

**HALF YEARLY REPORT
DECEMBER 31, 2025**



DEWAN TEXTILE MILLS LIMITED



CONTENTS

Company Information.....	1
Directors' Report (English).....	2
Auditor's Report to the Members on Review of Condensed Interim Financial Statements	4
Statement of Financial Position	6
Statement of Profit or Loss	7
Statement of Comprehensive Income.....	8
Statement of Cash Flows.....	9
Statement of Changes in Equity.....	10
Notes to the Financial Statements.....	11
ڈائریکٹرز رپورٹ	16

DEWAN TEXTILE MILLS LIMITED

COMPANY INFORMATION

BOARD OF DIRECTORS

Executive Director : Mr. Ishtiaq Ahmed - Chief Executive Officer & Director

Non-Executive Directors : Syed Asim Abid Ali - Chairman, Board of Directors
Mr. Abdul Basit
Mr. Ghazanfar Baber Siddiqi
Syed Maqbool Ali
Mrs. Nida Jamil

Independent Director Mr. Aziz-ul-Haque

Audit Committee Mr. Aziz-ul-Haque (Chairman)
Syed Maqbool Ali (Member)
Mr. Abdul Basit (Member)

Human Resources & Remuneration Committee Mr. Aziz-ul-Haque Chairman
Syed Maqbool Ali (Member)
Mr. Ishtiaq Ahmad (Member)

Auditor : Faruq Ali & Co.
C-88, Ground Floor, KDA Scheme No. 1, Main Karsaz
Road, Opp. Martime Museum Karachi.

Company Secretary : Mr. Muhammad Hanif German

Chief Financial Officer : Mr. Muhammad Irfan Ali

Tax Advisor : Sharif & Co. Advocates

Legal Advisor : Abbas & Atif Law Associates

Bankers : Habib Bank Limited
Standard Chartered Bank Pakistan Limited
Meezan Bank Limited
United Bank Limited
Bank Al-Falah Ltd
Bank Makramah limited
Faysal Bank Limited
MCB Bank Limited

Registered Office : Dewan Centre, 3-A Lalazar
Beach Hotel Road, Karachi

Shares Registrar & Transfer Agent : BMF Consultants Pakistan (Private) Limited
Anum Estate Building, Room No. 310 & 311,
3rd Floor, 49, Darul Aman Society, Main Shahrah-e-Faisal
adjacent to Baloch Colony Bridge, Karachi 75350, Pakistan.

Factory Office : H/20 & H/26, S.I.T.E.,
Kotri, District Jamshoro, Sindh, Pakistan

Website : www.yousufdewan.com

IN THE NAME OF ALLAH; THE MOST GRACIOUS AND THE MERCIFUL

IF YE GIVE THANKS, I WILL GIVE YOU MORE **(HOLY QURAN)**

Dear Shareholder(s),

Assalam-o-Alykum!

The Board of Directors of your Company is pleased to present unaudited condensed interim financial statements for the half year ended December 31, 2025 in compliance with the requirements of section 237 of the Companies Act, 2017 and code of corporate governance issued by Securities and Exchange Commission of Pakistan (SECP).

Economic & Industrial Overview

Pakistan's economy showed uneven performance in the first half of FY2026, with subdued activity due to a challenging macroeconomic environment. Key sectors showed moderate growth, but overall momentum remained cautious due to weaker export performance and unresponsive investment activity. The textile sector, contributing 60% to exports and employing 40% of the labor force, faces significant hurdles including increased yarn imports leading to reduced demand and lower prices of local yarn. Additionally, rising power costs driven by higher energy tariffs and increased levies, continue to pose a significant challenge to the business.

Operating results (Factory Shutdown):

Company's net revenue for half year remained nil due to closure of operations. The Company, for the time being, has suspended its manufacturing operations since December 2015 which could not be resumed due to adverse scenario faced by the industry and working capital constraints.

The Auditors of the company have expressed adverse opinion in their report on going concern assumption, default in repayment of installments of restructured liabilities along with related non-provisioning of mark-up and litigation with its lenders.

These condensed interim financial statements have been prepared using going concern assumption as the conditions referred in note 2 are temporary and would reverse in foreseeable future. The company has approached its lenders for further restructuring of its liabilities, which is in process. Management is hopeful that such revision will be finalized soon. Moreover, the markup outstanding up to the date of restructuring is Rs.1.452 billion, which the company would be liable to pay in the event of default of terms of agreement. Since the management is confident that upon finalization of

restructuring this amount will remain eligible for waiver, hence no provision of the same has been made in these financial statements.

