



**Half Yearly Report
December 31, 2025**



SHAHZAD TEXTILE MILLS LIMITED

Certificate PK24/00000104

The management system of

Shahzad Textile Mills Limited

Head Office: 19-A, Off Zafar Ali Road, Gulberg - V, Lahore, Pakistan
has been assessed and certified as meeting the requirements of
ISO 9001:2015

For the following activities
Manufacturing and export of 100% cotton, blended, pure synthetic, combed, carded and Double yarn

This certificate is valid from 09 May 2024 until 09 May 2027 and remains valid subject to satisfactory surveillance audits.

Issue 1. Certified since 09 May 2024

Certified activities performed by additional sites are listed on subsequent pages.

Authorised by
Jonathan Hall
Global Heac - Certification
Services

SGS United Kingdom Ltd
Rossmore Business Park, Ellesmere Port, Cheshire, CH65 3EN, UK
t +44 (0)151 350-6566 - www.sgs.com



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Certificate PK24/00000104, continued
Shahzad Textile Mills Limited



ISO 9001:2015

Issue 1

Sites

Shahzad Textile Mills Limited

Head Office: 19-A, Off Zafar Ali Road, Gulberg - V, Lahore, Pakistan

Manufacturing and export of 100% cotton, blended, pure synthetic, combed, carded and Double yarn

Shahzad Textile Mills Limited

Site 01 : 34th Km, Sheikhpura Road, Sheikhpura, Pakistan

Manufacturing and export of 100% cotton, blended, pure synthetic, combed, carded and Double yarn

Shahzad Textile Mills Limited

Site 02 : 7th Km Sheikhpura-Faisalabad Road, Sheikhpura, Pakistan

Manufacturing and export of 100% cotton, blended, pure synthetic, combed, carded and Double yarn



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CERTIFICATE



Management system as per ISO 45001:2018

In accordance with TÜV AUSTRIA CERT procedures, it is hereby certified that

Shahzad Textile Mills Limited (Socks Division)

34 – KM, Lahore – Sheikhpura Road, Sheikhpura, Pakistan.

applies a management system in line with the above standard for the following scope

Manufacturing of Socks

Certificate Registration No. 20116233018371

Valid until 2026-03-15

Initial certification: 2020-03-16

Certification Body
at TÜV AUSTRIA CERT GMBH

Vienna, 2023-03-17

This certification was conducted in accordance with TÜV AUSTRIA CERT auditing and certification procedures and is subject to regular surveillance audits.
TÜV AUSTRIA CERT GMBH Deuschstraße 10 A-1230 Wien www.tuv.at



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CERTIFICATE



Management system as per EN ISO 14001:2015

In accordance with TÜV AUSTRIA CERT procedures, it is hereby certified that

Shahzad Textile Mills Limited (Socks Division)

34 – KM, Lahore – Sheikhpura Road, Sheikhpura, Pakistan.

applies a management system in line with the above standard for the following scope

Manufacturing of Socks

Certificate Registration No. 20104233016370

Valid until 2025-03-15
Initial certification: 2020-03-16

Certification Body
at TÜV AUSTRIA CERT GMBH

Vienna, 2023-03-17

This certification was conducted in accordance with TÜV AUSTRIA CERT auditing and certification procedures and is subject to regular surveillance audits.
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SHAHZAD TEXTILE MILLS LIMITED

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CERTIFICATE



**Management system as per
EN ISO 9001:2015**

In accordance with TÜV AUSTRIA CERT procedures, it is hereby certified that

Shahzad Textile Mills Limited (Socks Division)

34 – KM, Lahore – Sheikhpura Road, Sheikhpura, Pakistan.

applies a management system in line with the above standard for the following scope

Manufacturing of Socks

Certificate Registration No. 20100233016369

Valid until 2026-03-15
Initial certification: 2020-03-16

Certification Body
at TÜV AUSTRIA CERT GMBH

Vienna, 2023-03-17

This certification was conducted in accordance with TÜV AUSTRIA CERT auditing and certification procedures and is subject to regular surveillance audits.
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SHAHZAD TEXTILE MILLS LIMITED

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COMPANY INFORMATION**Board of Directors**

Mian Parvez Aslam	Chairman
Mr. Imran Aslam	Chief Executive Officer
Mr. Irfan Aslam	
Mr. Danish Aslam	
Syed Raza Ali Bokhari	
Dr. Ali Raza Khan	
Mrs. Nazish Imran	

Chief Financial Officer

Syed Imran Haider

Company Secretary

Mr. Muhammad Amjad Tayyab

Auditors

Crowe Hussain Chaudhury & Co.
Chartered Accountants

Audit Committee

Syed Raza Ali Bokhari	Chairman
Mian Parvez Aslam	Member
Mr. Irfan Aslam	Member

Human Resources & Remuneration Committee

Dr. Ali Raza Khan	Chairman
Mr. Danish Aslam	Member
Mrs. Nazish Imran	Member

Bankers

Habib Metropolitan Bank Ltd
JS Bank Limited
Meezan Bank Limited
Soneri Bank Limited

Share Registrar

Hameed Majeed Associates (Pvt) Ltd
H.M. House, 7-Bank Square, Lahore.

