,190,219,762

# NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)

FOR THE SIX MONTHS PERIOD ENDED DECEMBER 31, 2025

## 6. NET TURNOVER

Set out below is the disaggregation of the Group's revenue from contracts with customers:

	Export Sales		Local Sales		Total	
	December 31,		December 31,		December 31,	
	2025	2024	2025	2024	2025	2024
	-----Rupees-----					
Yarn	2,239,508,975	3,018,058,007	12,609,976,856	17,743,805,575	14,849,485,831	20,761,863,582
Fabric	9,319,582,100	12,561,161,785	4,167,124,207	2,410,117,757	13,486,706,307	14,971,279,542
Clothing items	1,436,895,330	1,023,853,659	23,789,884,995	15,959,832,554	25,226,780,325	16,983,686,213
Home textile products / Garments	9,686,684,179	7,392,474,970	245,410,214	937,221,518	9,932,094,393	8,329,696,488
Raw material	-	-	59,570,517	42,257,896	59,570,517	42,257,896
Accessories	7,368,905	-	1,609,673,411	888,468,869	1,617,042,316	888,468,869
Waste	-	-	438,649,229	599,597,916	438,649,229	599,597,916
Processing income	-	-	406,178,623	318,196,547	406,178,623	318,196,547
Power Generation	-	-	9,903,632,257	9,404,265,080	9,903,632,257	9,404,265,080
	22,690,039,489	23,995,548,421	53,230,100,309	48,303,763,712	75,920,139,798	72,299,312,133
Export rebate					44,556,842	51,626,224
Less: Discounts to customers					(5,987,156,477)	(2,882,992,961)
					69,977,540,163	69,467,945,396

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

Note	----- Un-audited -----			
	Quarter ended		Six months period ended	
	December 31,		December 31,	
	2025	2024	2025	2024
	----- Rupees -----			
<b>7. COST OF SALES</b>				
Finished goods at beginning of the period	6,397,722,585	5,925,984,862	6,923,091,444	6,389,077,889
Cost of goods manufactured	22,616,689,845	16,396,031,106	48,781,798,939	42,378,046,740
Cost of sales - purchased for resale	1,851,676,227	7,657,639,722	3,580,284,356	9,007,767,349
Cost of raw material sold	9,211,524	23,844,683	62,202,366	37,856,057
	24,477,577,596	24,077,515,511	52,424,285,661	51,423,670,146
Cost of sales - owned manufactured	30,875,300,181	30,003,500,373	59,347,377,105	57,812,748,035
Finished goods at the end of the period	(5,858,061,325)	(6,553,070,921)	(5,858,061,325)	(6,553,070,921)
	25,017,238,856	23,450,429,452	53,489,315,780	51,259,677,114

	----- Un-audited -----			
	Quarter ended		Six months period ended	
	December 31,		December 31,	
	2025	2024	2025	2024
----- Rupees -----				
<b>7.1 Cost of Goods Manufactured</b>				
Work-in-process at beginning of the period	<b>6,130,073,920</b>	6,595,803,869	<b>5,901,262,121</b>	5,359,918,145
Raw materials consumed	<b>12,499,621,612</b>	5,262,277,508	<b>27,646,699,684</b>	20,596,595,881
Direct labour and other overheads	<b>10,808,034,978</b>	12,061,388,531	<b>22,054,877,799</b>	23,944,971,516
	<b>23,307,656,590</b>	17,323,666,039	<b>49,701,577,483</b>	44,541,567,397
	<b>29,437,730,510</b>	23,919,469,908	<b>55,602,839,604</b>	49,901,485,542
Work-in-process at end of the period	<b>(6,821,040,665)</b>	(7,523,438,802)	<b>(6,821,040,665)</b>	(7,523,438,802)
	<b>22,616,689,845</b>	16,396,031,106	<b>48,781,798,939</b>	42,378,046,740

## 8. TAXATION

The provision for income tax for the six month period ended December 31, 2025 and quarter ended December 31, 2025 has been made using the best possible estimate of total annual tax liability of the Group.

