

MAQBOOL TEXTILE MILLS LIMITED

Half yearly Report & Financial Statement (Auditor's Reviewed)
For the half year ended December 31, 2025

Company Profile

Board of Directors	Mian Tanvir Ahmad Sheikh	- Chairman
	Main Anis Ahmad Sheikh	
	Mian Aziz Ahmad Sheikh	
	Main Atta Shafi Tanvir Sheikh	- C.E.O
	Mrs. Minahil Atta	
	Mian Shafi Anis Sheikh	
Audit Committee	Mr. Nazir Khan	Independent Director
	Mr. Tariq Rahim Anwar	- Independent Director
	Syed Raza Abbas Jaffari	- Independent Director
	Mr. Nazir Ahmad Khan	- Chairman
	Mian Shafi Anis Sheikh	- Member
	Mr. Tariq Rahim Anwar	- Member
HR & Remuneration Committee	Mr. Tariq Rahim Anwar	- Chairman
	Mian Tanvir Ahmad Sheikh	- Member
	Mian Shafi Anis Sheikh	- Member
Deputy Chief Financial Officer	Mr. Ahsan Raza	
Company Secretary	Muhammad Irfan Siddique	
Head of Internal Audit	Mr. Sharjeel Anees	
Auditors	M/s Shine Wing Hameed Chaudhry & Co., Chartered Accountant Multan.	
Legal Advisor	Mr. Khalil Ur Rehman Hameed Law Chambers, Lahore	
For the half year ended December 31, 2025		
Bankers	Habib Bank Limited Bank Al-Habib Limited Habib Metropolitan Bank Limited United Bank Limited Faysal Bank Limited The Bank of Punjab Bank Al-Falah Limited (Islamic Banking) Bankislami Pakistan Limited (Islamic Banking) Askari Bank Limited Meezan Bank Limited (Islamic Banking) National Bank of Pakistan (Islamic Banking) National Bank of Pakistan	
Registered/Head Office	2-Industrial Estate, Multan	
Mills (Unit I, II & Ginning)	M.M. Road, Chowk Sarwar Shaheed, Disst. Muzaffargarh.	
Mills (Unit III)	Rajana Road, Pir Mahal, Disst. Toba Tek Singh.	
Share Registrar	M/s Hameed Majeed Associates H.M. House, 7-Bank Square, Lahore.	

DIRECTORS' REVIEW

Dear Shareholders,

On behalf of the Board of Directors of the Company, it is my privilege to present before you the Un-Audited Financial Statements of your Company for the Second Quarter and Half year ended December 31, 2025.

The overall business remained very tough and challenging throughout the period under report i.e. second quarter of the financial year 2025-2026. The performance of the Company also remained depressed due to economic instability and recession in local as well as international market. Due to decrease in demand for yarn locally as well as internationally, the sales rates remained on the lower side diminishing the financial margins of the Company resulting into the net after tax loss for the Second Quarter ended on December 31, 2025 at Rs.198,612,184/- as compared to the net after tax loss of Rs.298,028,402/- for the same period last year.

Your Directors are endeavoring hard to achieve the best possible results for the Company in the current sub-due economic conditions and hope that, by the grace of Almighty Allah, the market conditions improve and performance of your Company gets better with improved financial results during the remaining period of the current financial year to end on June 30, 2026.

On behalf of the Board

Mian Tanyir Ahmad-Sheikh
Chairman

Place: Multan
Dated: 27-02-2026

ڈائریکٹر کا جائزہ

کرم شیرو ٹرانز

گنتی کے دوران ڈائریکٹر کی جانب سے گنتی کے دوران سے سرمایہ اور ہمدردی کے 31-12-2025 کو ختم ہوئی ہے اس کی پوزیشن اور مالی حالات آپ کے سامنے پیش کر رہا ہے۔

رپورٹ کے مطابق پوری مدت کے دوران گنتی کا رورڈ منٹ اور پنچنگ رہا۔ زمرہ رت مدت کے دوران مقامی اور بین الاقوامی مارکیٹ میں 10 ماہی صدمہ 13 کام اور 19 ڈاکو کی وجہ سے گنتی کی کارکردگی کمی ہوئی۔ مقامی اور بین الاقوامی سطح پر ڈون کی مانگ میں کمی وجہ سے درآمد کی شرح پگھلائی۔ جس سے گنتی کے مالی حالات میں کمی واقع ہوئی جس کے نتیجے میں 31 دسمبر 2025 کو ختم ہونے والی ادھری سرمایہ گنتی کے امدت خالص ہتھان 198,612,184/- روپے ہو گیا تھا۔ یہ قدر مال گنتی اس سے پہلے خالص ہتھان 298,028,402/- روپے تھی۔

آپ کے ڈائریکٹر نے اس دوران مالی معاشی حالات میں گنتی کے لئے بہترین ممکنہ نتائج حاصل کرنے کی کوشش کر رہے ہیں اور امید کرتے ہیں کہ گنتی کے حالات میں بہتری کے ساتھ ساتھ مالی معاشی حالات میں گنتی کی کارکردگی بہتر ہو جائے گی اور مالیاتی نتائج بھی اچھے ہونے سے متعلقہ امور کو ختم ہونے میں مددگار ہوں گے۔

بورڈ کی جانب سے
تذکرہ
جیزمین

جگہ: ہتھان

تاریخ: 27-02-2026

**INDEPENDENT AUDITOR'S REVIEW REPORT
TO THE MEMBERS OF MAQBOOL TEXTILE MILLS LIMITED
ON REVIEW OF CONDENSED INTERIM FINANCIAL STATEMENTS**

Introduction

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

The figures of the condensed interim statement of profit and loss and condensed interim statement of comprehensive income for the quarter ended September 30, 2025 and December 31, 2025 have not been reviewed, as we are required to review only cumulative figures for six months' period ended December 31, 2025.