Registered Office

Tricon Corporate Center, Office No.
701, 7th Floor. 73-E, Main Jail Road,
Gulberg-II, Lahore.

Ph: +92(042)36407340-41

E-mail: info@shahzadtex.com

Web: www.shahzadtex.com

Mills

Unit # 1, 4 & Socks Hosiery Unit
34th KM Lahore Sheikhpura
Raod, Sheikhpura.

Unit # 2

7th KM Sheikhpura Faisalabad
Road, Sheikhpura.

Directors' Report

On behalf of the directors, of M/s Shahzad Textile Mills Limited, I am presenting a review of condensed interim financial statements (reviewed by the statutory auditors) for the second quarter and half year ended December 31, 2025.

The company's six-month profit after tax is Rs. 125.437 million as compared to loss of Rs 18.843 million in the corresponding period of last year. In current quarter, this profit is Rs. 59.429 million as compared to profit of Rs 9.903 million in the corresponding period of last year. The turnover for current six months has increased to Rs. 6.190 billion as compared to sales of Rs. 5.464 billion in corresponding period of last year.

The Company has achieved improved financial performance during the current period and remained profitable. Profitability has increased as compared to the corresponding period of last year, reflecting better operational efficiency and effective cost management. The positive results demonstrate the Company's strong financial position and management's continued focus on sustainable growth.

FUTURE OUTLOOK

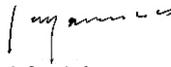
The Government policies, including trade regulations, energy, taxation, and incentives for the textile sector, had a direct impact on the profitability of spinning mills. Supportive policies could boost the industry, while unexpected changes might pose challenges. The decision to hike gas prices has further exacerbated the industry's plight. The Government should take into consideration the various factors hampering growth of exports. Providing a regionally competitive energy tariff and reducing interest rates will bring about a turnaround in the textile sector. The management is fully aware of the present challenges and is fully committed to achieve better results in future.

Profit per share for the half year ended 31st December 2025 is Rs 6.98 as compared to loss per share of Rs 1.05 in the corresponding period of last year.

ACKNOWLEDGEMENT

The directors of our company take this opportunity to express their gratitude to all the stakeholders for their encouragement and support.

Lahore.
February 25, 2026



Irfan Aslam
Director

For and on behalf of the board



Imran Aslam
(Chief Executive Officer)

ڈائریکٹرز کی رپورٹ

بذریعہ بورڈ آف ڈائریکٹرز، میں شہزاد ٹیکسٹائل ملز لمیٹڈ کی جانب سے 31 دسمبر 2025 کو ختم ہونے والی دوسری سہ ماہی اور ششماہی مدت کے عبوری مختصر مالیاتی بیانات (جن کا جائزہ قانونی آڈیٹرز نے لیا ہے) پیش کر رہا ہوں۔

کمپنی کا چھ ماہ بعد از ٹیکس منافع 125.437 ملین روپے رہا جبکہ گزشتہ سال کی اسی مدت میں 18.843 ملین روپے کا خسارہ ہوا تھا۔ موجودہ سہ ماہی میں منافع 59.429 ملین روپے رہا جبکہ گزشتہ سال کی اسی مدت میں منافع 9.903 ملین روپے تھا۔ موجودہ چھ ماہ کے دوران کاروباری حجم 6.190 ارب روپے تھا۔ جو کہ گزشتہ سال کی اسی مدت میں 5.464 ارب روپے تھا۔

کمپنی نے زیر نظر مدت کے دوران بہتر مالی کارکردگی کا مظاہرہ کیا اور منافع بخش رہی۔ گزشتہ سال کی اسی مدت کے مقابلے میں منافع میں اضافہ ہوا جو بہتر آپریشنل کارکردگی اور موثر لاگت کنٹرول کی عکاسی کرتا ہے۔ یہ مثبت نتائج کمپنی کی مضبوط مالی حیثیت اور انتظامیہ کی پائیدار ترقی پر مسلسل توجہ کا ثبوت ہیں۔

مستقبل کا لائحہ عمل

حکومتی پالیسیاں، جن میں تجارتی ضوابط، توانائی کی قیمتیں، ٹیکس نظام اور ٹیکسٹائل سیکٹر کے لیے مراعات شامل ہیں، اسپننگ ملز کی منافع بخشی پر براہ راست اثر انداز ہوتی ہیں۔ معاون پالیسیاں صنعت کی ترقی کا باعث بن سکتی ہیں جبکہ غیر متوقع تبدیلیاں چیلنجز پیدا کر سکتی ہیں۔ گیس کی قیمتوں میں اضافے کے فیصلے نے صنعت کی مشکلات میں مزید اضافہ کیا ہے۔ حکومت کو برآمدات کی نمو میں حائل مختلف عوامل کو مدنظر رکھنا چاہیے۔ علاقائی سطح پر مسابقتی توانائی ٹیرف کی فراہمی اور شرح سود میں کمی ٹیکسٹائل سیکٹر میں بہتری لا سکتی ہے۔ انتظامیہ موجودہ چیلنجز سے مکمل طور پر آگاہ ہے اور مستقبل میں بہتر نتائج کے حصول کے لیے پرعزم ہے۔