Future Outlook

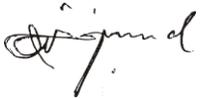
Pakistan's economy is expected to remain cautiously stable, driven by gradual agricultural recovery, reconstruction activity, and moderate services sector growth. Inflation is likely to ease, allowing for accommodative monetary policy, but risks are anticipated due to a widening trade deficit and slowing export growth. The economy is projected to stabilize with easing inflation, improved forex reserves, and a stable policy environment, though challenges like high energy costs, currency volatility, and tight liquidity are expected to persist.

Conclusion

In conclusion, we bow beg and pray to Almighty Allah, Rahman-o-Rahim, in the name of our beloved Prophet Muhammad (Peace be upon him) for the continued showering of his blessings, Guidance, strength, health and prosperity to us, our company, country and nation, and also pray to Almighty Allah to bestow peace, Harmony, brotherhood and unity in true Islamic spirit to whole of Muslim Ummah; Ameen: Summa Ameen

LO-MY LORD IS INDEED HEARER OF PRAYER (HOLY QURAN)

By and under Authority of the Board of Directors



Ishtiaq Ahmed

Chief Executive Officer & Director



Syed Asim Abid Ali

Chairman Board of Directors

Karachi, February 26, 2026

INDEPENDENT AUDITOR'S REVIEW REPORT

To the members of Dewan Textile Mills Limited

Report on review of Condensed Interim Financial Statements

Introduction

We have reviewed the accompanying condensed interim statement of financial position of Dewan Textile Mills Limited as at 31 December 2025 and the related the 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 half year then ended (here-in-after referred to as the "interim financial statements"). Management is responsible for the 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.

Scope of review

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

Basis for adverse conclusion

a) The condensed interim financial statement for the period ended 31 December 2025 have been prepared on going concern assumption despite of the fact that the Company incurred loss after taxation of Rs.54.981 million and as of that date it has negative revenue reserves of Rs.6,015.572 million which resulted in negative equity of Rs.2,920.632 million and its current liabilities exceeded its current assets by Rs.5,901.278 million and total assets by Rs.2,739.047 million (excluding the effect of non-provided markup and restructured liabilities classified under non-current liabilities). In previous years, the Company defaulted in repayment of installments of restructured liabilities, hence as per terms of restructuring, the entire restructured liabilities of Rs.2,925.634 million along with markup of Rs.1,452.610 million (eligible for waiver outstanding as of date of restructuring) have become immediately payable, therefore provision for markup should be made in these financial statements. Further, the Company's manufacturing operations has been suspended since December 2015 and could not be resumed till the date of this report. These conditions lead us to believe that going concern assumption used in preparation of these condensed interim financial statements is inappropriate; consequently, the assets and liabilities should have been stated at their realisable and settlement amounts respectively.

b) The Company has not made provision of markup for the period amounting to Rs.214.827 million (up to the period ended 31 December 2025: Rs.1,793.792 million) (refer note 12) on account of restructuring proposal offered. In our opinion, since the proposal has not been accepted so far, instead of accepting the restructuring proposal, have preferred filing suits against the Company, therefore the provision of mark-up

should be made in these financial statements. Had the provisions of mark-ups, including the mark-up discussed in preceding paragraph, been made in the condensed interim financial statements, the loss after taxation for the period would have been higher by Rs.214.827 million and markup payable would have been higher and shareholders' equity would have been lower by Rs.1,793.792 million.

Adverse Conclusion

Our review indicates that, because of the significance of the matters discussed in paragraph (a) and (b) above, these condensed 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 matters

The figures of the condensed interim statement of profit or loss and the condensed interim statement of comprehensive income for the quarter ended 31 December 2025 and 31 December 2024 have not been reviewed, as we are required to review only the cumulative figures for the half year ended 31 December 2025.

The engagement partner on the review resulting in this independent auditor's report is Umer Farooq.



Umar Farooq

CHARTERED ACCOUNTANTS

Dated: 26 February, 2026

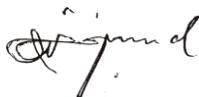
Place: Karachi

UDIN: RR202510707tY9McBTfH

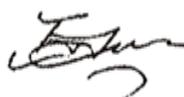
DEWAN TEXTILE MILLS LIMITED
CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2025

