

**THIRD QUARTERLY ACCOUNTS
FOR THE NINE MONTHS ENDED
MARCH 31, 2026
(UN AUDITED)**

GULISTAN SPINNING MILLS LIMITED

GULISTAN SPINNING MILLS LIMITED
COMPANY INFORMATION

BOARD OF DIRECTORS

Mr. Muhammad Akhtar Mirza (Chairman)
Mr. Sohail Maqsood (Chief Executive)
Mr. Muhammad Ashraf Khan
Mrs. Zarqa Asif
Mr. M. Junaid
Mr. Abid Sattar
Mr. Muhammad Arif

AUDIT COMMITTEE

Mr. M. Junaid (Chairman)
Mr. Muhammad Akhtar Mirza
Mr. Abid Sattar

HR & REMUNERATION COMMITTEE

Mr. Muhammad Arif (Chairman)
Mr. M. Akhtar Mirza
Mr. Abid Sattar

CHIEF FINANCIAL OFFICER

Mr. Imran Aslam

COMPANY SECRETARY

Mr. Muhammad Ijaz

AUDITORS

M/s. Malik Haroon Ahmed & Co.
Chartered Accountants
Lahore.

LEGAL ADVISOR

Akhter Javed-Advocate

SHARE REGISTRAR OFFICE

M/s. Hameed Majeed Associates (Pvt) Ltd.
Karachi Chamber
Hasrat Mohani Road Karachi
Ph. 32424826, 32412754, Fax. 32424835

REGISTERED OFFICE

2nd Floor, Finlay House,
I.I. Chundrigar Road,
Karachi.

REGIONAL OFFICE

2nd Floor, Garden Heights,
8Aibak Block, New Garden Town,
Lahore.

WEB PRESENCE

<http://www.gulshan.com.pk/corporate/gulistan.html>

GULISTAN SPINNING MILLS LIMITED

Director's Report to Shareholders

The Directors of your Company are pleased to present unaudited financial statements of the Company for the Nine Month ended March 31, 2026.

Financial Results

Operating Indicators	Nine Months Ended 31.03.2026	Nine Months Ended 31.03.2025
	(Rupees)	(Rupees)
Sales	-	-
Gross (loss)/Profit	-	-
Pre Tax (loss)/Profit	20,731,979	(5,511,793)
Provision for Taxation	-	-
Earnings/(loss) Per Share	1.42	(0.38)

Overview:

On account of inter alia, financial liquidity scarcity as well as prevailing economic conditions in the country the company ceased carrying out its operations since May 1, 2014 and was incurring significant losses, along with depreciation in value of its assets. In this back ground a Scheme of Arrangement under section 279 to 283 & 285 of the Companies Act 2017 (Scheme of Arrangement) was submitted before the Sindh High Court at Karachi (the "Court") vide J.C.M. No. 15/19, duly signed by majority of the secured creditors of the company. The Scheme of Arrangement was sanctioned by the Court vide judgment dated 30-10-2023. The Scheme of Arrangement will be implemented in letter and spirit as sanctioned by the Court. As per Scheme of Arrangement all the litigation will be withdrawn by the creditors of the company


Future Outlook:

The Scheme of Arrangement shall be implemented and legal proceedings with the Banks by and against the Company shall be withdrawn in terms of the Scheme of Arrangement. There after the Company would be in a better position to structure the way forward.

Acknowledgement :

The Board wishes to place on record its appreciation for the employees, members of the management team for their efforts, commitment and hard work during this tough time.

LAHORE


SOHAIL MAQSOOD
CHIEF EXECUTIVE

GULISTAN SPINNING MILLS LIMITED

Condensed interim Balance Sheet (Un-audited)

As at March 31, 2026

		(UN-AUDITED)	(AUDITED)
	Note	March 31, 2026	June 30, 2025
----- Rupees -----			
ASSETS			
Property, plant and equipment		-	-
Disposal under scheme of arrangement	5	36,574,357	36,574,357
Loan and advances		105,000	-
Tax refunds due from Government		9,489,051	9,411,245
Cash and bank balances		14,578,842	8,527,114
		60,747,250	54,512,716
SHARE CAPITAL AND RESERVES			
Authorised share capital			
15,000,000 (2025: 15,000,000) Ordinary shares of Rs. 10 each		150,000,000	150,000,000
Issued, subscribed and paid up share capital		146,410,000	146,410,000
Reserves		24,983,168	24,983,168
Sub-Ordinate Loan		103,000,000	103,000,000
Surplus on revaluation of property, plant and equipment		20,315,372	20,315,372
Unappropriated loss		(1,961,112,951)	(1,981,844,930)
		(1,666,404,411)	(1,687,136,390)
LIABILITIES			
Principal Payable to banking companies as per scheme of arrangement	6	1,046,040,654	1,046,040,654
Mark-up payable to banking companies as per scheme of arrangement	7	397,535,999	397,535,999
Loan from associates and payables		270,826,234	285,891,234
Trade and other payables		12,129,245	11,561,690
Unclaimed Dividend		619,529	619,529
		1,727,151,661	1,741,649,106
CONTINGENCIES AND COMMITMENTS			
	8	60,747,250	54,512,716