Scope of Review

We conducted our review in accordance with **International Standard on Review Engagements (ISRE) 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.

Basis for Qualified Conclusion

1. As at December 31, 2025, the Company has outstanding trade debts of Rs. 249.37 million; however, management has not performed an Expected Credit Loss (ECL) assessment as required under IFRS 9. Additionally, loans, advances and prepayments amounting to Rs. 144.32 million include Rs. 111.29 million in advances to suppliers, of which Rs. 7.9 million has remained outstanding without movement since last year. No impairment assessment has been carried out on these balances as required under IAS 36.

SWK 11

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 Catalyst for success

2. The Company has obtained long term borrowings from banks that are subject to financial covenants, which have been breached, rendering the loans immediately repayable. Further, as at December 31, 2025, the balance of "Loan from Director" amounts to Rs. 261.67 million (June 30, 2025: Rs. 28.04 million), which management considers interest-free and repayable at the Company's discretion and has accordingly been treated as equity; however, the underlying loan agreement was not provided for review.

Qualified Conclusion

Based on our review, except for the possible effect of the matters described in the **Basis for Qualified Conclusion** section of our report, 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 applicable financial reporting framework.

Material Uncertainty relating to Going Concern

We draw attention to Note No.1.3 to the annexed condensed interim financial statement, which describe the matters regarding Company's current liabilities exceeded its current assets and its accumulated losses. These conditions, along with other matters set forth in Note No.1.3 to the financial statements, indicate existence of material uncertainty that may cast a significant doubt on the company's ability to continue as going concern. Our opinion is not modified in this respect

Other Matter

- 1) The financial statements of the Company for the year ended **30 June 2025** were audited by another firm of chartered accountants who expressed a **qualified opinion** and included a **Material Uncertainty Relating to Going Concern** in their auditor's report dated October 06, 2025

The engagement partner on the review engagement resulting in this independent auditors' review report is Talat Javed

Date: February 28, 2026

UDIN: RR202510162vbFwjiKau

ShineWing Hameed Chaudhri & Co

SHINEWING HAMEED CHAUDHRI & CO

CHARTERED ACCOUNTANTS,
MULTAN

MAQBOOL TEXTILE MILLS LIMITED
CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION (UN-AUDITED)
AS AT DECEMBER 31, 2025

	Note	(Unaudited) December 31, 2025 Rupees	(Audited) June 30, 2025 Rupees
ASSETS			
Non-current assets			
Property, plant and equipment	3	5,239,637,050	5,406,401,091
Long term advances		58,550,000	64,100,000
Long term deposits		5,668,939	6,869,989
		5,303,855,989	5,477,371,080
Current assets			
Stores and spares	4	144,039,428	163,504,299
Stock in trade	5	1,301,701,932	1,317,976,168
Trade debts		249,374,112	1,077,617,048
Loans, advances and prepayments		144,327,091	136,230,846
Due from government		701,871,767	739,542,118
Advance taxes and levy		50,030,809	90,855,921
Other financial asset		10,441,333	10,228,833
Cash and bank balances		13,029,992	4,171,522
		2,614,816,464	3,540,126,755
Total assets		7,918,672,453	9,017,497,835
EQUITY AND LIABILITIES			
Share capital and reserves			
Share capital		184,320,000	184,320,000
Share premium		65,280,000	65,280,000
General reserve		-	-
Surplus on revaluation of property plant and equipment - net of deferred tax		1,932,999,216	2,020,077,493
Accumulated loss		(831,274,962)	(719,741,055)
		1,351,324,254	1,549,936,438
Loan from director		261,671,296	28,046,079
		1,612,995,550	1,577,982,517
Non-current liabilities			
Long term financing	6	1,365,384,345	1,296,264,879
Deferred grant	7	34,677,875	42,315,394
Lease liabilities		9,999,899	14,828,152
Deferred taxation		732,920,274	802,139,160
Staff retirement benefits - gratuity		80,124,619	80,097,401
		2,223,107,012	2,235,644,986
Current liabilities			
Trade and other payables	8	2,116,192,959	2,814,881,943
Accrued markup		189,637,594	96,086,176
Short term borrowings	9	1,413,948,699	1,729,645,285
Loan from director		-	195,224,500
Current portion of long term financing		286,507,502	226,924,479
Current portion of deferred grant		14,777,810	15,674,235
Current portion of lease liabilities		10,487,450	13,063,251
Unclaimed dividend		6,516,046	6,532,010
Provision for levy		44,501,832	105,838,453
		4,082,469,891	5,203,870,332
Contingencies and commitments	10		
Total equity and liabilities		7,918,672,453	9,017,497,835

The annexed notes from 1 to 19 form an integral part of these interim financial statements.