	Notes	(Un-audited) 31 December 2025	(Audited) 30 June 2025
----- (Rupees) -----			
<u>EQUITY AND LIABILITIES</u>			
SHARE CAPITAL AND RESERVES			
Authorised share capital 50,000,000 (June 2025: 50,000,000) Ordinary shares of Rs. 10/- each		500,000,000	500,000,000
Issued, subscribed and paid-up share capital		460,646,090	460,646,090
Revenue reserves			
General reserve		333,000,000	333,000,000
Accumulated losses		(6,348,572,378)	(6,318,438,987)
Capital reserves			
Surplus on revaluation of property, plant and equipment	6	2,634,293,926 (2,920,632,362)	2,659,141,515 (2,865,651,382)
NON-CURRENT LIABILITIES			
Long term financing	7	--	--
Deferred taxation	8	181,585,716	191,734,731
		181,585,716	191,734,731
CURRENT LIABILITIES			
Trade and other payables		136,587,695	139,264,079
Mark-up accrued		2,276,503,741	2,276,503,741
Short term borrowings		312,883,441	312,883,441
Liability for staff gratuity		1,667,351	1,667,351
Unclaimed dividend		254,206	254,206
Current and overdue portion of long term financing	7	3,179,152,102	3,164,459,526
		5,907,048,536	5,895,032,344
CONTINGENCIES AND COMMITMENTS			
	9	--	--
		3,168,001,890	3,221,115,693
<u>ASSETS</u>			
NON-CURRENT ASSETS			
Property, plant and equipment	10	3,157,859,745	3,210,969,950
Long term investment	11	--	--
Long term deposits		4,371,174	4,371,174
		3,162,230,919	3,215,341,124
CURRENT ASSETS			
Trade debts - Unsecured		1,410,614	2,030,615
Taxes recoverable - Net		248,025	230,917
Cash and bank balances		4,112,332	3,513,037
		5,770,971	5,774,569
		3,168,001,890	3,221,115,693

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



Ishtiaq Ahmed
CEO & Director



Muhammad Irfan Ali
Chief Financial Officer

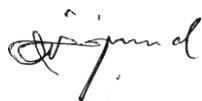


Syed Asim Abid Ali
Chairman Board of Directors

DEWAN TEXTILE MILLS LIMITED
CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS
FOR THE HALF YEAR ENDED 31 DECEMBER 2025 - UNAUDITED

	Notes	Half Year Ended		Quarter Ended	
		31 December	31 December	31 December	31 December
		2025	2024	2025	2024
		----- (Rupees) -----		----- (Rupees) -----	
Sales - Net		--	--	--	--
Cost of sales		<u>(59,914,563)</u>	<u>(68,253,735)</u>	<u>(29,519,821)</u>	<u>(32,642,740)</u>
Gross (loss)		<u>(59,914,563)</u>	<u>(68,253,735)</u>	<u>(29,519,821)</u>	<u>(32,642,740)</u>
Operating expenses					
Administrative and general expenses		<u>(3,776,781)</u>	<u>(3,000,319)</u>	<u>(1,063,735)</u>	<u>(1,098,626)</u>
Operating (loss)		<u>(63,691,344)</u>	<u>(71,254,054)</u>	<u>(30,583,556)</u>	<u>(33,741,366)</u>
Finance cost	12	<u>(14,694,194)</u>	<u>(13,959,357)</u>	<u>(7,457,086)</u>	<u>(7,083,560)</u>
Other income		<u>13,255,543</u>	<u>11,593,000</u>	<u>5,905,543</u>	<u>5,143,000</u>
(Loss) before taxation		<u>(65,129,995)</u>	<u>(73,620,411)</u>	<u>(32,135,099)</u>	<u>(35,681,926)</u>
Taxation					
- Current		<u>10,149,015</u>	<u>11,484,935</u>	<u>5,074,507</u>	<u>5,742,468</u>
- Deferred		<u>10,149,015</u>	<u>11,484,935</u>	<u>5,074,507</u>	<u>5,742,468</u>
(Loss) for the period		<u><u>(54,980,980)</u></u>	<u><u>(62,135,476)</u></u>	<u><u>(27,060,592)</u></u>	<u><u>(29,939,458)</u></u>
(Loss) per share - Basic and diluted	13	<u><u>(1.19)</u></u>	<u><u>(1.35)</u></u>	<u><u>(0.58)</u></u>	<u><u>(0.65)</u></u>

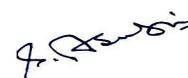
The annexed notes form an integral part of these condensed interim financial statements.