The annexed notes from 1 to 11 form an integral part of this condensed interim financial information.


SOHAIL MAQSOOD

CHIEF EXECUTIVE


IMRAN ASLAM

CHIEF FINANCIAL
OFFICER


ABID SATTAR

DIRECTOR

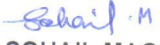
GULISTAN SPINNING MILLS LIMITED


Condensed interim Profit & Loss Account (Un-audited)

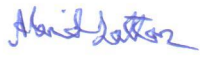
For the Nine Months Ended March 31, 2026

	Quarter ended		Nine months ended	
	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025
	----- Rupees -----			
Sales - net	-	-	-	-
Cost of sales	-	-	-	-
Gross loss	-	-	-	-
Administrative expenses	(869,105)	-	(976,105)	(106,600)
Other income/Reversal of provision	13,695,763	(6,502,788)	21,712,197	(5,403,256)
	12,826,658	(6,502,788)	20,736,092	(5,509,856)
Profit / (Loan) from operations	12,826,658	(6,502,788)	20,736,092	(5,509,856)
Finance cost	(244)	(1,287)	(4,113)	(1,937)
Profit / (Loss) before taxation	12,826,414	(6,504,075)	20,731,979	(5,511,793)
Taxation	-	-	-	-
Profit / (Loss) after taxation	12,826,414	(6,504,075)	20,731,979	(5,511,793)
Loss per share - basic and diluted	0.88	(0.44)	1.42	(0.38)

The annexed notes from 1 to 11 form an integral part of this condensed interim financial information.


SOHAIL MAQSOOD
CHIEF EXECUTIVE


IMRAN ASLAM
CHIEF FINANCIAL
OFFICER


ABID SATTAR
DIRECTOR

GULISTAN SPINNING MILLS LIMITED

Condensed interim Statement of Comprehensive Income (Un-audited)

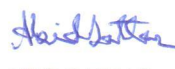
For the Nine Months Ended March 31, 2026

	Quarter ended		Nine month ended	
	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025
 Rupees			
Profit / (Loss) after taxation	12,826,414	(6,504,075)	20,731,979	(5,511,793)
Other Comprehensive Income	-	-	-	-
Total comprehensive loss for the period	<u>12,826,414</u>	<u>(6,504,075)</u>	<u>20,731,979</u>	<u>(5,511,793)</u>

The annexed notes from 1 to 11 form an integral part of this condensed interim financial information.


SOHAIL MAQSOOD
CHIEF EXECUTIVE


IMRAN ASLAM
CHIEF FINANCIAL
OFFICER


ABID SATTAR
DIRECTOR


GULISTAN SPINNING MILLS LIMITED


Condensed interim Cash Flow Statement (Un-audited)

For the Nine Months Ended March 31, 2026

NOTE	March 31, 2026	March 31, 2025
-----Rupees-----		
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit / (Loss) before taxation	20,731,979	(5,511,793)
Adjustments for:		
Depreciation	-	-
Finance cost	4,113	1,937
Loss on sale of fixed assets	-	-
Cash flows before changes in working capital	20,736,092	(5,509,856)
Changes in working capital	9 (14,680,251)	(2,735,458)
Cash generated from operations	6,055,841	(8,245,314)
Finance cost paid	(4,113)	(1,937)
	(4,113)	(1,937)
Net cash generated from operating activities	6,051,728	(8,247,251)
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from sale of disposal group under scheme of arrangement	-	-
Net cash generated from / (used in) investing activities	-	-
CASH FLOWS FROM FINANCING ACTIVITIES		
paid to banking companies under the scheme of arrangement	-	-
Net cash (used in) / generated from financing activities	-	-
Net increase in cash and cash equivalents	6,051,728	(8,247,251)
Cash and cash equivalents at beginning of the period	8,527,114	16,772,781
CASH AND CASH EQUIVALENTS AT END OF PERIOD	14,578,842	8,525,530

The annexed notes from 1 to 11 form an integral part of this condensed interim financial information.