Chief Executive Officer

Director

Chief Financial Officer

MAQBOOL TEXTILE MILLS LIMITED
CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS (UN-AUDITED)
FOR THE HALF YEAR ENDED DECEMBER 31, 2025

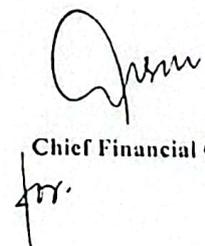
	Note	Six month period ended		Three month period ended	
		December 31, 2025	December 31, 2024	December 31, 2025	December 31, 2024
----- Rupees -----					
Sales - Net	11	3,559,210,531	3,829,704,403	2,077,725,574	2,071,981,866
Cost of goods sold	12	(3,551,124,123)	(3,704,691,978)	(2,081,010,365)	(2,026,885,458)
Gross profit		8,086,408	125,012,425	(3,284,791)	45,096,408
Operating expenses					
Administrative expenses		(85,139,508)	(91,345,341)	(15,706,272)	(14,771,710)
Selling and distribution expenses		(7,688,830)	(8,874,359)	(2,983,676)	(2,871,772)
		(92,828,338)	(100,219,700)	(18,689,948)	(17,643,482)
Operating Profit		(84,741,930)	24,792,725	(21,974,739)	27,452,926
Finance cost		(193,468,043)	(331,210,769)	(103,531,116)	(157,368,148)
Other income		54,880,735	11,355,296	54,880,735	10,714,046
		(138,587,308)	(319,855,473)	(48,650,381)	(146,654,102)
(Loss) / profit before levies & Taxation		(223,329,238)	(295,062,748)	(70,625,120)	(119,201,176)
Minimum and final tax		(44,501,832)	(43,996,091)	(25,983,270)	(22,024,559)
Profit before Taxation		(267,831,070)	(339,058,839)	(96,608,390)	(141,225,735)
Taxation	13	69,218,886	41,030,437	69,218,886	41,030,437
Net Loss for the Period		(198,612,184)	(298,028,402)	(27,389,504)	(100,195,298)
Earnings per share - basic and diluted		(10.78)	(16.17)	(1.49)	(5.44)

The annexed notes from 1 to 19 form an integral part of these interim financial statements.

Chief Executive Officer


Director

Chief Financial Officer


for.

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

	Six month period ended	
	December 31, 2025 Rupees	December 31, 2024 Rupees
A. CASH FLOWS FROM OPERATING ACTIVITIES		
(Loss) / profit before income tax	(267,831,070)	(339,058,839)
Adjustments for :		
Depreciation on property, plant and equipment	138,159,675	120,859,293
Interest income on term finance certificate	(212,500)	(1,027,000)
Amortization of deferred grant	(8,533,944)	(10,328,296)
Provision for staff retirement benefits - gratuity	5,026,309	22,604,374
Finance cost	193,468,043	331,210,769
Gain on sale of freehold land	(46,099,698)	-
Minimum and final tax	44,501,832	43,996,091
	<u>326,309,717</u>	<u>507,315,231</u>
Operating cash flows before working capital changes	58,478,647	168,256,392
(Increase) / decrease in current assets		
Stores and spares	19,464,871	872,564
Stock in trade	16,274,236	217,972,974
Trade debts	828,242,936	49,863,290
Loans and advances	(8,096,245)	65,673,456
Sales Tax refundable	6,939,584	45,289,918
	<u>862,825,381</u>	<u>379,672,202</u>
(Decrease) / increase in current liabilities		
Trade and other payables	(698,688,984)	82,878,511
Cash generated from operations	<u>222,615,044</u>	<u>630,807,105</u>
Tax/ (Levies) Paid	(58,756,195)	4,818,609
Gratuity paid	(4,999,091)	(22,971,072)
Finance cost paid	(99,916,625)	(353,466,727)
	<u>(163,671,911)</u>	<u>(371,619,190)</u>
Net cash generated from / (used in) operating activities	58,943,132	259,187,916
B. CASH FLOWS FROM INVESTING ACTIVITIES		
Additions to property, plant and equipment	(38,127,394)	(50,529,112)
Decrease in long term advances	(5,550,000)	-
Increase/ (decrease) in long term deposits	(1,201,050)	-
Addition/ Reduction to capital work in progress	-	(263,480,682)
Proceeds from disposal of property and equipment	107,631,458	-
Other financial asset	-	-
Interest received on term finance certificates	212,500	1,160,000
Net cash used in investing activities	62,965,514	(312,849,794)
C. CASH FLOWS FROM FINANCING ACTIVITIES		
Receipt of long term financing	199,919,600	262,755,000
Repayment of long term financing	(28,253,889)	(57,270,417)
Loan from directors	38,400,717	88,590,000
Lease liabilities paid	(7,404,054)	(4,528,844)
Short term borrowings - net	(191,994,197)	189,374,094
Dividend paid	(15,964)	-
Net cash generated from / (used in) financing activities	10,652,212	478,919,832

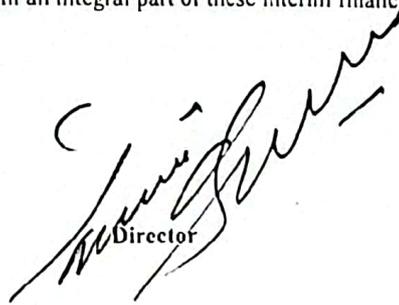
	Six month period ended	
	December 31, 2025	December 31, 2024
Net increase in cash and cash equivalents (A+B+C)	132,560,859	425,257,954
Cash and cash equivalents at beginning of the period	(1,008,375,778)	(1,668,542,313)
Cash and cash equivalents at end of the period	<u>(875,814,919)</u>	<u>(1,243,284,359)</u>

CASH AND CASH EQUIVALENTS

Cash and bank balances	13,029,992	18,605,166
Running finance	(888,844,911)	(1,261,889,525)
	<u>(875,814,919)</u>	<u>(1,243,284,359)</u>

The annexed notes from 1 to 19 form an integral part of these interim financial statements.

Chief Executive Officer



Director

Chief Financial Officer



for.