Ishtiaq Ahmed
CEO & Director



Muhammad Irfan Ali
Chief Financial Officer



Syed Asim Abid Ali
Chairman Board of Directors

DEWAN TEXTILE MILLS LIMITED
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME
FOR THE HALF YEAR ENDED 31 DECEMBER 2025 - UNAUDITED

Notes	Half Year Ended		Quarter Ended	
	31 December 2025	31 December 2024	31 December 2025	31 December 2024
	----- (Rupees) -----		----- (Rupees) -----	
(Loss) for the period	(54,980,980)	(62,135,476)	(27,060,592)	(29,939,458)
<i>Other comprehensive income:</i>	--	--	--	--
Total comprehensive (loss) for the period	<u>(54,980,980)</u>	<u>(62,135,476)</u>	<u>(27,060,592)</u>	<u>(29,939,458)</u>

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



Ishtiaq Ahmed
CEO & Director



Muhammad Irfan Ali
Chief Financial Officer

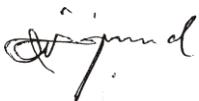


Syed Asim Abid Ali
Chairman Board of Directors

DEWAN TEXTILE MILLS LIMITED
CONDENSED INTERIM STATEMENT OF CASH FLOWS
FOR THE HALF YEAR ENDED 31 DECEMBER 2025 - UNAUDITED

	Notes	31 December 2025	31 December 2024
		----- (Rupees) -----	
CASH FLOWS FROM OPERATING ACTIVITIES			
(Loss) before taxation		(65,129,995)	(73,620,411)
<i>Adjustment for non-cash and other items:</i>			
Depreciation / amortisation expense		53,110,205	59,771,915
Bad debts recovered		(13,170,000)	(11,593,000)
Unwinding of discount / present value adjustment - Net		14,692,576	13,958,793
Finance cost		1,618	564
Cash flows before working capital changes		<u>(10,495,596)</u>	<u>(11,482,139)</u>
<i>Working capital changes</i>			
<i>(Increase) / decrease in current assets</i>			
Trade debts		<u>13,790,001</u>	<u>12,061,892</u>
		13,790,001	12,061,892
<i>Increase / (decrease) in current liabilities</i>			
Trade and other payables		<u>(2,676,384)</u>	<u>(355,694)</u>
Cash generated from operations		<u>618,021</u>	<u>224,059</u>
<i>Payments for:</i>			
Income tax		(17,108)	(16,134)
Finance cost		(1,618)	(564)
Net cash generated from operating activities		<u>599,295</u>	<u>207,361</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Net cash inflow from investing activities		--	--
CASH FLOWS FROM FINANCING ACTIVITIES			
Long term financing - net		--	--
Short term borrowings - net		--	--
Net cash outflow from financing activities		--	--
Net increase in cash and cash equivalents		<u>599,295</u>	<u>207,361</u>
Cash and cash equivalents at the beginning of the period		<u>3,513,037</u>	<u>3,088,279</u>
Cash and cash equivalents at the end of the period		<u><u>4,112,332</u></u>	<u><u>3,295,640</u></u>

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



Ishtiaq Ahmed
CEO & Director



Muhammad Irfan Ali
Chief Financial Officer



Syed Asim Abid Ali
Chairman Board of Directors

DEWAN TEXTILE MILLS LIMITED
CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY
FOR THE HALF YEAR ENDED 31 DECEMBER 2025 - UNAUDITED

	Issued, subscribed and paid-up share capital	Revenue reserves			Capital reserves	Total equity
		General reserve	Accumulated losses	Total revenue reserves	Surplus on revaluation of property, plant and equipment	
----- (Rupees) -----						
Balance as on 1 July 2024	460,646,090	333,000,000	(6,248,315,316)	(5,915,315,316)	2,715,378,092	(2,739,291,134)
Total comprehensive (loss) for the period						
(Loss) for the period	--	--	(62,135,476)	(62,135,476)	--	(62,135,476)
Other comprehensive income	--	--	--	--	--	--
Incremental depreciation transferred from surplus on revaluation of property, plant and equipment - Net of tax	--	--	(62,135,476)	(62,135,476)	--	(62,135,476)
	--	--	28,118,288	28,118,288	(28,118,288)	--
Balance as at 31 December 2024	460,646,090	333,000,000	(6,282,332,504)	(5,949,332,504)	2,687,259,804	(2,801,426,610)
Balance as on 1 July 2025	460,646,090	333,000,000	(6,318,438,987)	(5,985,438,987)	2,659,141,515	(2,865,651,382)
Total comprehensive (loss) for the period						
(Loss) for the period	--	--	(54,980,980)	(54,980,980)	--	(54,980,980)
Other comprehensive income	--	--	--	--	--	--
Incremental depreciation transferred from surplus on revaluation of property, plant and equipment - Net of tax	--	--	(54,980,980)	(54,980,980)	--	(54,980,980)
	--	--	24,847,589	24,847,589	(24,847,589)	--
Balance as at 31 December 2025	460,646,090	333,000,000	(6,348,572,378)	(6,015,572,378)	2,634,293,926	(2,920,632,362)

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



Ishtiaq Ahmed
CEO & Director



Muhammad Irfan Ali
Chief Financial Officer



Syed Asim Abid Ali
Chairman Board of Directors

DEWAN TEXTILE MILLS LIMITED
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE HALF YEAR ENDED 31 DECEMBER 2025 - UNAUDITED

1 THE COMPANY AND ITS OPERATIONS

Dewan Textile Mills Limited ('the Company') was incorporated in Pakistan on 16 April 1970 as a public limited company and is listed on the Pakistan Stock Exchange. The principal activity of the Company is manufacturing and sale of yarn. However, the Company has suspended its manufacturing operations since December 2015.