SOHAIL MAQSOOD
CHIEF EXECUTIVE


IMRAN ASLAM
CHIEF FINANCIAL
OFFICER


ABID SATTAR
DIRECTOR

GULISTAN SPINNING MILLS LIMITED


Condensed interim Statement of Changes in Equity (Un-audited)

For the Nine Months Ended March 31, 2026

Share Capital	Capital reserve			Revenu reserve	sub-ordinated loan from directors	Total
	Share Premium	other Reserve	Revaluation surplus	Accumulated losses		
----- Rupees -----						
Balance as at 01 July 2024	146,410,000	25,000,000	(16,832)	20,315,372	(1,975,908,082)	103,000,000 (1,681,199,542)
Profit for the year the nine months ended Mar 31,2025	-	-	-	-	(5,511,793)	(5,511,793)
Balance as at 31 Mar 2025	146,410,000	25,000,000	(16,832)	20,315,372	(1,981,419,875)	103,000,000 (1,686,711,335)
Balance as at 01 July 2025	146,410,000	25,000,000	(16,832)	20,315,372	(1,981,844,930)	103,000,000 (1,687,136,390)
Total Comprehensive loss for the nine months ended Mar 31,2026	-	-	-	-	20,731,979	20,731,979
Balance as at 31 Mar 2026	146,410,000	25,000,000	(16,832)	20,315,372	(1,961,112,951)	103,000,000 (1,666,404,411)

The annexed notes from 1 to 11 form an integral part of this condensed interim financial information.


SOHAIL MAQSOOD
CHIEF EXECUTIVE


IMRAN ASLAM
CHIEF FINANCIAL
OFFICER


ABID SATTAR
DIRECTOR

GULISTAN SPINNING MILLS LIMITED

Notes to the Condensed interim Financial Information (Un-audited) For the Nine Months Ended March 31, 2026

1 THE COMPANY AND ITS OPERATIONS

1.1 Gulistan Spinning Mills Limited ("the Company") was incorporated in Pakistan on February 25, 1987, under the Companies Ordinance, 1984(now Companies Act,2017), as a public limited company and is quoted on stock exchanges at Karachi and Lahore (now Pakistan Stock Exchange Limited). The registered office of the Company is situated at 2nd Floor, Finlay House, I.I. Chundrigar Road, Karachi in the province of Sindh, Pakistan.

1.2 Scheme of arrangement with secured creditors

The Company along with its restructuring agent – United Bank Limited and majority of the lending financial institutions has signed a "Scheme of Arrangement" under sections 279 to 283 read with section 285 of the Companies Act, 2017 ("the Act"). Under this Scheme, the existing financial obligations / liabilities of the Company towards the secured creditors shall be settled by way of sale of moveable and immovable charged assets of the Company as detailed in the scheme and payment of the proceeds thereof to the secured creditors as contemplated under the scheme of arrangement.

The Scheme of Arrangement has been sanctioned by the Honorable High Court of Sindh at Karachi vide Judgment dated 30.10.2023, passed in J.C.M. Petition No. 15/2019. The Scheme of Arrangement after its sanction has become binding on the Company, along with all the shareholders, creditors - secured or otherwise, stakeholders and any other regulatory / statutory bodies of/ or with respect to the Company . Under the Scheme of Arrangement, the existing financial obligations / liabilities of the Company towards the secured creditors shall be settled by way of sale of charged assets ("disposal group and stock in trade") the Company and payment of the proceeds thereof shall be paid to the secured creditors as contemplated under the Scheme of Arrangement. All the pending litigation shall be withdrawn in terms of the Scheme of Arrangement.

2 BASIS OF PREPARATION

2.1 This condensed interim financial information is un-audited and is being submitted to the members in accordance with section 237 of the Companies Act, 2017. It has been prepared in accordance with the requirements of the International Accounting Standard 34 - 'Interim Financial Reporting' and provisions of and directives issued under the Companies Act, 2017. In case where requirements differ, the provisions of or directives issued under the Companies Act, 2017 have been followed. This condensed interim financial information does not include all the information required for annual financial statements and therefore, should be read in conjunction with the audited annual financial statements of the Company for the year ended June 30, 2025.