MAQBOOL TEXTILE MILLS LIMITED
 CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)
 FOR THE HALF YEAR ENDED DECEMBER 31, 2025

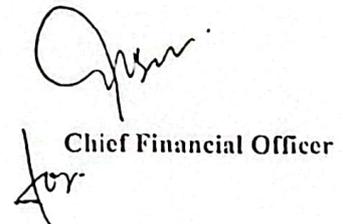
	Six month period ended		Three month period ended	
	December 31, 2025	December 31, 2024	December 31, 2025	December 31, 2024
	----- Rupees -----			
(Loss) / profit for the period	(198,612,184)	(298,028,402)	(27,389,504)	(100,195,298)
Other comprehensive income:				
Items that will not be reclassified subsequently to profit or loss				
Transfer from deferred tax due to change rate on opening revaluation surplus	-	-	-	-
Total comprehensive income for the period	(198,612,184)	(298,028,402)	(27,389,504)	(100,195,298)

The annexed notes from 1 to 19 form an integral part of these interim financial statements.

Chief Executive Officer



Director



Chief Financial Officer

MAQROOL HENTILE MILK LIMITED
(UNAUDITED INTERIM STATEMENT OF CHANGES IN EQUITY (UNAUDITED))
FOR THE HALF YEAR ENDED DECEMBER 31, 2025

	Capital Reserve			Revenue Reserves		Loan from director	Total
	Share capital	Share premium	Surplus on revaluation of property, plant and equipment	General reserve	Inappropriated profit/(losses)		
Balance as at July 01, 2024	184,320,000	65,280,000	2,090,700,372	168,000,000	(135,525,326)	16,701,079	2,389,476,125
Loss for the period	-	-	-	-	(298,028,402)	-	(298,028,402)
(Other comprehensive income for the period)	-	-	-	-	(298,028,402)	-	(298,028,402)
Total comprehensive income for the period	-	-	-	-	(298,028,402)	-	(298,028,402)
Transfer from surplus on revaluation of property, plant and equipment on account of incremental depreciation - net of deferred tax	-	-	(35,311,440)	-	35,311,440	-	-
Transaction with shareholders:							
Loan from directors	-	-	-	-	-	88,590,000	88,590,000
Balance as at December 31, 2024	184,320,000	65,280,000	2,055,388,932	168,000,000	(398,242,288)	105,291,079	2,180,037,723
Balance as at July 01, 2025	184,320,000	65,280,000	2,020,077,493	-	(719,741,055)	28,046,079	1,577,982,517
Loss for the period	-	-	-	-	(198,612,184)	-	(198,612,184)
(Other comprehensive income for the period)	-	-	-	-	-	-	-
Total comprehensive income for the period	-	-	-	-	(198,612,184)	-	(198,612,184)
Transfer from surplus on revaluation of property, plant and equipment on account of incremental depreciation - net of deferred tax	-	-	(33,529,412)	-	33,529,412	-	-
Transfer from surplus on disposal of land	-	-	(53,548,865)	-	53,548,865	-	-
Transaction with shareholders:							
Loan from directors	-	-	-	-	-	233,625,217	233,625,217
Balance as at December 31, 2025	184,320,000	65,280,000	1,932,999,216	-	(831,274,962)	261,671,296	1,612,995,550

The annexed notes from 1 to 19 form an integral part of these interim financial statements

Chief Executive Officer



Director



Chief Financial Officer

MAQBOOL TEXTILE MILLS LIMITED

NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)

FOR THE HALF YEAR ENDED DECEMBER 31, 2025

1. LEGAL STATUS

1.1 Maqbool Textile Mills Limited (the "Company") was incorporated in Pakistan on December 03, 1989 as a public limited company under the repealed Companies Ordinance, 1984 (now Companies Act, 2017) and is listed on Pakistan Stock Exchange (formerly Karachi, Lahore and Islamabad Stock Exchanges). The registered office of the Company is situated at 2-Industrial Estate Multan, Pakistan. The Company is principally engaged in manufacturing, trading and sale of yarn, cotton seed and cotton lint.

1.2 The Information on geographical location and address of the Company's business is as under :

Business Unit	Geographical Location
Head / Registered Office	The Company's registered office is situated at 2- Industrial Estate Multan.
Manufacturing Units	Unit 1 M.M. Road, Chowk Sarwar Shaheed, Distt.Muzaffargarh
	Unit 2 M.M. Road, Chowk Sarwar Shaheed, Distt.Muzaffargarh
	Unit 4 M.M. Road, Chowk Sarwar Shaheed, Distt.Muzaffargarh
	area of the mill at Unit 1, Unit 2 and Unit 4 is 65.64 acres
	Unit 3 Rajana Road, Pirmahal, Distt, Toba Tek Singh
area of the mill at Unit 3 is 21.81 acres	

1.3. During the year, The Company has incurred loss of Rs. 198.61 million (June 2025: 827.61 million), resulting in accumulated losses of Rs. 831.25 million (June 2025: 719.74 million) as at the reporting date. Moreover, at the reporting date, the Company's current liabilities exceed its current assets by Rs. 1,467.75 million (June 2025: 1,663.74). The loss resulted primarily due to higher electricity prices, high monetary policy rate and consumption of raw material at high prices. In June 2025, the Company has installed a solar system with a capacity of 3.085 MW which is expected to reduce fuel and power expenses in future years and furthermore, monetary policy rate were also reduce from 20% to 11% which is expected to reduce further. The Board of Directors in its meeting held on 25 August, 2025, approved the sale of piece of land measuring 122 Kanals 4 Marlas which is contribute positive cash flows into the Company. Additionally, the directors has also provided an interest free loan to the Company to improve its cashflow and have further provided a letter of support to the Company to continue providing sufficient funds to keep the Company as a going concern. Considering the earlier mentioned factors, the financial statements have been prepared on going concern basis.