31 دسمبر 2025 کو ختم ہونے والی ششماہی مدت کے لیے فی حصص آمدن 6.98 روپے رہی جبکہ گزشتہ سال کی اسی مدت میں فی حصص خسارہ 1.05 روپے تھا۔

اظہار تشکر

کمپنی کے ڈائریکٹرز اس موقع پر تمام اسٹیک ہولڈرز کے تعاون اور حوصلہ افزائی پر دلی تشکر کا اظہار کرتے ہیں۔

برائے اور بذریعہ بورڈ

عرفان اسلم
ڈائریکٹر

عمران اسلم
چیف ایگزیکٹو

لاہور

25 فروری 2026

**INDEPENDENT AUDITOR'S REVIEW REPORT TO THE MEMBERS
OF SHAHZAD TEXTILE MILLS LIMITED**

Introduction

We have reviewed the accompanying condensed interim statement of financial position of **SHAHZAD TEXTILE MILLS LIMITED** ("the Company") as at December 31, 2025 and the related condensed interim statement of profit or loss, the condensed interim statement of comprehensive income, the condensed interim statement of changes in equity, and the condensed interim statement of cash flows, and notes to the condensed interim financial statements for the six-month period then ended (here-in-after referred to as the "interim financial statements"). Management is responsible for the preparation and presentation of this 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 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 the 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.

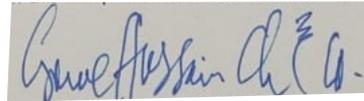
Conclusion

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 accumulative figures for the half year presented in the second quarter accounts are subject to a limited scop review by the statutory auditor's of the Company. The figures of the condensed interim statement of profit or loss and the condensed interim statement of comprehensive income for the quarters ended December 31, 2025 and 2024 have not been reviewed, as we are required to review only the cumulative figures for the half year ended December 31, 2025.

The engagement partner on the review resulting in this independent auditor's review report is Zain ul Arfeen.



Lahore
Dated: February 25, 2026.
UDIN: RR202510832FhLzGo4ia

CROWE HUSSAIN CHAUDHURY & CO.
Chartered Accountants

CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION (UN-AUDITED)**AS AT DECEMBER 31, 2025**

		December 31, 2025	June 30, 2025
	Note	(Un-audited)	(Audited)
----- Rupees in thousand -----			
EQUITY AND LIABILITIES			
Share Capital and Reserves			
Authorized capital:			
40,000,000 (June 30, 2025: 40,000,000) ordinary shares of Rs. 10 each		400,000	400,000
Issued, subscribed and paid up capital			
17,971,372 (June 30, 2025: 17,971,372) ordinary shares of Rs. 10 each		179,714	179,714
Reserves		2,293,938	2,125,747
Surplus on revaluation of property, plant and equipment		1,181,066	1,227,095
		3,654,718	3,532,556
Non Current Liabilities			
Long term financing	5	151,655	144,357
Deferred tax liabilities		499,470	498,554
		651,125	642,911
Current Liabilities			
Trade and other payables		1,152,511	935,371
Unclaimed dividend		146	146
Unpaid dividend		199	199
Accrued mark up		19,912	18,315
Current portion of non-current liabilities		201,341	183,351
Short term borrowings	6	1,015,350	871,519
Provision for taxation		76,989	143,316
		2,466,448	2,152,217
	7	-	-
		6,772,291	6,327,685
Contingencies and Commitments			
ASSETS			
Non Current Assets			
Property, plant and equipment	8	2,751,776	2,721,486
Long term investment in associate		1,057,291	1,054,876
Long term deposits		3,847	3,847
		3,812,914	3,780,209
Current Assets			
Stores and spares		213,147	219,573
Stock in trade		1,141,578	857,586
Trade debts		222,135	166,306
Advances, trade deposits, prepayments and other receivables		272,809	294,494
Short term investments		164,398	151,375
Tax refunds due from the Government		298,191	301,959
Cash and bank balances		647,119	386,233
		2,959,377	2,377,526
Asset held for sale		-	169,950
		6,772,291	6,327,685

The annexed notes 1 to 16 form an integral part of these condensed interim financial statements (un-audited).


 Chief Executive Officer

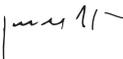

 Director


 Chief Financial Officer

CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS (UN-AUDITED)
FOR THE HALF YEAR AND QUARTER ENDED DECEMBER 31, 2025

	Note	Half Year Ended December 31,		Quarter Ended December 31,	
		2025	2024	2025	2024
		---- Rupees in thousand ---- (Un-audited)			
Sales		6,189,527	5,463,761	2,834,880	3,236,691
Cost of sales	9	(5,685,022)	(5,190,154)	(2,612,610)	(3,078,223)
Gross Profit		504,505	273,607	222,270	158,468
Operating expenses:					
- Selling and distribution		(125,496)	(93,506)	(60,080)	(44,793)
- Administrative expenses		(181,973)	(151,805)	(92,658)	(74,502)
		(307,469)	(245,311)	(152,738)	(119,295)
Operating Profit		197,036	28,296	69,532	39,173
Finance cost		(51,284)	(74,547)	(29,150)	(40,826)
Other operating expenses		(19,144)	(6,312)	(18,540)	(6,026)
Other income		64,517	87,084	53,212	50,421
Share of net profit of associate		2,415	10,456	1,417	7,500
		(3,496)	16,681	6,939	11,069
Profit before Levy and Taxation		193,540	44,977	76,471	50,242
Levy / final taxation	10	(21,436)	(32,536)	(15,530)	(4,698)
Profit before Taxation	10	172,104	12,441	60,941	45,544
Taxation		(46,667)	(31,284)	(1,512)	(35,641)
Net Profit / (Loss) for the Period		125,437	(18,843)	59,429	9,903
Earnings /(Loss) per Share - Basic		6.98	(1.05)	3.31	0.55

The annexed notes 1 to 16 form an integral part of these condensed interim financial statements (un-audited).