The geographical location and address of Company's business units including plant is as under:

- Company's registered office is located at Dewan Centre, 3-A Lalazar, Beach Hotel Road, Karachi.
- Company's production plant is situated at H/20 & H/26, S.I.T.E., Kotri, District Jamshoro, Sindh, Pakistan.

2 GOING CONCERN ASSUMPTION

The condensed interim financial statements of the Company for the period ended 31 December 2025 reflect that the Company has sustained a net loss after taxation of Rs.54.981 million (June 2025: Rs.126.360 million) and as of that date the Company's negative revenue reserves of Rs.6,015.572 million (June 2025: Rs.5,985.439 million) have resulted in negative equity of Rs.2,920.632 million (June 2025: Rs.2,865.651 million) and its current liabilities exceeded its current assets by Rs.5,901.278 million (June 2025: Rs.5,889.258 million) and total assets by Rs.2,739.047 million (June 2025: Rs.2,673.917 million). Further the Company's short term borrowing facilities have expired and not been renewed and the Company has been unable to ensure scheduled payments of liabilities due to the liquidity problems. Following course, majority of the lenders had gone into litigation for repayment of liabilities through attachment and sale of Company's hypothecated / mortgaged properties and one lender had also filed winding up petitions under section 301 of the Companies Act, 2017 as more fully explained in note 12.1 and note 12.2 to the annual financial statement. The Company has suspended its manufacturing operations since December 2015. These conditions indicate the existence of material uncertainty, which may cast significant doubt about the Company's ability to continue as a going concern; therefore, the Company may not be able to realize its assets and discharge its liabilities during the period. The condensed interim financial statements has been prepared on going concern assumption as the Company approached its lenders for further restructuring of its liabilities, which is in process. Company is hopeful that such restructuring will be effective soon and will streamline the funding requirements of the Company which will ultimately help the management to resume the operations with optimum utilisation of production capacity. As the conditions mentioned in the foregoing paragraph are temporary and would reverse therefore, the preparation of condensed interim financial statement using going concern assumption is justified.

3 BASIS OF PREPARATION

- 3.1** These condensed interim financial statements of the Company for the half year ended 31 December 2025 have been prepared in accordance with 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: and

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.

- 3.2** These condensed interim financial statements do not include all the information and disclosures required in the annual audited financial statements, and should be read in conjunction with the Company's annual audited financial statements for the year ended 30 June 2025.

- 3.3** The figures included in the condensed interim statement of profit or loss and condensed interim statement of other comprehensive income for the quarter ended 31 December 2025 and 2024 and the notes forming part thereof have not been reviewed by the auditors of the Company, as they have reviewed the accumulated figures for the half years ended 31 December 2025 and 2024.

4 MATERIAL ACCOUNTING POLICY INFORMATION

- 4.1** The accounting policies and methods of computation adopted in the preparation of these condensed interim financial information are consistent with those applied in the preparation of annual audited financial statements of the Company for the year ended 30 June 2025.

4.2 Change in accounting standards, interpretations, and amendments to published accounting and reporting standards

4.2.1 Amendments to published accounting and reporting standards that became effective during the period:

There were certain amendments to accounting and reporting standards which became mandatory for the Company during the period. However, the amendments did not have any significant impact on the financial reporting of the Company and, therefore, have not been disclosed in these condensed interim financial statements.

4.2.2 Amendments to published accounting and reporting standards that are not yet effective:

There are certain amendments to the accounting and reporting standards that will be mandatory for the Company's annual accounting periods beginning on or after 1 July 2025. However, these amendments will not have any significant impact on the financial reporting of the Company and, therefore, have not been disclosed in these condensed interim financial statements.

5 CRITICAL ACCOUNTING ESTIMATES, JUDGEMENTS AND FINANCIAL RISK MANAGEMENT

The preparation of interim financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts. Actual results may differ from these judgements, estimates and assumptions.

Judgements and estimates made by the management in the preparation of these condensed interim financial statements are the same as those applied in the Company's annual audited financial statements for the year ended 30 June 2025.

