



**Service Industries Textiles Limited**  
**Half Yearly &**  
**2nd Quarter Accounts Ended**  
**December 31, 2025**  
**Un-Audited**



## COMPANY INFORMATION

BOARD OF DIRECTORS	: Aamer Hameed Mohammad Hameed Murtaza Hameed Usman Hamid Malik Sara Aqeel Tariq Hameed Sadia Hamid	(Chairman/Non Executive Director) (Chief Executive/Executive Director) (Executive Director) (Independent Director) (Independent Director) (Non Executive Director) (Non Executive Director)
CHIEF FINANCIAL OFFICER	: M. Muddasar Shahzad	
COMPANY SECRETARY	: Usman Khalid	
AUDIT COMMITTEE	: Usman Hamid Malik Sara Aqeel Tariq Hameed	(Chairman) (Member) (Member)
HUMAN RESOURCE & REMUNERATION COMMITTEE	: Sara Aqeel Aamer Hameed Usman Hamid Malik	(Chairperson) (Member) (Member)
BANKERS	: Meezan Bank Limited MCB Bank Limited Bank Alfalah Limited	
AUDITORS	: Crowe Hussain Chaudhury & Co., Chartered Accountants	
INTERNAL AUDITOR	: Awan & Co. Chartered Accountants	
REGISTERED OFFICE	: 38-Empress Road, Lahore Telephones: (92-42) 36304561-3, 36367861-3 Telefax: (92-42) 3636 7861 E-mail: info@prime-service.com	
MILLS	: Rehman Shaheed Road, Gujrat Telephone: (92-53) 3514065, 3535085 Telefax: (92-53) 3513700	
Web Reference	: www.sitl.com.pk	
Share Registrar	: Corplink (Pvt) Ltd. Wings Arcade, 1-K Commercial Model Town, Lahore Tel: (92-42) 35839182, 35916719	



## DIRECTORS' REPORT

The Directors of your Company present before you the un-audited financial statements for the half yearly ended December 31, 2025. The financial results are as follows:

	31.12.25 (Rupees 000)	31.12.24 (Rupees 000)
Net Loss for the period	(53,895)	(31,469)
Accumulated loss brought forward	(381,899)	(318,534)
	(435,794)	(350,003)
Transfer from surplus on revaluation of fixed assets in respect of incremental Depreciation- net of deferred tax	9,123	6,058
Accumulated Loss	(426,670)	(343,945)
Loss per share - Basic	(3.91)	(2.28)

During the period under review, the Company incurred a net loss of Rs. 53,895 million as compared to a net loss of Rs. 31,469 million for the corresponding period of last year. Revenue for the period was Rs. 674.767 million as compared to Rs. 709.077 million in the previous period. The losses for the period were primarily attributable to continued pressure on yarn prices in both domestic and export markets. Weak global demand and competitive pricing from regional suppliers resulted in compressed margins.

The Company has accumulated losses and incurred a net loss during the period. Induction of solar energy in the previous period has contributed towards a reduction in energy costs, and the Company intends to continue further investment in alternative energy solutions. After reviewing cash flow projections and implementing cost and liquidity management measures, the Board has prepared the financial statements on a going concern basis and believes that the Company will be able to meet its obligations as they fall due.

Domestic cotton production continued to remain below industry requirements in both quantity and quality. Over the past several years, cotton output has declined due to factors such as climate variability, inconsistent seed quality, ineffective pest control practices, and rising cultivation costs resulting in reduced farmer incentives. Although the Government has initiated measures to improve crop yield and quality, sustained efforts in seed development, farmer education, modernization of ginning technology, and appropriate policy support will be essential for long-term sector stability.

The business environment continues to remain challenging, with demand conditions still fragile and competitive pressures persisting. The recent reduction in electricity tariffs for the industrial sector is expected to provide some relief in energy costs and may help reduce the overall cost of production; however, recovery in margins is expected to be gradual.

The Board remains focused on addressing operational and financial challenges through prudent management and disciplined execution. Management will continue to monitor developments closely and take appropriate measures within its control to improve performance and maintain operational continuity.