Chief Executive Officer


Director


Chief Financial Officer

CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE HALF YEAR AND QUARTER ENDED DECEMBER 31, 2025

	Half Year Ended December 31,		Quarter Ended December 31,	
	2025	2024	2025	2024
	---- Rupees in thousand ----			
Net Profit / (Loss) for the Year	125,437	(18,843)	59,429	9,903
Other Comprehensive Income for the Period				
Items that will not be reclassified subsequently to profit or loss	-	-	-	-
Items that may be reclassified subsequently to profit or loss	-	-	-	-
Other comprehensive income for the period	-	-	-	-
Total Comprehensive Income / (Loss) for the Period	125,437	(18,843)	59,429	9,903

The annexed notes 1 to 16 form an integral part of these condensed interim financial statements (un-audited).


 Chief Executive Officer


 Director


 Chief Financial Officer

CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)
FOR THE HALF YEAR ENDED DECEMBER 31, 2025

Particulars	Issued Subscribed and Paid up Capital	Reserve			Surplus on Revaluation of Property, Plant and Equipment	Total Equity
		Share Premium Reserve	Unappropriated Profit	Total		
----- Rupees in thousand -----						
Balance as at June 30, 2024	179,714	5,796	1,896,438	1,902,234	1,244,680	3,326,628
Net loss for the period	-	-	(18,843)	(18,843)	-	(18,843)
Other comprehensive income	-	-	-	-	-	-
Total comprehensive loss for the period	-	-	(18,843)	(18,843)	-	(18,843)
Transferred from surplus on revaluation of property, plant and equipment on incremental depreciation charged in current period (net of deferred tax)	-	-	6,242	6,242	(6,242)	-
Balance as at December 31, 2024	179,714	5,796	1,883,837	1,889,633	1,238,438	3,307,785
Balance as at June 30, 2025	179,714	5,796	2,119,951	2,125,747	1,227,095	3,532,556
Net profit for the period	-	-	125,437	125,437	-	125,437
Other comprehensive income	-	-	-	-	-	-
Total comprehensive income for the period	-	-	125,437	125,437	-	125,437
Transferred from surplus on revaluation of property, plant and equipment on incremental depreciation charged in current period (net of deferred tax)	-	-	6,998	6,998	(6,998)	-
Effect of deferred tax on rate adjustment	-	-	-	-	(3,275)	(3,275)
Surplus realised on disposal revalued property, plant and equipment transferred to retained earning- net of deferred tax	-	-	35,756	35,756	(35,756)	-
Balance as at December 31, 2025	179,714	5,796	2,288,142	2,293,938	1,181,066	3,654,718

The annexed notes 1 to 16 form an integral part of these condensed interim financial statements (un-audited).



Chief Executive Officer



Director



Chief Financial Officer

CONDENSED INTERIM STATEMENT OF CASH FLOWS (UN-AUDITED)
FOR THE HALF YEAR ENDED DECEMBER 31, 2025

	Half Year Ended December 31,	
	2025	2024
	--- Rupees in thousand ---	
CASH FLOW FROM OPERATING ACTIVITIES		
Profit before levy and taxation	193,540	44,977
Adjustments for:		
- Depreciation	8 61,591	56,610
- Gain on disposal of property, plant and equipment	(29,981)	(1,784)
- Gain on disposal of asset held for sale	(2,050)	-
- Share of net profit of associate	(2,415)	(10,456)
- Finance cost	38,944	62,803
- Profit on saving account and term deposit receipt	(14,795)	(24,876)
- Provision for workers' profit participation fund	10,317	2,488
- Provision for workers' welfare fund	3,844	2,294
- Allowance for doubtful debts	1,057	1,484
- Interest on workers profit participation fund	879	-
- Exchange loss	3,676	46
	71,067	88,609
Operating Profit before Working Capital Changes	264,607	133,586
(Increase) / decrease in current assets		
- Stores and spares	6,426	(14,617)
- Stock in trade	(283,992)	(445,281)
- Trade debts	(60,562)	69,791
- Advances, trade deposits, prepayments, and other receivables	(49,021)	(64,971)
- Tax refunds due from the Government	20,023	(126,541)
Increase in current liabilities		
- Trade and other payables	207,489	416,692
	(159,637)	(164,927)
Cash Generated from / (Used in) Operations	104,970	(31,341)
Income tax paid	(75,439)	(110,075)
Workers' welfare fund paid	(5,390)	(462)
Finance cost paid	(37,348)	(64,961)
Net Cash Used in Operating Activities	(13,207)	(206,839)
CASH FLOW FROM INVESTING ACTIVITIES		
Proceeds from disposal of property, plant and equipment	37,340	2,400
Proceeds from disposal of asset held for sale	172,000	-
Property, plant and equipment purchased	(99,241)	(10,121)
Short term investments purchased	(12,000)	(191,126)
Encashment of short term investment	-	36,566
Receipt on profit on saving account and TDRs	6,874	20,694
Net Cash Generated from / (Used in) Investing Activities	104,973	(141,587)
CASH FLOW FROM FINANCING ACTIVITIES		
Long term financing obtained	67,286	-
Long term financing repaid	(41,997)	(38,540)
Short term borrowings - net	143,831	392,833
Net Cash Generated from Financing Activities	169,120	354,293
Net Increase in Cash and Cash Equivalents	260,886	5,867
Cash and cash equivalents at the beginning of the period	386,233	209,150
Cash and Cash Equivalents at the End of the period	647,119	215,017