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

6 SURPLUS ON REVALUATION OF PROPERTY, PLANT AND EQUIPMENT

	(Un-audited)	(Audited)
	31 December	30 June
	2025	2025
	----- (Rupees) -----	
Gross surplus	2,815,879,641	2,850,876,245
Related deferred tax liability	(181,585,715)	(191,734,730)
	<u>2,634,293,926</u>	<u>2,659,141,515</u>

	(Un-audited) 31 December 2025	(Audited) 30 June 2025
	----- (Rupees) -----	
7 LONG TERM FINANCING		
<i>Banks and financial institutions - Secured</i>		
Restructured long term financing	2,925,634,170	2,925,634,170
<i>Sponsor - Unsecured</i>		
Sponsor loan	269,114,371	288,100,032
Repaid during the period/year	--	(18,985,661)
Present value adjustment	(200,810,055)	(200,810,055)
Unwinding of interest	185,213,616	170,521,040
	<u>253,517,932</u>	<u>238,825,356</u>
	<u>3,179,152,102</u>	<u>3,164,459,526</u>
Current and overdue portion - Shown under current liabilities	<u>(3,179,152,102)</u>	<u>(3,164,459,526)</u>
	<u> --</u>	<u> --</u>

7.1 Principal terms and conditions of outstanding loans have remained the same as disclosed in note 7 to the Annual financial statements of the Company for the year ended 30 June 2025.

7.2 The Company has not made the provision of mark-up from 1st July 2023 on Restructured long term financing from banks and financial institutions outstanding of Rs.2,925.634 million.

8 DEFERRED TAXATION

Credit balance arising due to:

- Accelerated tax depreciation	10,601,549	14,700,038
- Revaluation - Net of related depreciation	181,585,716	191,734,731
- Long term financing	4,522,967	14,289,656

Debit balance arising due to:

- Staff gratuity	(483,532)	(483,532)
- Provision for doubtful debts and receivable	(166,566,336)	(170,385,636)
- Provision for slow-moving stores and spares	(15,428,405)	(15,428,405)
- Carried over losses	(881,744,100)	(941,600,565)
	<u>(867,512,141)</u>	<u>(907,173,713)</u>

Deferred tax asset not recognised	<u>1,049,097,857</u>	<u>1,098,908,444</u>
	<u>181,585,716</u>	<u>191,734,731</u>

9 CONTINGENCIES AND COMMITMENTS

There are no significant change in the status of contingencies and commitments as reported in note 12 to the annual audited financial statements of the Company for the year ended 30 June 2025.

10 PROPERTY, PLANT AND EQUIPMENT

Operating fixed assets	10.1	<u>3,157,859,745</u>	<u>3,210,969,950</u>
------------------------	------	----------------------	----------------------

10.1 Operating fixed assets

Opening net book value (NBV)	3,210,969,950	3,330,513,777
Depreciation charged for the period / year	(53,110,205)	(119,543,827)
Closing net book value (NBV)	<u>3,157,859,745</u>	<u>3,210,969,950</u>

10.2 There is no addition / deletion in property, plant and equipment during the period under consideration.

	(Un-audited)	(Audited)
	31 December	30 June
	2025	2025
	----- (Rupees) -----	
11 LONG TERM INVESTMENT		
<i>Investment in associate</i>		
Dewan Salman Fibre Limited	--	--
11.1 Associate is an entity over which the Company has significant influence but no control. Company's investee company is considered to be its associate by virtue of common directorship and its ownership interest of 28.47% in investee company.		
11.2 Investment in Dewan Salman Fibre Limited - At equity method		
Number of shares held	<u>104,288,773</u>	<u>104,288,773</u>
Cost of investment (Rupees)	<u>210,000,000</u>	<u>210,000,000</u>
Fair value of investment (Rupees)	<u>91,774,120</u>	<u>91,774,120</u>
Ownership interest	<u>28.47%</u>	<u>28.47%</u>
11.3 Investment in associated company was made in accordance with the requirement of then effective Companies Ordinance, 1984. As the Company's share of losses exceed its interest in the associate, the Company has discontinued recognising its share of further losses. Market value is based on last available quoted price as of 19 February 2018.		

12 FINANCE COST AND MARK-UP ACCRUED

In addition to the non-provisioning of mark-up eligible for waiver as disclosed in note 12.1 of the annual financial statement for the year ended 30 June 2025 and note 7.2 to the interim condensed financial statements as at 31 December 2025 the Company has not made the provision of mark-up for the period amounting to Rs.214.827 million (up to 31 December 2025: Rs.1,793.792 million) in respect of borrowings of certain banks who have not yet accepted the restructuring proposal. The management of the Company is quite hopeful that these banks will also accept restructuring proposal in near future. Had the provision been made the loss for the period would have been higher by Rs.214.827 million and accrued mark-up would have been higher and shareholders' equity would have been lower by Rs.1,793.792 million. The said non-provisioning is departure from the requirements of IAS 23 - 'Borrowing Costs'.