For and on behalf of the Board of Directors

Mohammad Hameed  
Chief Executive

Aamer Hameed  
Director

Lahore  
Dated: 27.02.2026



## ڈائریکٹرز رپورٹ

کمپنی کے ڈائریکٹرز 31 دسمبر 2025 کو ختم ہونے والا نصف سال کے غیر تصفیج شدہ جہانات پیش کرتے ہیں۔ مالیاتی نتائج درج ذیل ہیں۔

31-12-2024 (Rupees 000)	31.12.2025 (Rupees 000)	خالص (نقصان) / منافع آگے لایا گیا جمع نقصان
(31,469)	(53,895)	ٹرانسفر فرام سرپلس آن ریویویشن
(318,534)	(381,899)	منافع / نقصان
(350,003)	(435,794)	
6,058	9,123	
(343,945)	(426,670)	
(2.28)	(3.91)	فی شیئر نقصان

زیر جائزہ مدت کے دوران کمپنی کو 53,895 ملین روپے کا خالص نقصان ہوا جبکہ گزشتہ سال کی اسی مدت میں خالص نقصان 31,469 ملین روپے تھا۔ اس مدت میں آمدن 674,767 ملین روپے رہی جو کہ گزشتہ مدت کی 709,077 ملین روپے کے مقابلے میں کم ہے۔ کمپنی کو اس مدت میں خالص نقصان کا سامنا رہا اور جمع شدہ نقصانات بھی موجود ہیں۔ گزشتہ مدت میں کمپنی توانائی کے نظام کی تنصیب سے توانائی کے اخراجات میں نمایاں کمی آئی ہے اور کمپنی آئندہ بھی متبادل توانائی کے ذرائع میں مزید سرمایہ کاری کا ارادہ رکھتی ہے۔ نقد بہاؤ کی پیش گوئیوں اور مالی و عملی اقدامات کا تفصیلی جائزہ لینے کے بعد بورڈ نے مالی بیانات کو تسلسل کاروباری بنیاد پر مرتب کیا ہے اور اسے یقین ہے کہ کمپنی اپنی ذمہ داریوں کو بروقت پورا کرنے کی صلاحیت رکھتی ہے۔

اس مدت کے نقصانات کی بنیادی وجوہات میں ملکی اور برآمدی منڈیوں میں دھماکے کی قیمتوں پر مسلسل دباؤ شامل ہے عالمی سطح پر طلب میں کمزوری اور علاقائی حریف ممالک کی مسابقتی قیمتوں کے باعث منافع کے مارجن میں نمایاں کمی واقع ہوئی۔ ملکی کپاس کی پیداوار مقدار اور معیار دونوں اعتبار سے صنعتی ضروریات کو پورا نہ کر سکی۔ گزشتہ کئی برسوں سے موسمیاتی تغیر غیر معیاری بیج غیر موثر زرعی ادویات کے استعمال اور بڑھتی ہوئی پیداواری لاگت کے باعث کاشتکاروں کو مشکلات کا سامنا رہا۔ جس کے نتیجے میں کپاس کی پیداوار متاثر ہوئی۔ اگرچہ حکومت نے پیداوار اور معیار میں بہتری کے لیے اقدامات کا آغاز کیا ہے۔ تاہم بیج کے تحقیق و ترقی کسانوں کے تربیت جنگ یکینا لوجی کے جدید کاری اور موثر پائیمی معاونت طویل مدتی استحکام کے لیے ناگزیر ہیں۔

کاروباری ماحول بدستور چیلنجز سے اور طلب میں کمزوری کے باعث مسابقتی دباؤ بھی برقرار ہے۔ صنعتی شعبے کے لیے بجلی کے نرخوں میں حالیہ کمی سے توانائی کے اخراجات میں کچھ حد تک ریلیف متوقع ہے۔ جس سے پیداواری لاگت میں کمی ہو سکتی ہے۔ اور منافع کے مارجن میں بہتری درجی ہونے کا امکان ہے۔

بورڈ مالی اور عملی چیلنجز سے نمٹنے کے لیے محتاط حکمت عملی اور موثر نظم و نسق پر توجہ مرکوز رکھے ہوئے ہے۔ انتظامیہ حالات کا مسلسل جائزہ لے رہی ہے اور کارکردگی میں بہتری کی یوٹیٹی کے استحکام اور کاروبار کے تسلسل کو یقینی بنانے کے لیے ضروری اقدامات جاری رکھے گی۔

بورڈ آف ڈائریکٹرز کی طرف سے

  
عامر حمید  
ڈائریکٹر

  
محمد حمید  
چیف ایگزیکٹو

لاہور

مومور 27 فروری 2026

## INDEPENDENT AUDITOR'S REVIEW REPORT TO THE MEMBERS OF SERVICE INDUSTRIES TEXTILES LIMITED

### REPORT ON REVIEW OF INTERIM FINANCIAL STATEMENTS

#### Introduction

We have reviewed the accompanying condensed interim statement of financial position of SERVICE INDUSTRIES TEXTILE 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 (hereinafter 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 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.