The annexed notes 1 to 16 form an integral part of these condensed interim financial statements (un-audited).


Chief Executive Officer


Director


Chief Financial Officer

NOTES TO AND FORMING PART OF CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)**FOR THE HALF YEAR ENDED DECEMBER 31, 2025**

Note 1

The Company and its Operations

Shahzad Textile Mills Limited (the Company) was incorporated in Pakistan on October 24, 1978 as a Public Limited Company under the repealed Companies Act, 1913 (now the Companies Act, 2017). The shares of the Company are quoted on Pakistan Stock Exchange. The Company is engaged in manufacturing and dealing in all types of yarn and socks. The Company holds 24.94% ordinary shares in M/s Sargodha Jute Mills Limited, an associated company that is engaged in manufacturing, selling and dealing in jute products.

The Company is domiciled in Pakistan. The geographical locations and addresses of the Company's business units, including manufacturing facilities are as under:

Business Unit	Geographical Location
Head Office	7th Floor, Office 701, Tricon Corporate Center, 73-E Jail Road, Gulberg - II, Lahore
3 Manufacturing facilities	34 KM, Lahore-Sheikhupura Road, Sheikhupura
1 Manufacturing facility	7 KM, Sheikhupura-Faisalabad Road, Kharianwala

Note 2

Basis of Preparation**2.1 Statement of compliance**

2.1.1 These condensed interim financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting. The accounting and reporting standards as applicable in Pakistan for interim financial reporting comprise:

- International Accounting Standard (IAS) 34, Interim Financial Reporting, issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017;
- Provisions of, directives and notifications issued under the Companies Act, 2017.

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

2.1.2 These condensed interim financial statements comprise of the condensed interim statement of financial position of the Company, as at December 31, 2025 and the related condensed interim statement of profit or loss, the condensed interim statement of comprehensive income, the condensed interim statement of changes in equity and the condensed interim statement of cash flows together with the notes forming part thereof.

2.1.3 These condensed interim financial statements are unaudited and have been subjected to limited scope review by the external auditors as required by Section 237 of the Companies Act, 2017. The figures for the quarters ended on December 31, 2024 and 2025 presented in these condensed financial statements have not been reviewed by the external auditors.

2.1.4 The comparative statement of financial position presented in these condensed interim financial statements has been extracted from the audited annual financial statements of the Company for the year ended June 30, 2025, whereas the comparative condensed interim statement of profit or loss, the condensed interim statement of comprehensive income, the condensed interim statement of changes in equity and the condensed interim statement of cash flows have been extracted from the un-audited condensed interim financial statements for the six months period ended December 31, 2024.

2.2 Functional and presentation currency

These condensed interim financial statements are presented in Pak rupees (Rs.), which is the Company's functional and presentation currency. Figures have been rounded off to nearest thousand rupees, unless stated otherwise.

Note 3

Judgments and Estimates

The preparation of these condensed, interim financial statements (un-audited) requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Note 4

Material Accounting Policy Information

The accounting policies and methods of presentation of these condensed interim financial statements are the same as those followed in the preparation of annual financial statements for the preceding financial year ended June 30, 2025.

Note 5

Long Term Financing

		December 31, 2025	June 30, 2025
	Note	(Un-audited)	(Audited)
		--- Rupees in thousand ---	
Loan from banking companies - Secured			
Habib Metro Bank Limited - SBP LTFF	5.1	160,172	191,696
Soneri Bank Limited - Demand Finance	5.2	63,830	-
Meezan Bank Limited - Diminishing Musharka	5.3	22,725	29,741
		246,727	221,437
Less: Current portion		(95,071)	(77,080)
		151,655	144,357