2. Basis of Prepration

2.1 Statement of compliance

These condensed interim financial statements (un-audited) have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting. The accounting and reporting standards as applicable in Pakistan for interim financial reporting comprise of:

- International Accounting Standard (IAS) 34, "Interim Financial Reporting", issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017;
- Provisions of and directives issued under the Companies Act, 2017.
- Islamic Financial Accounting Standards (IFAS) issued by the Institute of Chartered Accountants of Pakistan as notified under the Act.

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

2.2 These condensed interim financial statements are un-audited and are being submitted to the members as required by section 237 of the Companies Act, 2017. The figures for the six months period ended December 31, 2025 have, however, been subjected to limited scope review by external Auditors

2.3 These condensed interim financial statements do not include all information required for full annual financial statements and should be read in conjunction with annual audited financial statements for the year ended June 30, 2025. Comparative condensed interim statement of financial position has been extracted from annual audited financial statements for the year ended June 30, 2025 whereas comparative condensed interim statement of profit or loss and condensed interim statement of comprehensive income, comparative condensed interim statement of changes in equity and comparative condensed interim statement of cash flows have been extracted from un-audited condensed interim financial statements for the six months period ended December 31, 2024. Selected explanatory notes are included to explain events and transactions that are significant to the understanding of the changes in the Company's financial position and performance since the last annual audited financial statements.

2.4 Functional and presentation currency

These condensed interim financial statements (un-audited) are presented in Pak Rupees, which is also the Company's functional currency. All amounts have been rounded to the nearest rupees, unless otherwise stated.

2.5 ACCOUNTING ESTIMATES AND JUDGMENTS

2.5.1 Accounting estimates and judgments

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 reported amount of assets and liabilities, incomes and expenses. Actual results may differ from these estimates. The significant judgments made by management in applying the Company's accounting policies and the key sources of estimation are the same as those that applied to the financial statements for the year ended June 30, 2025.

2.5.2 Material Accounting Policy Information

The accounting policies and the methods of computation adopted in the preparation of this condensed interim financial information and the significant judgements made by the management in applying the accounting policies and the key sources of estimation uncertainty are the same as those applied in the preparation of the financial statements as at and for the year ended June 30, 2025. Certain new IFRS standards and amendments to existing IFRS standards are effective for periods beginning on or after July 1, 2026, which do not have any impact on the Company's financial reporting except the disclosure of material accounting policy information rather than significant accounting policies and therefore, have not been detailed in this condensed interim financial information.

	(Unaudited) December 31, 2025 Rupees	(Audited) June 30, 2025 Rupees
2.6 SHARIAH COMPLIANCE DISCLOSURE		
2.6.1 Financing (Long term, short-term, or lease financing) obtain as per Islamic mode;		
(i) Diminishing musharakah financing	157,397,378	162,675,155
(ii) Profit Payable	6,980,613	4,943,836
(iii) Short-term borrowings	188,293,275	199,876,817

	(Unaudited) July - December 2025 Rupees	(Unaudited) July - December 2024 Rupees
2.6.2 Revenue earned from a Shariah-Compliant business segment;	3,559,210,531	2,077,725,574
2.6.3 Profit earned from Shariah-compliant banks deposits, bank balances, or TDRs;	212,500	363,000
2.6.4 Profits paid on Islamic mode of financing;	3,995,794	16,763,495
2.6.5 Source and detailed breakup of other income, including breakup of other or miscellaneous portions of other income into Shariah-compliant and non compliant income;		
(i) Gain on sale of fixed asset	46,099,698	-
2.6.6 Relationship with Shariah-compliant financial institutions, including banks, takaful operators and their windows, etc.		

Name	Relationship
Habib Metropolitan Bank Limited	Funded / Non-funded facility & Bank Balance
Bank Al-Habib Limited	Funded / Non-funded facility & Bank Balance
Habib Bank Limited	Funded / Non-funded facility & Bank Balance
The Bank of Punjab	Funded / Non-funded facility & Bank Balance
Meezan Bank Limited	Funded / Non-funded facility & Bank Balance
National Bank of Pakistan	Non-funded facility & Bank Balance
Allied Bank Limited	Bank Balance
Bank Islami Limited	Bank Balance
JS Bank Limited	Bank Balance
United Bank Limited	Funded / Non-funded facility & Bank Balance
Bank Alfalah Limited	Funded / Non-funded facility & Bank Balance
Faysal Bank Limited	Funded / Non-funded facility & Bank Balance
Askari Bank Limited	Funded / Non-funded facility & Bank Balance

		(Unaudited) December 31, 2025 Rupees	(Audited) June 30, 2025 Rupees
3. PROPERTY, PLANT AND EQUIPMENT	Note		
Operating assets	3.1	5,208,263,488	5,371,541,578
Right of Use Assets	3.2	31,373,562	34,859,513
		<u>5,239,637,050</u>	<u>5,406,401,091</u>
		(Unaudited) December 31, 2025 Rupees	(Audited) June 30, 2025 Rupees
3.1 Operating fixed assets	Note		
Opening balance - carrying value		5,371,541,578	5,211,232,773
Additions during the period / year			
Plant and machinery		31,389,395	122,855,314
Electric fittings and installations		6,668,000	289,482,003
Office equipments		70,000	505,300
Furniture and fixtures		-	208,100
Arms & ammunitions		-	40,000
		<u>38,127,395</u>	<u>413,090,717</u>
Book value of operating fixed assets disposed-off		(66,731,760)	(12,485,824)
Depreciation charge for the period / year		(134,673,724)	(240,296,088)
Closing balance - carrying value		<u>5,208,263,488</u>	<u>5,371,541,578</u>