#### Material Uncertainty Related to Going Concern

We draw attention to the Note 1.3 of the condensed interim financial statements which indicate that the Company has incurred a net loss amounting to Rs. 53.895 million during the six months period ended December 31, 2025 and its current liabilities exceed its current assets by Rs. 446 million. These conditions indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

#### Other Matter

Pursuant to the requirement of Section 237(1)(b) of the Companies Act, 2017, only cumulative figures for the half year, presented in the second quarter accounts are subject to a limited scope review by the statutory auditors of the Company. Accordingly, the figures of the condensed interim statement of profit or loss and condensed interim statement of comprehensive income for the three months period ended December 31, 2025 have not been reviewed by us.

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

LAHORE

Dated: 27.02.2026

UDIN: RR20251083201ePXBS2Z



CROWE HUSSAIN CHAUDHURY & CO.  
Chartered Accountants



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

	Note	December 31, 2025 (Un-audited) Rupees	June 30, 2025 (Audited) Rupees
<b>EQUITY AND LIABILITIES</b>			
<b>Share Capital and Reserves</b>			
Authorized share capital			
20,000,000 (June 30, 2025: 20,000,000)			
ordinary shares of Rs. 10 each		<u>200,000,000</u>	<u>200,000,000</u>
Issued, subscribed and paid up capital			
13,787,567 (June 30, 2025: 13,787,567)			
ordinary shares of Rs. 10 each fully paid in cash		137,875,670	137,875,670
Share premium reserve		18,676,816	18,676,816
Accumulated loss		(426,670,320)	(381,898,671)
Surplus on revaluation of property, plant and equipment		<u>1,231,327,611</u>	<u>1,240,450,974</u>
		961,209,777	1,015,104,789
<b>Non Current Liabilities</b>			
Long term financing	5	6,276,883	11,149,370
Staff retirement benefits		33,110,651	30,760,054
Deferred tax liability		73,388,390	69,452,037
		112,775,924	111,361,461
<b>Current Liabilities</b>			
Trade and other payables		543,499,845	493,942,499
Unclaimed dividend		232,987	232,987
Unpaid dividends		683,629	683,629
Short term borrowings		18,543,000	21,543,000
Current portion of long term financing	5	15,736,825	12,258,575
Accrued markup		11,838,582	12,013,439
Provision for taxation		8,434,581	17,131,434
		598,969,449	557,805,563
Contingencies and Commitments	6	-	-
<b>Total Equity and Liabilities</b>		<u>1,672,955,150</u>	<u>1,684,271,813</u>
<b>ASSETS</b>			
<b>Non Current Assets</b>			
Property, plant and equipment	7	1,492,612,841	1,491,622,657
Long term deposits		27,622,243	27,337,243
		1,520,235,084	1,518,959,900
<b>Current Assets</b>			
Stores and spares		3,483,676	3,705,447
Stock in trade		74,033,730	67,879,793
Trade debts		9,706,943	7,112,902
Advances, prepayments and other receivables		46,505,783	66,952,927
Cash and bank balances		18,989,934	19,660,844
		152,720,066	165,311,913
		<u>1,672,955,150</u>	<u>1,684,271,813</u>

The annexed notes from 1 to 14 form an integral part of these condensed interim financial statements (un-audited).