3 ACCOUNTING POLICIES

The accounting policies adopted for the preparation of this condensed interim financial information are same as those applied in the preparation of preceding audited annual financial statements of the Company for the year ended June 30, 2025.

4 ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of this condensed interim financial information in conformity with the approved accounting standards requires the use of certain critical accounting estimates and assumptions. It also requires management to exercise its judgement in the process of applying the Company's accounting policies. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectation of future events that are believed to be reasonable under the circumstances. However, actual results may differ from these estimates.

Estimation and judgements made by the management in the preparation of this condensed interim financial information were the same as those that were applied to the audited annual financial statements for the year ended June 30, 2025.

5 DISPOSAL GROUP U/SCHEME

		Un-audited March 31, 2026	Audited June 30, 2025
	Note	(Rupees)	
Operating fixed assets	5.1	-	-
Classified as held for sale	5.2	<u>36,574,357</u>	<u>36,574,357</u>
		<u>36,574,357</u>	<u>36,574,357</u>
5.1 Operating fixed assets			
Book value at beginning of the period / year		-	-
Book value of assets disposed-off		-	-
Depreciation charge for the period / year		-	-
Book value at end of the period / year		<u>-</u>	<u>-</u>

GULISTAN SPINNING MILLS LIMITED

Notes to the Condensed interim Financial Information (Un-audited) For the Nine Months Ended March 31, 2026

5.2 The Company along with its restructuring agent – United Bank Limited and majority of the lending financial institutions has signed a “Scheme of Arrangement” under sections 279 to 283 read with section 285 of the Companies Act, 2017 (“the Act”) as detailed in note 1.2. Hence, above mentioned assets (note 5.2) has been classified and presented under disposal group under scheme of arrangement.

6. PRINCIPAL PAYABLE TO BANKING COMPANIES AS PER SCHEME OF ARRANGEMENT

	Un-audited March 31, 2026	Audited June 30, 2025
	----- (Rupees) -----	
Principal payable to banking companies as scheme of arrangement	<u>1,046,040,654</u>	<u>1,046,040,654</u>

This represents payable to banking companies under scheme of arrangement as detailed below:

The Company along with its restructuring agent – United Bank Limited and majority of the lending financial institutions have signed a “Scheme of Arrangement” under sections 279 to 283 read with section 285 of the Companies Act, 2017 (“the Act”). Under this Scheme, the existing financial obligations / liabilities of the Company towards the secured creditors shall be settled by way of sale of moveable and immovable items of the Company including property, plant and equipment and payment of the proceeds thereof to the secured creditors as contemplated under the Scheme of arrangement.

7. MARK-UP PAYABLE TO BANKING COMPANIES AS PER SCHEME OF ARRANGEMENT

	Un-audited March 31, 2026	Audited June 30, 2025
	----- (Rupees) -----	
Mark-up payable to banking companies as per scheme of arrangement	<u>397,535,999</u>	<u>397,535,999</u>

8 CONTINGENCIES AND COMMITMENTS

8.1 Contingencies

There is no change in the matter detailed in note 17.1.1 to 17.1.4, 17.2.1 to 17.2.3 & 17.3 to the Company's published annual financial statements for the year ended June 30, 2025.

8.2 Commitments

There is no change in the matter as detail in note 17.4 to the Company's published annual financial statements for the year ended June 30, 2025.

	(Un-audited) Nine months ended	
	March 31, 2026	March 31, 2025
	-----Rupees-----	
9 Movement in working capital		
(Increase) / decrease in current assets:		
Loan from associates and payables	(15,065,000)	(2,400,000)
Tax refunds due from Government	(77,806)	(143,458)
	<u>(15,247,806)</u>	<u>(2,543,458)</u>
Increase / (decrease) in trade and other payables	567,555	(192,000)
	<u>(14,680,251)</u>	<u>(2,735,458)</u>

GULISTAN SPINNING MILLS LIMITED

Notes to the Condensed interim Financial Information (Un-audited) For the Nine Months Ended March 31, 2026

10 RELATED PARTY TRANSACTIONS

The related parties comprises associated companies, directors and key management personnel. Transaction with related parties are carried out on arm's length basis. Aggregate transactions with associated companies during the period was Nil.

11 GENERAL

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

11.2 This condensed interim financial information has been authorized for issue by the Board of Directors of the Company on 28/04/2026.


SOHAIL MAQSOOD
CHIEF EXECUTIVE


IMRAN ASLAM
CHIEF FINANCIAL
OFFICER


ABID SATTAR
DIRECTOR