	(Un-audited)	(Un-audited)
	31 December	31 December
	2025	2024
	----- (Rupees) -----	
13 (LOSS) PER SHARE - Basic and diluted		
(Loss) after taxation	<u>(62,135,476)</u>	<u>(61,852,716)</u>
	----- (Number of shares) -----	
Weighted average number of shares	<u>46,064,609</u>	<u>46,064,609</u>
(Loss) per share - Basic and diluted (Rupees)	<u>(1.35)</u>	<u>(1.34)</u>

14 TRANSACTIONS WITH RELATED PARTIES

Related parties include associated group companies, directors, executives, key management personnel and staff retirement funds. Material transactions and balances with related parties incurred during the period consisted of payment of contribution to Staff provident fund of the Company amounting to Rs.Nil (December 2024: Rs.31,312/-).

15 FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS

15.1 Financial risk factors

The Company is exposed to the credit risks, liquidity risks and market risks (including currency rate risk and other price risk) from its use of financial instruments.

This note presents information about the Company's exposure to each of the above risks, the Company's objectives, policies and processes for measuring and managing risk, and the Company's management of capital.

The Company's Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Board of Directors is responsible for developing and monitoring the Company's risk management policies.

The Company's objective in managing risk is the creation and protection of shareholders value. The Company's risk management policies are established to identify and analyse the risk faced by the Company, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company aims to develop a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Board of Directors reviews the adequacy of the risk management framework in relation to the risks faced by the Company.

There have been no changes in the risk management policies during the period, consequently these condensed interim financial statements do not include all the financial risk management information and disclosures required in the annual financial statements.

15.2 Fair value hierarchy

Fair value is the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The carrying values of all financial assets and liabilities reflected in the financial statements approximate their fair values.

The fair value hierarchy has not been presented in these financial statements, as the Company does not hold any such financial instrument in its portfolio.

16 CORRESPONDING FIGURES

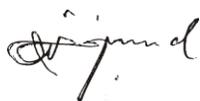
In order to comply with the requirements of International Accounting Standard 34 "Interim Financial Reporting", condensed interim statement of financial position has been compared with the balances of annual financial statements, whereas condensed interim statement of profit or loss, statement of cash flows and statement of changes in equity have been compared with the balances of comparable period of immediately preceding financial year.

17 DATE OF AUTHORISATION FOR ISSUE

These condensed interim financial statements were authorised for issue on 26th February, 2026 by the Board of Directors of the Company.

18 GENERAL

These condensed interim financial statements is presented in rupees and figures have been rounded off to nearest rupee.



Ishtiaq Ahmed
CEO & Director



Muhammad Irfan Ali
Chief Financial Officer



Syed Asim Abid Ali
Chairman Board of Directors

اور پالیسی ماحول میں استحکام معاون ثابت ہو سکتے ہیں۔ اس کے باوجود بلند توانائی لاگت، کرنسی میں اتار چڑھاؤ اور محدود لیکویڈیٹی جیسے چیلنجز برقرار رہنے کا امکان ہے۔

نتیجہ:

نتیجہ کے حوالے سے ہم اللہ تعالیٰ رحمن و رحیم سے دعا کرتے ہیں وہ اپنے حبیب حضرت محمد ﷺ کے طفیل اپنی رحمت، ہدایات اور فضل و کرم ہم پر اسی طرح قائم رکھے جو کہ نہ صرف ہم پر بلکہ ہماری کمپنی اور ہمارے ملک پر بھی اپنی رحمت نازل کرے، ہم اللہ تعالیٰ سے یہ بھی دعا کرتے ہیں کہ تمام مسلم ائمہ کے مابین صحیح اسلامی جذبہ، اخوت اور بھائی چارگی پیدا کرے۔ آمین ثناء آمین۔

میرا پروردگار یقیناً ہماری دعاؤں کو سنتا ہے۔ (قرآن کریم)

بورڈ آف ڈائریکٹرز کی جانب سے

سید عاصم عابد علی

سید عاصم عابد علی

چیئر مین، بورڈ آف ڈائریکٹرز

اشتیاق احمد

اشتیاق احمد

چیف ایگزیکٹو آفیسر

مورخہ: 26 فروری 2026ء

ڈائریکٹرز رپورٹ

شروع کرتا ہوں اللہ تعالیٰ کے نام سے جو بڑا مہربان اور نہایت رحم والا ہے
اگر تم شکر ادا کرو گے تو میں تم پر (نعمتوں میں) ضرور اضافہ کروں گا (القرآن)