	Note	Un-audited	
		Six months period ended	
		December 31,	
		2025	2024
----- Rupees -----			
<b>9. CASH GENERATED FROM OPERATIONS</b>			
Profit before tax and share of profit of associates		<b>6,986,763,575</b>	7,630,069,962
<b>Adjustments for non-cash items:</b>			
Depreciation on operating fixed assets		<b>3,759,676,331</b>	3,501,022,666
Depreciation on right of use assets		<b>499,897,511</b>	227,639,050
Depreciation on investment property		<b>180,721</b>	-
Amortization of intangible assets		<b>5,242,227</b>	1,481,434
Impairment of fixed assets		-	5,059,782
Interest income		<b>(520,096,061)</b>	(685,637,528)
Gain on sale of property, plant and equipment		<b>(2,922,651)</b>	(9,701,687)
Dividend income		<b>(511,371,037)</b>	(463,905,877)
Provision for gratuity / Accumulating compensated absences		<b>293,301,941</b>	195,610,837
Amortization of transaction cost		<b>26,264,167</b>	31,257,744
Provision for expected credit loss		<b>(29,200,511)</b>	(27,567,069)
Reversal of provision for stores, spares and loose tools		<b>(3,697,199)</b>	(3,933,438)
Provision against doubtful sales tax refundable		<b>104,661,668</b>	75,608,715
Unwinding of Government grant		<b>(36,219,790)</b>	(40,770,263)
Credit balance written-back		-	(22,749,680)
Rental Income		<b>(7,301,000)</b>	(6,653,680)
Finance cost		<b>3,748,794,887</b>	5,050,271,146
Working capital changes	9.1	<b>4,984,877,008</b>	(8,774,235,439)
		<b>19,298,851,787</b>	6,682,866,675

# NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)

FOR THE SIX MONTHS PERIOD ENDED DECEMBER 31, 2025

	Un-audited	
	December 31,	
	2025	2024
	----- Rupees -----	
<b>9.1 Working capital changes</b>		
<b>(Increase) / decrease in current assets</b>		
- stores, spares and loose tools	257,278,719	(285,657,773)
- stock-in-trade	3,597,073,749	(13,047,834,768)
- trade debts	5,054,579,572	497,167,003
- loans and advances	(273,616,685)	(228,666,330)
- trade deposits and short term prepayments	(426,139,794)	(89,659,674)
- other receivables	923,060,200	738,843,468
	<b>9,132,235,761</b>	<b>(12,415,808,074)</b>
<b>Increase / (decrease) in current liabilities</b>		
- trade and other payables	(4,120,285,857)	4,416,055,216
- contract liabilities	(27,072,896)	(774,482,581)
	<b>(4,147,358,753)</b>	<b>3,641,572,635</b>
	<b>4,984,877,008</b>	<b>(8,774,235,439)</b>
<b>10. TRANSACTIONS WITH RELATED PARTIES</b>		
<b>10.1 Significant transactions with related parties are as follows:</b>		
<b>Transactions with Associated Companies:</b>		
- Sales / processing	4,295,352,255	2,667,716,920
- Purchases / rental charged	460,884,831	489,099,564
- Expenses charged to	62,910,032	51,963,228
- Markup charged by	68,447,102	100,128,729
- Dividend received	10,897,228	19,265,302
- Dividend paid	1,570,000,000	588,213,640
- loans (repaid) / obtained - net	(233,622,319)	830,122,394
- Donation made	10,000,000	-
<b>Transactions with others:</b>		
- Contribution to provident fund	69,958,977	106,305,526
- Dividend paid	-	21,641,960
- Remuneration to key management personnel	202,937,668	150,363,405

## 11. SEGMENT ANALYSIS

### 11.1 SEGMENT RESULTS

Spinning	Weaving	Processing, printing, Home Textile, Textile Retail and Others	Power Generation	Total
----- Rupees -----				

For the six months period ended  
December 31, 2025

Revenue - external customers	14,625,675,783	9,966,258,950	35,481,973,173	9,903,632,257	69,977,540,163
Inter - segment sales	6,367,663,999	6,223,481,855	2,720,946,119	-	15,312,091,973
<b>Segment results</b>	<b>705,739,990</b>	<b>1,235,507,612</b>	<b>2,028,476,679</b>	<b>5,812,744,144</b>	<b>9,782,468,425</b>

For the six months period ended  
December 31, 2024

Revenue - external customers	20,106,739,426	9,737,308,080	30,219,632,810	9,404,265,080	69,467,945,396
Inter - segment sales	6,355,831,568	7,533,795,316	3,220,109,531	-	17,109,736,414
<b>Segment results</b>	<b>2,361,842,508</b>	<b>1,749,944,624</b>	<b>2,250,816,741</b>	<b>5,324,190,088</b>	<b>11,686,793,961</b>

(Un-audited)

Six months period ended

December 31,  
2025                      2024

----- Rupees -----

#### Reconciliation of operating results with profit after tax is as follows:

Total results for reportable segments	9,782,468,425	11,686,793,961
Other operating expenses	(162,087,619)	(273,720,161)
Other income	1,105,222,033	1,257,754,790
Finance cost	(3,738,839,264)	(5,040,758,627)
Share of profit of associated companies	63,382,426	95,245,454
Profit before taxation	7,050,146,001	7,725,315,417
Taxation	(2,120,119,966)	(1,786,794,866)
<b>Profit after tax for the period</b>	<b>4,930,026,035</b>	<b>5,938,520,550</b>

# NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)

FOR THE SIX MONTHS PERIOD ENDED DECEMBER 31, 2025

## 11.2 SEGMENT ASSETS AND LIABILITIES

Spinning	Weaving	Processing, printing, Home Textile, Textile Retail and Others	Power Generation	Total
Rupees -----				

As at December 31, 2025 (Un-audited)

<b>Segment assets</b>	<b>26,361,169,353</b>	<b>12,652,361,446</b>	<b>48,485,545,745</b>	<b>78,492,343,588</b>	<b>165,991,420,132</b>
<b>Segment Liabilities</b>	<b>25,055,108,233</b>	<b>6,871,641,847</b>	<b>29,154,630,473</b>	<b>25,651,554,173</b>	<b>86,732,934,726</b>

As at June 30, 2025 (Audited)

Segment assets	29,348,510,451	11,314,544,718	49,096,352,930	85,369,558,838	175,128,966,937
Segment Liabilities	28,627,170,209	6,835,258,292	31,542,253,927	32,396,607,758	99,401,290,186

(Un-audited)  
Six months period ended  
December 31,  
2025                      2024

----- Rupees -----

### Reconciliation of segment assets and liabilities with total assets and liabilities in the consolidated condensed interim statement of financial position is as

Total for reportable segments assets	<b>165,991,420,132</b>	175,128,966,937
Unallocated assets	<b>28,341,744,801</b>	27,003,359,529
Total assets as per consolidated condensed interim statement of financial position	<b>194,333,164,933</b>	202,132,326,466
Total for reportable segments liabilities	<b>86,732,934,726</b>	99,401,290,186
Unallocated liabilities	<b>3,767,248,548</b>	4,947,588,403
Total liabilities as per consolidated condensed interim statement of financial position	<b>90,500,183,274</b>	104,348,878,589

## 12. FINANCIAL INSTRUMENTS

### 12.1 Financial instruments by Category

#### Financial assets as per statement of financial position

----- Un-audited -----		
As at December 31, 2025		
Amortised cost	At fair value through OCI	Total
----- Rupees -----		
Long-term investments	6,744,471,234	6,744,471,234
Long-term loans and advances	-	134,280,910
Long-term deposits	-	346,080,366
Trade debts	-	17,867,675,520
Loans to employees	-	235,926,300
Trade deposits	-	377,584,705
Other receivables	-	2,369,058,099
Short-term investments	9,200,755,852	9,200,755,852
Cash and bank balances	-	14,914,827,279
36,245,433,179	15,945,227,086	52,190,660,265

#### Financial assets as per statement of financial position

----- Audited -----		
As at June 30, 2025		
Amortised cost	At fair value through OCI	Total
----- Rupees -----		
Long-term investments	4,461,570,190	4,461,570,190
Long-term loans and advances	-	66,665,011
Long-term deposits	-	224,723,128
Trade debts	-	22,953,971,483
Loans to employees	-	132,107,534
Trade deposits	-	169,217,427
Other receivables	-	3,047,688,935
Short-term investments	7,286,637,117	7,286,637,117
Cash and bank balances	-	19,411,721,135
46,006,094,653	11,748,207,307	57,754,301,960

# NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)

FOR THE SIX MONTHS PERIOD ENDED DECEMBER 31, 2025

	<b>Financial liabilities measured at amortised cost</b>	
	<b>Un-audited</b>	<b>Audited</b>
	<b>December 31, 2025</b>	<b>June 30, 2025</b>
	<b>---- Rupees ----</b>	
<b>Financial liabilities as per statement of financial position</b>		
Long-term loans and other payables	<b>33,659,536,137</b>	38,055,329,359
Deferred income - Government grant	<b>141,099,399</b>	169,620,752
Trade and other payables	<b>17,265,755,938</b>	21,000,883,607
Current portion of long-term liabilities	<b>11,718,075,132</b>	13,421,419,699
Unclaimed dividend	<b>2,264,855</b>	2,264,855
Short term borrowings	<b>16,200,711,221</b>	21,561,623,899
Accrued mark-up	<b>571,380,859</b>	950,759,085
	<b>79,558,823,541</b>	95,161,901,256
Total current	<b>45,758,188,005</b>	56,936,951,145
Total non current	<b>33,800,635,536</b>	38,224,950,111

## 12.2 Fair value of financial instruments

Carrying values of the financial assets and financial liabilities approximate their fair values. Fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction.