3.2 Right of use asset

Opening balance - carrying value	34,859,513	25,194,469
Addition during the period	-	15,706,470
Depreciation charge for the period / year	(3,485,951)	(6,041,426)
	<u>31,373,562</u>	<u>34,859,513</u>

		(Unaudited) December 31, 2025 Rupees	(Audited) June 30, 2025 Rupees
4. STORE AND SPARES	Note		
Store and spares		137,265,402	150,454,041
Packing material		6,774,026	13,050,258
		<u>144,039,428</u>	<u>163,504,299</u>
5. STOCK IN TRADE			
Raw materials		235,707,943	253,844,646
Work in process		57,337,518	68,366,339
Finished goods			
- Yarn		1,001,318,124	992,403,548
- Waste		7,338,347	3,361,635
		<u>1,008,656,471</u>	<u>995,765,183</u>
		<u>1,301,701,932</u>	<u>1,317,976,168</u>
		(Unaudited) December 31, 2025 Rupees	(Audited) June 30, 2025 Rupees
6. LONG TERM FINANCING			
From banking companies - secured	Note		
Habib Bank Limited			
- Term finance	6.1	100,000,000	-
		<u>100,000,000</u>	<u>-</u>
Bank AL Habib Limited			
- Term finance I	6.2	35,441,250	38,394,688
- Term finance II	6.3	204,755,000	513,500,000
- Term finance III	6.4	513,500,000	204,755,000
- TERF	6.5	421,217,610	431,854,143
		<u>1,174,913,860</u>	<u>1,188,503,831</u>
Faysal Bank Limited			
- Diminishing musharaka	6.6	5,277,778	10,555,555
- Diminishing musharaka-II	6.7	52,200,000	152,119,600
- Diminishing musharaka-III	6.8	99,919,600	-
		<u>157,397,378</u>	<u>162,675,155</u>
Askari Bank Limited			
- Term finance	6.9	79,036,295	40,000,000
National Bank Limited			
- Diminishing musharaka	6.10	190,000,000	190,000,000
		<u>1,701,347,532</u>	<u>1,581,178,986</u>

Deferred grant	(34,677,875)	(42,315,394)
	1,666,669,657	1,538,863,592
Current portion of long term loans	(286,507,502)	(226,924,478)
Current portion of deferred grant	(14,777,810)	(15,674,235)
	1,365,384,345	1,296,264,879

6.1 Habib Bank Limited - Demand Finance

This finance has been obtained from Habib Bank Limited for restructuring/ Conversion of existing O/s FAP / Hypo STA of PRK 100 million. It is repayable in 16 equal installments, 1st installment will be due at the end of 15 months post drawdown in the approved DF facility and is secured against 1st PP charge over Fixed Asset with 25% margin of the company located at Chack no. 572 & 584/TDA Tehsil Kot Addu District Muzaffargarh, Charge of PKR 600 million already held with HBL and dragged with entire exposure. It carries markup of 3 month KIBOR + 1%

6.2 Bank Al Habib Limited -Term Finance I

This finance has been obtained from Bank Al Habib Limited for reprofiling/refinancing of CAPEX already incurred by the company. The loan was obtained on December 31, 2019 without grace period. It is repayable in 16 quarterly installments commencing from March 31, 2020 and is secured against first pari passu charge amounting to Rs. 267 million over fixed assets of the company and personal guarantees of directors of the company. Repayment of principal of this loan was deferred for 1 year from March 27,2020 to September 20, 2021 as per SBP circular no 14 dated March 26, 2020. It carries markup at the rate of 6 month KIBOR + 1.50%

6.3 Bank Al Habib Limited -Term Finance II

This finance represents the conversion of short term working capital facilities available from Bank Al Habib Limited for the purpose of re-profiling of balance sheet. This finance is repayable in 16 equal quarterly installments, commencing from February 07, 2026. It carries markup at the rate of 6MK + 0.5% per annum and is secured against charge over fixed assets of the Company and personal guarantees of director

6.4 Bank Al Habib Limited -Term Finance III

This finance has been obtained from Bank Al Habib Limited for import of renewable energy equipment related to the solar project of 3MW from Orient Energy System. The loan is repayable in 6 semi-annual installments with one year grace period, commencing from January 31, 2026. It carries mark up at rate of 6MK + 1.5% per annum and secured against charge over fixed assets of the Company and personal guarantees of director.

6.5 Bank Al Habib Limited - TERF

This loan is obtained from Bank Al Habib Limited under SBP's Temporary economic relief finance (TERF) for refinancing of CAPEX. This loan is repayable in 32 equal quarterly installments commencing from November, 2022 with 2 year grace period. It carries mark up at flat rate of 4%. It is secured against first pari passu charge amounting to Rs. 1,355.4 million over fixed assets of the company and personal guarantees of directors of the company.

6.6 Faysal Bank Limited - Diminishing Musharaka I

This loan has been obtained from Faysal Bank Limited for refinancing the CAPEX carried by the Company from its own cash flows. This loan is repayable in 24 equal monthly installments with no grace period, commencing from December 31, 2024. It carries markup at the rate of 1 month KIBOR + 1% per annum and is secured against ranking charge of bank over fixed asset of the Company and personal guarantees of directors.