آپ کی کمپنی کے بورڈ آف ڈائریکٹرز اختتامی مالیاتی سال 31 دسمبر 2025ء کو ختم ہونے والی ششماہی کیلئے کمپنیز ایکٹ 2017ء کے سیکشن 237 اور سیکورٹیز اینڈ ایکسچینج کمیشن آف پاکستان کے جاری کردہ کوڈ آف کارپوریٹ گورننس کی تعمیل کرتے ہوئے غیر میعاد عبوری مالیاتی حسابات پیش کرنے پر خوشی محسوس کر رہے ہیں۔

معاشی و صنعتی جائزہ

مالی سال 2026 کے پہلے نصف میں پاکستان کی معاشی کارکردگی غیر ہموار رہی اور مشکل معاشی حالات کے باعث مجموعی سرگرمیاں دباؤ کا شکار رہیں۔ اہم شعبوں میں معتدل نمود دیکھنے میں آئی، تاہم کمزور برآمدی کارکردگی اور سرمایہ کاری کی سست رفتار کے سبب مجموعی رفتار محتاط رہی۔ ٹیکسٹائل شعبہ، جو برآمدات میں تقریباً 60 فیصد حصہ ڈالتا ہے اور 40 فیصد افرادی قوت کو روزگار فراہم کرتا ہے، کو سنگین مشکلات کا سامنا ہے۔ دھاگے کی درآمدات میں اضافے سے مقامی دھاگے کی طلب اور قیمتوں میں کمی واقع ہوئی ہے۔ مزید برآں توانائی کے نرخوں میں اضافے اور مختلف لیویز کے باعث بجلی کی لاگت میں اضافہ کا روبرو رکھنے کے لیے ایک بڑا مسئلہ بنا ہوا ہے۔

عملی نتائج (فیکٹری بند):

اس سال بھی کمپنی کی صافی پیداواری فروخت پیداوار معطل ہونے کی وجہ سے صفر رہی۔ کمپنی نے وقتی طور پر دسمبر 2015ء سے اپنی پیداوار کے عمل کو معطل کر دیا ہے جو کہ صنعت میں نا مساعد مشکلات اور کام چلانے کے لیے سرمایہ میں کمی کی وجہ سے ہے۔

کمپنی کے آڈیٹرز نے آپریشن کی بندش، قرضہ جات کی قسطوں کی ادائیگی اور مارک اپ سے متعلق غیر عدم فراہمی اور مشکوک قرضوں کے لئے فراہمی جو کہ ان کی جائزہ رپورٹ میں بیان کیا گیا ہے، کے باعث مستقبل کی تشویش سے متعلق اپنی جائزہ رپورٹ میں منفی نتیجہ کا اظہار کیا ہے۔ مجموعی عبوری مالی بیانات تشویش کا اظہار کرتے ہوئے تیار کیئے گئے ہیں کیونکہ کمپنی نے اپنے قرض دہندگان سے بغیر مارک اپ کے واجبات کی مزید تشکیل نو کے لیے رابطہ کیا ہے، جو اس وقت زیر عمل ہے۔ انتظامیہ پر امید ہے کہ یہ نظر ثانی جلد حتمی شکل اختیار کر لے گی۔ مزید برآں، تشکیل نو کی تاریخ تک بقایا مارک اپ 1.452 بلین روپے ہے، جس کی ادائیگی کمپنی پر معاہدے کی شرائط کی خلاف ورزی کی صورت میں لازم ہوگی۔ تاہم، انتظامیہ کو یقین ہے کہ تشکیل نو کی نظر ثانی مکمل ہونے کے بعد یہ رقم معافی کے لیے اہل رہے گی لہذا ان مالیاتی گوشواروں میں اس کی کوئی گنجائش شامل نہیں کی گئی۔

مستقبل کا نظریہ:

توقع ہے کہ پاکستان کی معیشت محتاط استحکام کی جانب گامزن رہے گی، جس کی بنیاد زرعی شعبے میں بتدریج بحالی، تعمیر نو کی سرگرمیوں اور خدمات کے شعبے میں معتدل نمود پر ہوگی۔ افراط زر میں کمی کا امکان ہے جس سے نرم مالیاتی پالیسی کی گنجائش پیدا ہو سکتی ہے، تاہم تجارتی خسارے میں اضافے اور برآمدات کی سست رفتار جو جیسے خطرات بھی موجود ہیں گے۔ مجموعی طور پر معیشت کے استحکام کی توقع ہے، جس میں افراط زر میں کمی، زرمبادلہ کے ذخائر میں بہتری