- 5.1** This long term finance facility was availed to retire documents of import LC that were established for import of machinery for socks unit of the Company. The sanctioned limit amounted to Rs. 291 million (June 30, 2025: Rs. 291 million) and was secured by way of creating charge of Rs. 560 million (June 30, 2025: Rs. 560 million) registered with SECP on complete socks unit installed with 25% margin and personal guarantee of sponsoring directors. This facility is repayable in 24 equal quarterly installments latest by January 2029 and carries markup at SBP rate plus 3% (June 30, 2025: SBP rate plus 3%) per annum, payable on quarterly basis.
- 5.2** This long term finance facility was availed for purchase of vehicles for the use of business. The sanctioned limit amounted to Rs. 70 million (June 30, 2025: Rs. Nil) and was secured by way of creating charge over the financed vehicles registered with SECP. This facility is repayable in 60 monthly installments latest by July 2030 and carries markup at KIBOR plus 1% (June 30, 2025: Nil) per annum, payable on monthly basis.
- 5.3** This represents shariah compliant borrowing (diminishing musharka facility) utilised from Meezan Bank Limited amounting to Rs. 22.725 million (June 30, 2025: Rs. 29.741 million) for purchase of machinery. The sanctioned limit amounts to Rs. 100 million (June 30, 2025: Rs. 100 million) and is secured by way of exclusive charge over imported machinery with 15% margin and personal guarantee of sponsoring directors. This facility is repayable in 16 equal quarterly installments, latest by July 2027. It carries markup at 3 months KIBOR plus 1.25% (June 30, 2025: 3 months KIBOR plus 1.25%) per annum.

Note 6

Short Term Borrowings

	Note	December 31, 2025 (Un-audited)	June 30, 2025 (Audited)
--- Rupees in thousand ---			
From banking companies - Secured			
Cash / running / packing finances		550,105	434,150
Istisna / Musawama - shariah compliant		144,245	116,369
	6.1	694,350	550,519
Loan from directors	6.2	321,000	321,000
		<u>1,015,350</u>	<u>871,519</u>

- 6.1** The Company obtained various funded and unfunded financial facilities from different banks for a total sanctioned limit of Rs. 2,216 million (June 30, 2025: Rs. 2,216 million) towards working capital requirements, retirement of local and foreign LCs and discounting of local bills / receivables. These facilities shall expire on various dates latest by December 31, 2025. Mark up on these facilities is charged from 1 to 6 months KIBOR plus a spread of 1% to 1.25% (June 30, 2025: 1 to 6 months KIBOR plus a spread of 1% to 1.25%) payable quarterly. These facilities are secured by ranking and hypothecation charge on property, plant and equipment, stocks and receivables of the Company; lien over export and import documents and personal guarantee of sponsoring directors of the Company. The above balance represents the utilized portion of funded facilities. The Company has also utilized unfunded facilities amounting to Rs. 332 million (June 30, 2025: Rs. 387.064 million). Unutilized amount of funded and unfunded facilities is Rs. 1,190 million (June 30, 2025: Rs. 1,278.418 million) as on reporting date.
- 6.2** This represents short term borrowings provided by the directors of the Company to support the working capital requirements. The loan is unsecured, interest free (June 30, 2025: unsecured and interest-free) and re-payable on demand.

Note 7

Contingencies and Commitments

	December 31, 2025 (Un-audited)	June 30, 2025 (Audited)
--- Rupees in thousand ---		
7.1 Contingencies		
- The Company has provided bank guarantees in favour of following parties:		
- Sui Northern Gas Pipelines Limited	163,566	163,566
- Lahore Electric Supply Company	10,430	10,430
- Excise and Taxation Office	61,400	58,400
	<u>235,396</u>	<u>232,396</u>
7.2 The Company is contingently liable for Rs. 55.314 million (June 30, 2025: Rs. 55.141 million) on account of electricity duty on self generation. The Company has obtained stay order by filing petition on August 10, 2010 in Lahore High Court, Lahore against LESCO and has not admitted the said duty. The case is pending hearing before the Lahore High Court, Lahore.		
7.3 Further, there is no material change in the status of contingencies as reported in the financial statements for the year ended June 30, 2025.		
7.4 Commitments		
- The Company's outstanding commitments / contracts as at the reporting date are as under:		
Letters of credit	96,523	154,668

Note 8

Property, Plant and Equipment

		December 31, 2025	June 30, 2025
	Note	(Un-audited)	(Audited)
		--- Rupees in thousand ---	
Operating fixed assets	8.1	2,751,776	2,721,485
8.1 Operating fixed assets			
Opening written down value		2,721,485	2,791,241
Additions during the period / year (at cost)		99,241	57,425
Disposals during the period / year (at written down value)		(7,359)	(10,793)
		2,813,367	2,837,873
Depreciation charged for the period / year		(61,591)	(116,388)
		2,751,776	2,721,485

Note 9

Cost of Sales

	Half Year Ended		Quarter Ended	
	December 31, 2025	December 31, 2024	December 31, 2025	December 31, 2024
	--- (Un-audited) ---			
	--- Rupees in thousand ---			
Raw materials consumed	3,858,175	3,614,624	1,915,970	2,141,353
Stores and spares consumed	147,046	126,489	80,273	93,965
Packing materials consumed	154,367	140,780	78,596	80,745
Salaries, wages and other benefits	603,588	424,176	290,565	250,927
Fuel and power	905,227	873,574	457,927	513,081
Insurance	8,003	7,963	3,974	3,807
Repairs and maintenance	8,494	3,046	5,070	1,458
Other manufacturing expenses	10,079	8,444	4,512	4,601
Depreciation	49,792	51,766	24,896	25,936
	5,744,771	5,250,862	2,861,783	3,115,873
Opening work in process	157,062	127,105	183,560	138,496
Closing work in process	(203,939)	(213,295)	(203,939)	(213,295)
	(46,877)	(86,190)	(20,379)	(74,799)
Cost of goods manufactured	5,697,894	5,164,672	2,841,404	3,041,074
Opening finished goods	350,822	233,904	134,900	245,571
Closing finished goods	(363,694)	(208,422)	(363,694)	(208,422)
	(12,872)	25,482	(228,794)	37,149
	5,685,022	5,190,154	2,612,610	3,078,223