6.7 Faysal Bank Limited - Diminishing Musharaka II

This loan has been converted for refinancing the CAPEX carried by the Company from its own cash flows. This loan is repayable in 36 equal monthly installments with no grace period, commencing from December 31, 2024. It carries markup at the rate of 1 month KIBOR + 1% per annum and is secured against joint pari passu charge on present and future assets of the Company amounting to Rs. 210.667 million with 25% Margin and personal guarantees of the directors.

6.8 Faysal Bank Limited - Diminishing Musharaka III

This loan has been converted for refinancing the for the restructuring of short term finance. This loan is repayable in 48 equal monthly installments with no grace period, commencing from March 26, 2025. It carries markup at the rate of 1 month KIBOR + 1% per annum and is secured against joint pari passu charge on present and future assets of the Company amounting to Rs. 134 million with 25% Margin and personal guarantees of the directors.

6.9 Askari Bank - Term Finance

An amount of Rs. 40 million has been converted from the Running finance & finance against packing credit facility into the long term finance by Askari Bank Limited on 4 June 2025. The loan is repayable in 24 equal monthly installments, commenced from August 1, 2025. It carries markup at the rate of 1 month KIBOR + 1.5%. This finance is secured against first pari passu charge amounting to Rs. 134 million over the current assets of the Company and first pari passu charge of Rs. 118 million over the fixed assets of the Company with a margin of 25%.

6.10 National Bank of Pakistan - Diminishing musharaka

This finance has been obtained from National Bank of Pakistan for reprofiling of existing working capital facility into the long term finance on 6 March 2025. The loan is repayable in 16 equal quarterly installments, commenced from July 2, 2026. It carries markup at the rate of 3 month KIBOR + 1.5%. This finance is secured against the exclusive charges of the Rs 267 Million over the present and future fixed assets of unit 3 of the Company.

		(Unaudited) December 31, 2025 Rupees	(Audited) June 30, 2025 Rupees
7. DEFERRED GRANT			
As at beginning of the period		57,989,629	75,446,803
Amortised during the period		(8,533,944)	(17,457,174)
As at June 30 / December 31		<u>49,455,685</u>	<u>57,989,629</u>
Less: Current Portion		<u>(14,777,810)</u>	<u>(15,674,235)</u>
Non current portion		<u>34,677,875</u>	<u>42,315,394</u>
		(Unaudited) December 31, 2025 Rupees	(Audited) June 30, 2025 Rupees
8. TRADE AND OTHER PAYABLES	Note		
Creditors		485,026,715	436,544,165
Contract liabilities (Advances from customers)		288,912,047	1,132,653,117
Accrued liabilities		474,558,360	291,043,339
Payable to foreign suppliers		11,515,744	11,515,745
Due to associates	8.1	200,670,120	304,631,458
Tax deducted at source		134,460,131	115,046,710
Sales tax payable		499,732,997	503,705,564
Workers' welfare fund		16,716,020	16,716,020
Others		4,600,825	3,025,825
		<u>2,116,192,959</u>	<u>2,814,881,943</u>

- 8.1 Due to associated undertakings
Mehmooda Maqbool Mills Limited 200,670,120 304,631,458
- 8.2 Maximum aggregate amount outstanding at any month-end during the period end amounts to Rs. 305.301 million

	(Unaudited) December 31, 2025 Rupees	(Audited) June 30, 2024 Rupees
9. SHORT TERM BORROWINGS		
Banking companies and other financial Institutions (secured)		
Running finance	888,844,911	1,012,547,300
Cash finance	336,810,513	517,221,168
	<u>1,225,655,424</u>	<u>1,529,768,468</u>
Islamic mode of financing (secured)		
Murabaha finance	188,293,275	199,876,817
	<u>1,413,948,699</u>	<u>1,729,645,285</u>

- 9.1 Short term borrowings are available from various banks under mark-up arrangements. These facilities are subject to markup ranging from 21% to 10.63% (June 30, 2025: 12.97 % to 23.49 %) per annum.
- 9.2 These facilities are secured against pledge of raw materials and finished goods, hypothecation charge and joint pari passu charge over present and future current assets of the Company, lien on documents of title to goods and personal guarantees of certain directors of the Company.
- 9.3 Short term borrowings are available from various commercial banks and Islamic banks under mark-up arrangements aggregating to Rs. 2,255 million (June 2025: Rs. 4,773.64 million) out of which facilities remained un-utilized at the period end amounted to Rs. 0.841 million (June 2025: Rs. 3,114.9 million).

10. CONTINGENCIES AND COMMITMENTS

- 10.1 There is no significant change in status of contingent liabilities since the annual financial statements as at June 30, 2025.
- 10.2 Commitments outstanding at the end of the period in respect of irrevocable letter of credit is Nil (June 30, 2025: Nil million) and letter of guarantee is Rs. 18.02 million (June 30, 2025: Rs. 18.02 million).