Mohammad Hameed  
Chief Executive

Aamer Hameed  
Director

M. Muddasar Shahzad  
Chief Financial Officer



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

		Half Year Ended December 31, 2025	Half Year Ended December 31, 2024	Quarter Ended December 31, 2025	Quarter Ended December 31, 2024
		..... (Un-audited) .....			
	Note	Rupees	Rupees	Rupees	Rupees
Sales - net		674,766,509	709,077,113	339,613,346	337,320,553
Cost of sales	8	<u>(681,982,558)</u>	<u>(703,037,301)</u>	<u>(356,491,673)</u>	<u>(347,235,363)</u>
Gross (Loss) / Profit		(7,216,049)	6,039,812	(16,878,327)	(9,914,810)
Operating Expenses					
Distribution expenses		(4,662,655)	(4,841,379)	(2,681,450)	(3,180,886)
Administrative expenses		<u>(23,776,858)</u>	<u>(18,852,521)</u>	<u>(13,332,051)</u>	<u>(10,543,203)</u>
		<u>(28,439,513)</u>	<u>(23,693,900)</u>	<u>(16,013,501)</u>	<u>(13,724,089)</u>
Operating Loss		(35,655,562)	(17,654,088)	(32,891,828)	(23,638,899)
Finance cost		(5,615,561)	(7,079,694)	(3,498,684)	(4,240,717)
Other operating charges		(300,000)	(336,085)	(300,000)	(336,085)
Other income		48,343	55,367	48,343	55,367
		<u>(5,867,218)</u>	<u>(7,360,412)</u>	<u>(3,750,341)</u>	<u>(4,521,435)</u>
Loss before Levy and Taxation		(41,522,780)	(25,014,500)	(36,642,169)	(28,160,334)
Levy / final taxation		<u>(8,435,879)</u>	<u>(8,863,464)</u>	<u>(4,246,464)</u>	<u>(4,216,507)</u>
Loss before Taxation		(49,958,659)	(33,877,964)	(40,888,633)	(32,376,841)
Taxation		(3,936,353)	2,409,144	(3,177,676)	2,579,892
Net Loss for the Period		<u>(53,895,012)</u>	<u>(31,468,820)</u>	<u>(44,066,309)</u>	<u>(29,796,949)</u>
Loss per share					
- Basic & Diluted		<u>(3.91)</u>	<u>(2.28)</u>	<u>(3.20)</u>	<u>(2.16)</u>

The annexed notes from 1 to 14 form an integral part of these condensed interim financial statements (un-audited).

Mohammad Hameed  
Chief Executive

Aamer Hameed  
Director

M. Muddasar Shahzad  
Chief Financial Officer

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

Particulars	Half Year Ended December 31, 2025	Half Year Ended December 31, 2024	Quarter Ended December 31, 2025	Quarter Ended December 31, 2024
	Rupees	Rupees	Rupees	Rupees
Net Loss for the Period	(53,895,012)	(31,468,820)	(44,066,309)	(23,796,949)
Other Comprehensive Income				
Items that may be reclassified to profit or loss	-	-	-	-
Items that will not be reclassified to profit or loss	-	-	-	-
Total Comprehensive Loss for the Period	<u>(53,895,012)</u>	<u>(31,468,820)</u>	<u>(44,066,309)</u>	<u>(23,796,949)</u>

The annexed notes from 1 to 14 form an integral part of these condensed interim financial statements (un-audited).

Mohammad Hameed  
Chief Executive

Aamer Hameed  
Director

M. Muddasar Shahzad  
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	Reserves		Surplus on Revaluation of Property, Plant and Equipment	Total
		Capital Reserve - Share Premium Reserve	Revenue Reserve - Accumulated Loss		
	Rupees	Rupees	Rupees	Rupees	Rupees
Balance as at June 30, 2024	137,875,670	18,676,816	(318,533,836)	1,073,333,474	911,352,124
Net loss for the period	-	-	(31,468,820)	-	(31,468,820)
Other comprehensive income for the period	-	-	-	-	-
Total comprehensive income for the period	-	-	(31,468,820)	-	(31,468,820)
Transferred from surplus on revaluation of property, plant and equipment on incremental depreciation charged in current period - net of deferred tax	-	-	6,057,489	6,057,489	-
Balance as at December 31, 2024	137,875,670	18,676,816	(343,945,167)	1,067,275,985	879,883,304
Balance as at June 30, 2025	137,875,670	18,676,816	(381,898,671)	1,240,450,974	1,015,104,789
Net loss for the period	-	-	(53,895,012)	-	(53,895,012)
Other comprehensive income for the period	-	-	-	-	-
Total comprehensive income for the period	-	-	(53,895,012)	-	(53,895,012)
Transferred from surplus on revaluation of property, plant and equipment on incremental depreciation charged in current period - net of deferred tax	-	-	9,123,363	9,123,363	-
Balance as at December 31, 2025	137,875,670	18,676,816	(426,670,320)	1,231,327,611	961,209,777

The annexed notes from 1 to 14 form an integral part of these condensed interim financial statements (un-audited).