Note 10

Levies and Taxation

	Note	Half Year Ended		Quarter Ended	
		December 31, 2025	December 31, 2024	December 31, 2025	December 31, 2024
		--- (Un-audited) ---			
		--- Rupees in thousand ---			
Levies	10.1	21,436	32,536	15,530	4,698
Taxation	10.2	46,667	31,284	1,512	35,641
		68,103	63,820	17,042	40,339

10.1 This represent final taxes paid on export sales and minimum tax provision as per section 154 and section 113 of the Income Tax Ordinance, 2001 respectively, representing levy in line with the requirements of IFRIC 21 / IAS 37 and IAS 12 Applicable Guidance on Accounting for minimum taxes and final taxes issued by ICAP.

10.2 Taxation

Current year	49,026	33,926	1,512	33,926
For prior years	-	337	-	337
	49,026	34,263	1,512	34,263
Deferred tax	(2,359)	(2,979)	-	1,378
	46,667	31,284	1,512	35,641

Note 11

Transactions and Balances with Related Parties

Related parties comprise associated company, directors and key management personnel. The Company in the normal course of business carries out transactions with various related parties. The Company enters into transactions with related parties on the basis of mutually agreed terms. Significant balances and transactions with related parties are as follows:

Transaction during the period			December 31, 2025	December 31, 2024
Related party	Relationship	Nature of Transaction	--- (Un-audited) --- --- Rupees in thousand ---	
Sargodha Jute Mills Limited	Associate	Purchase of materials, goods and services	807	264
		Amount paid	807	-
		Sale of materials and goods	6,158	172
		Sale of building	172,000	-
		Amount received	175,690	-
		Share of profit in Associate	2,415	10,456
			December 31, 2025	June 30, 2025
			--- (Un-audited) --- --- Rupees in thousand ---	
Outstanding balance as at reporting date				
Sargodha Jute Mills Limited	Associate	Long term investment -		
		Carrying value	1,057,291	1,054,876
		Trade debts / (Contract liabilities)	2,408	(60)
Directors		Loan outstanding	321,000	321,000
		Markup payable	-	124

Note 12

Financial Risk Management

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

Note 13

Segment Information

For management purposes, the activities of the Company are recognized into two operating segment, i.e. manufacturing and sales of yarn and socks. The Company operates in the said reportable operating segments based on the nature of the product, risk and return, organizational and management structure and internal financial reporting systems. Accordingly, the figures reported these condensed interim financial statements (un-audited) relate to the Company's reportable segments. Entity-wide disclosures regarding reportable segments are as follows:

	Yarn	Socks	Total
	--- (Un-audited) ---		
	--- Rupees in thousand ---		
13.1			
Segment Results for the period ended December 31 2025			
Revenue	5,367,406	822,121	6,189,527
Operating profit	192,603	4,433	197,036
Finance cost	(44,473)	(6,811)	(51,284)
Other income	1,210	10,880	11,720
Other operating expenses			(19,144)
Other income			52,797
Share of net profit from associate			2,415
Profit before taxation			193,540
Segment Results for the period ended December 31, 2024			
Revenue	4,717,720	746,041	5,463,761
Operating profit	24,098	4,198	28,296
Finance cost	(66,582)	(7,965)	(74,547)
Other income	1,210	49,790	51,000
Other operating expense			(6,312)
Other income			36,084
Share of net profit from associate			10,456
Profit before taxation			44,977

13.2

Segment financial position as at December 31, 2025

	Yarn	Socks	Total
	---- (Un-audited) ----		
	---- Rupees in thousand ----		
Assets			
Property plant and equipment	1,513,456	1,238,320	2,751,776
Store and spares	148,431	64,716	213,147
Stock in trade	664,388	477,190 v	1,141,578
Trade debts	122,202	99,933 S	222,135
Advances to suppliers	75,059	- a	75,059
	<u>2,523,536</u>	<u>1,880,159</u>	<u>4,403,695</u>

Unallocated Assets

	Yarn	Socks	Total
	---- (Un-audited) ----		
	---- Rupees in thousand ----		
Asset held for sale			-
Long term investments			1,057,291
Long term deposits			3,847
Advances, trade deposits, prepayments and other receivables			197,750
Short term investments			164,398
Tax refunds due from the Government			298,191
Cash and bank balances			647,119
			<u>6,772,291</u>

Liabilities

	Yarn	Socks	Total
	---- (Un-audited) ----		
	---- Rupees in thousand ----		
Long term financing	22,725	160,172	246,726
Trade creditors	136,943	140,341	277,284
Short term borrowings	1,015,350	-	1,015,350
Accrued mark up	10,942	8,970	19,912
	<u>1,185,960</u>	<u>309,483</u>	<u>1,559,272</u>