----- (Unaudited) -----

11. Sales	Six month period ended		Three month period ended	
	December 31, 2025	December 31, 2024	December 31, 2025	December 31, 2024
Local (net of sales tax)	Rupees	Rupees	Rupees	Rupees
Local				
- Yarn	3,549,381,122	3,762,331,910	2,074,828,693	1,141,248,326
- Waste	10,765,409	13,319,716	3,208,881	621,594,560
- Viscose	-	49,618,878	-	207,198,187
- Polyester	-	9,408,800	-	103,599,093
	3,560,146,531	3,834,679,304	2,078,037,574	2,073,640,166
Less: Commission	(936,000)	(4,974,901)	(312,000)	(1,658,300)
	<u>3,559,210,531</u>	<u>3,829,704,403</u>	<u>2,077,725,574</u>	<u>2,071,981,866</u>

12. COST OF GOODS SOLD

Raw materials consumed	2,469,587,115	2,505,606,711	1,457,527,228	1,388,342,955
Salaries, wages and benefits	180,890,810	189,461,513	85,403,392	93,640,759
Stores consumed	37,319,064	39,451,508	12,996,411	18,010,786
Packing materials consumed	50,818,303	48,823,332	29,977,220	21,665,324
Power and fuel	671,575,051	786,113,035	426,169,741	473,152,796
Repair and maintenance	2,818,188	2,587,233	1,737,629	1,869,945
Insurance	6,467,420	7,086,488	3,526,533	3,968,428
Depreciation	133,510,639	115,592,657	75,076,493	57,113,650
	3,552,986,590	3,694,722,477	2,092,414,648	2,057,764,643
Work-in-process				
Opening stock	68,366,339	82,971,035	68,366,339	87,726,734
Closing stock	(57,337,518)	(108,002,934)	(57,337,518)	(108,002,934)
	11,028,821	(25,031,899)	11,028,821	(20,276,200)
Cost of goods manufactured	3,564,015,411	3,669,690,578	2,103,443,469	2,037,488,443
Finished goods				
Opening stock	995,765,183	1,134,376,419	986,223,366	1,088,772,034
Closing stock	(1,008,656,471)	(1,099,375,018)	(1,008,656,470)	(1,099,375,018)
	(12,891,288)	35,001,401	(22,433,104)	(10,602,984)
	<u>3,551,124,123</u>	<u>3,704,691,978</u>	<u>2,081,010,365</u>	<u>2,026,885,458</u>

13. TAXATION	(Unaudited)	(Unaudited)
	December 31, 2025	December 31, 2024
	Rupees	Rupees
Current	-	-
Prior	-	-
Deferred	69,218,886	41,030,437
	<u>69,218,886</u>	<u>41,030,437</u>

14. RELATED PARTY TRANSACTIONS

The related parties comprise associated undertakings and key management personnel. The company in the normal course of business carries out transactions with related parties. Significant transactions with related parties are as follows:

Nature of transactions	----- (Unaudited) -----			
	Six month period ended December 31, 2025		Three month period ended December 31, 2025	
	Rupees	Rupees	Rupees	Rupees
Key management personnel				
Remuneration to:				
Chief Executive	5,000,000	4,500,000	2,500,000	2,250,000
Directors	10,700,000	9,900,000	5,350,000	4,950,000
Executives	2,340,000	5,265,000	1,170,000	2,632,500
Loan from director:				
Disbursement of loan	38,400,717	88,590,000	32,902,998	13,260,000
Associate Undertaking				
Sale of agricultural land	104,631,458	-	-	-

14.1 All transactions with related parties have been carried out on agreed terms and conditions.

15. FAIR VALUE MEASUREMENTS

IFRS 13 requires fair value measurement disclosures using following three level fair value hierarchy that reflects the significance of the inputs used in measuring fair value of financial instruments.

Information about fair value hierarchy and asset classified under the hierarchy are as follows:

- Level 1; Quoted prices (unadjusted) in active market for identical assets or liabilities.
- Level 2: Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derive from prices).
- Level 3: Inputs for asset or liability that are not based on observable market data (unobservable inputs).

15.1 Fair value of property, plant and equipment

The Company follows the revaluation model for its free hold land, building on free hold land, plant and machinery, generator and electric fittings and installations. The fair value measurement as at June 30, 2024 was performed by K.G. Traders (Private) Limited. K.G. Traders (Private) Limited is on panel of Pakistan Banks Association as 'Any Amount' asset valuator. It is also on the panel of State Bank of Pakistan and possesses appropriate qualification and recent experience in the fair value measurements in the relevant locations.

	----- (Unaudited) -----		
	December 31, 2025		
	Level 1	Level 2	Level 3
	----- Rupees -----		
Property, plant and equipment			
- Freehold land	-	657,960,000	-
- Buildings on freehold land	-	1,242,491,201	-
- Plant and machinery	-	2,963,491,929	-
- Generator	-	4,671,193	-
- Electric fittings and installations	-	316,091,227	-
	-	5,184,705,551	-

sw/h/ll

----- (Audited) -----		
June 30, 2025		
Level 1	Level 2	Level 3
----- Rupees -----		
Property, plant and equipment		
- Freehold land	716,628,000	-
- Buildings on freehold land	1,274,349,950	-
- Plant and machinery	3,016,000,143	-
- Generator	4,917,045	-
- Electric fittings and installations	334,819,543	-
	5,346,714,681	-

Other than this, the fair value of all financial assets and financial liabilities are approximate to their carrying value.

16. FINANCIAL RISK MANAGEMENT

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

17. CORRESPONDING FIGURES

Corresponding information have been rearranged, reclassified or additionally incorporated in these condensed interim financial statements, wherever necessary, to facilitate comparison and to conform with changes in presentation in the current period. Following is the major reclassification made during the period:

Reclassified from	Reclassified to	Rupees
Loan from Director (Liability)	Loan from Director (Equity)	261,671,296
Capital Work in Progress	Long term advances	58,550,000

18. DATE OF AUTHORIZATION OF INTERIM FINANCIAL STATEMENTS

The interim financial statements were authorized for issue on _____, by the Board of Directors of the Company.

19. FIGURES

Figures have been rounded-off to the nearest rupee except stated otherwise.

Chief Executive

Director

Chief Financial Officer

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