Mohammad Hameed  
Chief Executive

Aamer Hameed  
Director

M. Muddasar Shahzad  
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	Half Year Ended December 31, 2024
	Rupees	Rupees
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
Loss before levy and taxation	(41,522,780)	(25,014,500)
Adjustments for:		
- Depreciation	22,822,162	17,234,562
- Provision for gratuity	4,604,012	4,025,993
- Interest on Workers' (profit) participation fund	3,108,483	3,027,827
- Unwinding of long term financing	1,127,513	809,661
- Finance cost	1,379,565	3,242,206
	<u>33,041,735</u>	<u>28,340,249</u>
Operating (loss) / profit before working capital changes	(8,481,045)	3,325,749
Decrease / (increase) in current assets:		
- Stores and spares	221,771	144,593
- Stock in trade	(6,153,937)	4,968,815
- Trade debts	(2,594,041)	(3,261,614)
- Advances, prepayments and other receivables	11,587,916	5,269,812
Increase in current liabilities:		
- Trade and other payables	46,448,863	32,877,152
	<u>49,510,572</u>	<u>39,998,758</u>
Cash Generated from Operations	41,029,527	43,324,507
Income tax paid	(8,273,504)	(8,993,700)
Finance cost paid	(1,554,422)	(1,450,812)
Gratuity paid	(2,253,415)	(3,407,704)
Net Cash Generated from Operating Activities	28,948,186	29,472,291
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of property, plant and equipment	(23,812,346)	(17,634,460)
Long term deposits paid	(285,000)	(4,865,443)
Net Cash Used in Investing Activities	(24,097,346)	(22,499,903)
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Long term financing repaid	(2,521,750)	(5,310,000)
Short term borrowings	(3,000,000)	(1,352,000)
Net Cash Used in from Financing Activities	(5,521,750)	(6,662,000)
Net (Decrease) / Increase in Cash and Cash Equivalents	(670,910)	310,388
Cash and cash equivalents at the beginning of the period	19,660,844	24,347,846
Cash and Cash Equivalents at the End of the Period	<u>18,989,934</u>	<u>24,658,234</u>

The annexed notes from 1 to 14 form an integral part of these condensed interim financial statements (un-audited).

Mohammad Hameed  
Chief Executive

Aamer Hameed  
Director

M. Muddasar Shahzad  
Chief Financial Officer



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

**Note 1****The Company and its Operations**

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- 1.1 Service Industries Textiles Limited (the Company) was incorporated in Pakistan in 1962 as a Private Limited Company under the Companies Act 1913, (now the Companies Act, 2017) and was subsequently converted into a Public Limited Company in 1970. The Company is listed on Pakistan Stock Exchange. The principal activity of the Company is manufacturing and sale of yarn made from raw cotton and synthetic fiber.
- 1.2 The Company is domiciled in Pakistan and its registered office is situated at 38-Empress Road, Lahore, whereas the production plant of the Company is located at Rehman Shaheed Road, Gujrat.
- 1.3 Going Concern

The Company has incurred net loss of Rs. 53.895 million during the six months period ended December 31, 2025. As of that date its accumulated loss amounts to Rs. 426.670 million (June 30, 2025: Rs. 381.898 million), that has depleted its reserves, and its current liabilities exceed its current assets by Rs. 446.25 million (June 30, 2025: Rs. 392.49 million). These factors raise doubts about the Company being a going concern and therefore, it may be unable to realize its assets and discharge its liabilities in the normal course of business.

Adjustments relating to the recoverability of recorded assets and liabilities have not been incorporated into these financial statements, as the sponsors have committed to providing continuous financial support as and when required. The recent reduction in industrial electricity tariffs is expected to provide relief in energy costs, and the Company has already installed a solar energy system. These measures are anticipated to reduce energy and overall production costs, thereby supporting a gradual improvement in profit margins. Furthermore, additional efficiencies may be realized through enhanced operational performance and improved capacity utilization. Considering these factors, the going concern assumption remains appropriate; accordingly, these financial statements have been prepared on a going concern basis.