Unallocated Liabilities

Deferred tax liability - net			499,470
Deferred liabilities - GIDC			106,270
Trade and other payables			875,227
Unclaimed dividends			146
Unpaid dividend			199
Provision for taxation - net			76,989
			<u>3,117,573</u>

Segment financial position as at June 30, 2025

	Yarn	Socks	Total
	---- (Un-audited) ----		
	---- Rupees in thousand ----		
Assets			
Property plant and equipment	1,452,477	1,269,009	2,721,486
Store and spares	157,844	61,729	219,573
Stock in trade	554,450	303,136	857,586
Trade Debts	83,080	83,226	166,306
Advances to supplier	47,422	23,768	71,190
	<u>2,295,273</u>	<u>1,740,868</u>	<u>4,036,141</u>

Unallocated Assets

Asset held-for-sale			169,950
Long term investments			1,054,876
Long term deposits			3,847
Advances, trade deposits, prepayments and other receivables			223,304
Short term investments			151,375
Tax refunds due from the Government			301,959
Cash and bank balances			386,233
			<u>6,327,685</u>

Liabilities

Long term financing	29,741	191,697	221,438
Trade creditors	173,428	40,962	214,390
Short term borrowings	871,519	-	871,519
Accrued mark	7,995	10,320	18,315
	<u>1,082,683</u>	<u>242,979</u>	<u>1,325,662</u>

Unallocated Liabilities

Deferred tax liability - net			498,554
Gas infrastructure development cess			106,270
Trade and other payables			720,981
Unclaimed dividends			146
Unpaid dividends			199
Provision for taxation - net			143,316
			<u>2,795,128</u>

	December 31,	December 31,
	2025	2024
	Percentage	Percentage
	(Un-audited)	(Un-audited)
13.3 Information about products:		
Yarn	86.72%	86.35%
Socks	13.28%	13.65%

13.4 Major customers:

There is no individual customer to whom sales are more than 10% of revenue.

13.5 Geographical Information:

Company's revenue from external customers on the basis of geographical location is given as under:

	December 31,	December 31,
	2025	2024
	(Un-audited)	(Un-audited)
	--- Rupees in thousand ---	
Pakistan	5,383,926	4,729,568
Europe	666,936	668,183
United State of America	138,665	66,010
	<u>6,189,527</u>	<u>5,463,761</u>

Note 14

Shariah Screening Disclosures

	Note	December 31,	June 30,
		2025	2025
		(Un-audited)	(Audited)
		--- Rupees in thousand ---	
Balance as at the reporting date			
Financing (long term and short term) obtained as per Islamic mode		144,268	146,110
Shariah compliant bank deposits / bank balances		82,992	61,132
Long-term and short term shariah compliant investments		-	-
Transactions during the period			
Revenue earned from a shariah compliant business segment		6,189,527	5,463,761
Gain / loss or dividend earned from shariah compliant investments		-	-
Mark up paid on Islamic mode of financing	14.1	13,856	15,929
Profit earned from shariah compliant bank deposits/bank balances		-	-
Profits earned on any conventional loan or advance		13,772	24,876
Exchange loss earned from actual currency		3,676	46
Interest paid on any conventional loan or advance		23,492	49,032
Relationship with shariah compliant financial institute:			
- Long Term Financing - Diminishing Musharaka and Short Term Financing - Musawamah & Istisna		Meezan Bank Limited	Meezan Bank Limited
- Cash and Bank Balances - deposits with banks			

Balance as at the reporting date

Financing (long term and short term) obtained as per Islamic mode	144,268	146,110
Shariah compliant bank deposits / bank balances	82,992	61,132
Long-term and short term shariah compliant investments	-	-

Transactions during the period

		December 31,	December 31,
		2025	2024
		(Un-audited)	(Un-audited)
		--- Rupees in Thousands ---	
Revenue earned from a shariah compliant business segment		6,189,527	5,463,761
Gain / loss or dividend earned from shariah compliant investments		-	-
Mark up paid on Islamic mode of financing	14.1	13,856	15,929
Profit earned from shariah compliant bank deposits/bank balances		-	-
Profits earned on any conventional loan or advance		13,772	24,876
Exchange loss earned from actual currency		3,676	46
Interest paid on any conventional loan or advance		23,492	49,032

Relationship with shariah compliant financial institute:

- Long Term Financing - Diminishing Musharaka and Short Term Financing - Musawamah & Istisna	Meezan Bank Limited	Meezan Bank Limited
- Cash and Bank Balances - deposits with banks		

14.1 This pertains to the markup paid to Meezan Bank Limited on finances under markup arrangements - secured utilised.

Note 15

Authorization of Interim Financial Information

These condensed interim financial statements (un-audited) for the half year ended December 31, 2025 were approved and authorized for issuance by the Board of Directors on February 25, 2026.

Note 16

General

Corresponding figures are rearranged for better presentation and comparison. No re-arrangements have been made in these condensed interim financial statements (un-audited).


Chief Executive Officer


Director


Chief Financial Officer

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