## 12.3 Fair value hierarchy

The carrying value of all financial assets and liabilities reflected in the financial statements approximate their fair value.

The table below analyse financial instruments carried at fair value, by valuation method. The different levels have been defined as follows:

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

The main level of inputs used by the Group for its financial assets are derived and evaluated as follows:

	Level 1	Level 2	Level 3
	<b>----- Rupees -----</b>		
<b>As at December 31, 2025</b>			
Assets carried at fair value			
Equity instruments at fair value through OCI	<b>15,491,988,142</b>	-	<b>178,363,903</b>
<b>As at June 30, 2025</b>			
Assets carried at fair value			
Equity instruments at fair value through OCI	<b>11,875,532,339</b>	-	<b>183,996,598</b>

### 13. SHARIAH SCREENING DISCLOSURE

	Un-audited December 31, 2025		Audited June 30, 2025	
	Conventional	Shariah Compliant	Conventional	Shariah Compliant
----- Rupees -----				
<b>Statement of Financial Position - Assets</b>				
Long term investments	8,975,931,659	467,087,334	6,632,626,453	433,231,615
Short term investments	4,350,804,617	4,849,951,235	4,477,696,533	2,808,940,584
Bank balances	14,901,769,255	13,058,024	19,315,121,187	96,599,948
<b>Statement of Financial Position - Liability</b>				
Long Term Finances	41,859,229,797	2,808,188,840	47,900,783,864	2,728,896,772
Short term borrowings	12,078,709,385	2,115,426,976	10,542,201,482	2,163,551,555
Running finances under mark-up arrangements	816,749,427	1,189,825,433	5,036,704,517	3,819,166,345
Accrued mark-up	520,047,692	51,333,167	688,142,276	145,839,351

	Un-audited December 31, 2025		Un-audited December 31, 2024	
	Conventional	Shariah Compliant	Conventional	Shariah Compliant
----- Rupees -----				
<b>Statement of Profit and Loss and other Comprehensive Income</b>				
Revenue earned from shariah compliant business segments	-	69,977,540,163	-	69,467,945,396
Un-realised gain on investments				
i) Long term investment	2,332,913,543	-	1,444,576,003	-
ii) Short term investment	206,602,731	1,376,518,154	46,974,489	605,947,464
Other income				
i) Profit on bank deposits	520,096,061	-	685,637,528	-
ii) Dividend Income	389,587,400	121,783,637	404,636,989	59,268,888
iii) Exchange loss on actual currency	(370,386)	-	(2,335,737)	-
Mark-up on running finances under mark-up arrangements	378,236,088	83,166,882	598,472,512	158,408,256
Mark-up on short term finances	474,547,883	124,349,357	619,916,897	82,548,657
Mark-up on long term finances	1,995,669,948	118,480,407	2,952,426,356	92,379,592

The Group have banking relation with the following shariah-compliant financial institutions:

- i) Meezan Bank Limited
- ii) Dubai Islamic Bank Limited
- iii) Bank Islami Pakistan Limited
- iv) Faysal Bank Limited

# NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)

FOR THE SIX MONTHS PERIOD ENDED DECEMBER 31, 2025

## 14. CORRESPONDING FIGURES

In order to comply with the requirements of International Accounting Standard 34 - 'Interim Financial Reporting', the consolidated condensed interim statement of financial position has been compared with the balances of audited annual financial statements of the Group for the year ended June 30, 2025, whereas, the consolidated condensed interim statement of profit or loss, consolidated condensed interim statement of other comprehensive income, consolidated condensed interim statement of cash flows and consolidated condensed interim statement of changes in equity have been compared with the balances of comparable period of condensed interim financial statements of the Group for the six months period ended December 31, 2024.

Comparative information has been re-classified, re-arranged or additionally incorporated in these interim financial statements, where necessary, to facilitate better comparison and to conform with the changes in presentation.

## 15. GENERAL

### 15.1 Non adjusting events subsequent to the reporting date

The Board of Directors of the Holding Company in its meeting held on February 24, 2026 has recommended an interim cash dividend for the year ending June 30, 2026 of Rs.10 per share. These consolidated condensed interim financial statements for the six months period ended December 31, 2025 do not include the effect of these appropriations which will be accounted for subsequent to the period end.

## 16. DATE OF AUTHORIZATION FOR ISSUE

These consolidated condensed interim financial statements were approved by the Board of Directors of the Holding Company and authorised for issue on February 24, 2026.



Chief Executive Officer



Chairman / Director



Chief Financial Officer







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