**Note 2****Basis of Preparation**

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- 2.1 These condensed interim financial statements of the Company 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.
  - Where the 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 comprise the condensed interim statement of the financial position of the Company unaudited as at December 31, 2025 and the related condensed interim statement of the profit or loss unaudited, condensed interim statement of the comprehensive income unaudited, condensed interim statement of the changes in equity unaudited and condensed interim statement of the cash flows unaudited together with the notes forming part thereof.
- 2.3 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.



## Note 2, Basis of preparation - Continued

- 2.4 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.
- 2.5 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. These condensed financial statements do not include all the information required for annual financial statements and therefore, should be read in conjunction with the annual financial statements of the Company for the year ended June 30, 2025.
- 2.6 Functional and presentation currency

These condensed interim financial statements are presented in Pak Rupees, which is the Company's functional and presentation currency. All the figures have been rounded off to the nearest rupees, unless otherwise stated.

## Note 3

## Material Accounting Policy Information

Material accounting policy information and methods of presentation of these condensed interim financial statements (unaudited) are the same as those followed in the preparation of annual financial statements for the preceding financial year ended June 30, 2025.

## Note 4

## Judgments and Estimates

The preparation of these condensed interim financial statements (unaudited) 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 5

## Long Term Financing

		December 31, 2025	June 30, 2025
	Note	(Un-audited) Rupees	(Audited) Rupees
Related parties - Unsecured			
Loan from Directors / Related parties - Undiscounted amount	5.1	23,407,945	30,963,153
Unwinding of discount		1,127,513	1,780,182
Repayment		(2,521,750)	(9,335,390)
		22,013,708	23,407,945
Less: Current and overdue portion		(15,736,825)	(12,258,575)
		<u>6,276,883</u>	<u>11,149,370</u>

- 5.1 This represents financing obtained from directors / related parties from time to time, to meet the liquidity requirements of the Company. This loan is repayable in equal monthly installments of Rs. 1 million each. This loan is unsecured and carries markup @ 10% per annum (June 30, 2025: 10% per annum). Pursuant to the change in Company's policy, effective from 1st July 2022, this subsidized loan has been recognised at fair value being the present value of the future outflows as per the agreed loan repayment schedule. The difference between the fair value of loan and actual receipt (carrying amount) has been recognized as other income. During the period, the unwinding of discount of Rs. 1,127,513 (June 30, 2025: Rs. 1,780,182) has been recognized as part of finance cost in the condensed interim statement of the profit or loss (unaudited).

## Note 6

## Contingencies and Commitments

## 6.1 Contingencies

There has been no change in status of contingencies as reported in the annual audited financial statements for the year ended June 30, 2025.



## Note 6, Contingencies and Commitments - Continued

## 6.2 Commitments

There are no material commitments outstanding as at the reporting date (June 30, 2025: Nil).

## Note 7

## Property, Plant and Equipment

	Note	December 31, 2025 (Un-audited) Rupees	June 30, 2025 (Audited) Rupees
Opening written down value		1,491,622,657	1,284,419,194
Additions during the period / year	7.1	23,812,346	34,819,345
Disposal during the period / year		-	-
		<u>1,515,435,003</u>	<u>1,319,238,539</u>
Depreciation charge for the period / year		<u>(22,822,162)</u>	<u>(35,237,249)</u>
		<u>1,492,612,841</u>	<u>1,491,622,657</u>
7.1 Breakup of Additions			
Plant and machinery		3,250,000	-
Solar panel		2,032,170	34,634,345
Electric fittings, equipment and appliances		-	185,000
Vehicles		18,530,176	-
		<u>23,812,346</u>	<u>34,819,345</u>

## Note 8

## Cost of Sales

	Half Year Ended December 31, 2025 (Un-audited) Rupees	Half Year Ended December 31, 2024 (Un-audited) Rupees	Quarter Ended December 31, 2025 (Un-audited) Rupees	Quarter Ended December 31, 2024 (Un-audited) Rupees
Raw material consumed	410,091,452	408,295,253	216,957,102	206,407,515
Stores and spares consumed	2,303,561	1,883,944	1,299,842	919,005
Packing material consumed	6,861,305	5,913,627	5,050,515	2,929,313
Fuel and power	169,067,444	204,025,855	88,576,369	95,887,605
Salaries, wages and other benefits	68,576,617	62,786,813	32,062,003	32,275,216
Insurance	1,434,802	698,449	1,074,802	238,449
Repairs and maintenance	783,018	1,563,387	241,945	748,007
Depreciation	21,681,054	16,889,871	10,804,305	8,392,257
Cost of goods manufactured	680,799,253	702,057,199	356,066,883	347,797,437
Work in process:				
- Opening	18,896,387	19,769,551	17,436,759	17,175,510
- Closing	(18,064,315)	(18,888,575)	(18,064,315)	(18,888,575)
	832,072	880,976	(627,556)	(1,713,065)
	681,631,325	702,938,175	355,439,327	346,084,372
Finished goods:				
- Opening	5,382,885	5,396,536	6,083,998	6,448,401
- Closing	(5,031,652)	(5,297,410)	(5,031,652)	(5,297,410)
	351,233	99,126	1,052,346	1,150,991
	<u>681,982,558</u>	<u>703,037,301</u>	<u>356,491,673</u>	<u>347,235,363</u>

## Note 9

## 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 10

## Balances and Transactions with Related Parties

Related parties comprise directors, associates of the Company, their close relatives and key management personnel. The Company in the normal course of business carries out transactions with various related parties. Significant transactions with related parties and balances due to / from them are as under:

## Transaction during the period

Relationship	Transactions during the period	December 31,	December 31,
		2025	2024
		(Un-audited) Rupees	(Un-audited) Rupees
Directors	Repayment of loan	1,541,574	5,310,000
	Markup accrued	1,366,717	1,791,394
Post employment benefit plans	Salaries and other employee benefits	4,604,012	4,025,993
Balances outstanding as at,		December 31,	June 30,
		2025	2025
		(Un-audited) Rupees	(audited) Rupees
Directors	Long term financing	22,013,708	26,462,814
	Accrued markup on long term financing	11,838,582	10,573,694
	Short term borrowing	18,543,000	25,368,000

## Note 11

## Shariah Screening Disclosures

	December 31,	June 30,
	2025	2025
	--- Rupees in thousand ---	
Balance as at the reporting date		
Loans / advances obtained as per Islamic mode	-	-
Interest or mark up accrued on any conventional loan or advances	-	-
Shariah compliant bank deposits / bank balances	18,675,126	19,209,017
Long term and short term shariah compliant investments	-	-

Transactions during the period	December 31,	December 31,
	2025	2024
	--- Rupees in thousand ---	
Revenue earned from a shariah compliant business segment	674,766,509	709,077,113
Late payments and any liquidated charges	-	-
Gain / loss or dividend earned from shariah compliant investments	-	-
Profit earned from shariah compliant bank deposits / bank balances	48,343	55,367
Exchange loss from actual currency	-	-
Exchange gains earned using conventional derivative financial instruments	-	-
Profit paid on Islamic mode of financing	-	-
Interest earned on any conventional loan or advance	-	-
Shariah compliant miscellaneous income	-	-

Names of the Company's shariah compliant financial institutions	Relationship
MCB Bank Limited	Bank balance
Bank Alfalah Limited	Bank balance
Faysal Bank Limited	Bank balance
Askari Bank Ltd	Bank balance
Habib Metropolitan bank	Bank balance
Meezan Bank	Bank balance
National Bank Limited	Bank balance



Note 12  
Operating Segment Information

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Operating segments are reported in a manner consistent with the internal reporting used by the Chief Operating Decision Maker. The Chief Executive Officer (CEO) of the Company performs function of the Chief Operating Decision Maker, who is responsible for allocating resources and assessing performance of the operating segments.

The CEO is responsible for the Company's entire product portfolio and considers business as a single operating segment. The Company's assets allocation decisions are based on a single integrated investment strategy and the Company's performance is evaluated on an overall basis.

The internal reporting provided to the CEO for the Company's assets, liabilities and performance is prepared on a basis consistent with the measurement and recognition principles of approved accounting standards as applicable in Pakistan. The Company is domiciled in Pakistan. All of the Company's income is from the entities incorporated in Pakistan.

Note 13  
Authorization of Financial Statements

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These condensed interim financial statements (un-audited) are approved and authorized by the Board of Directors of the Company for issuance on February 27, 2026.

Note 14  
General

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Corresponding figures are re-arranged / reclassified, wherever necessary, to facilitate comparison. Following reclassification has been made in these condensed interim financial statements.

Mohammad Hameed  
Chief Executive

Aamer Hameed  
Director

M. Muddasar Shahzad  
Chief Financial Officer

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