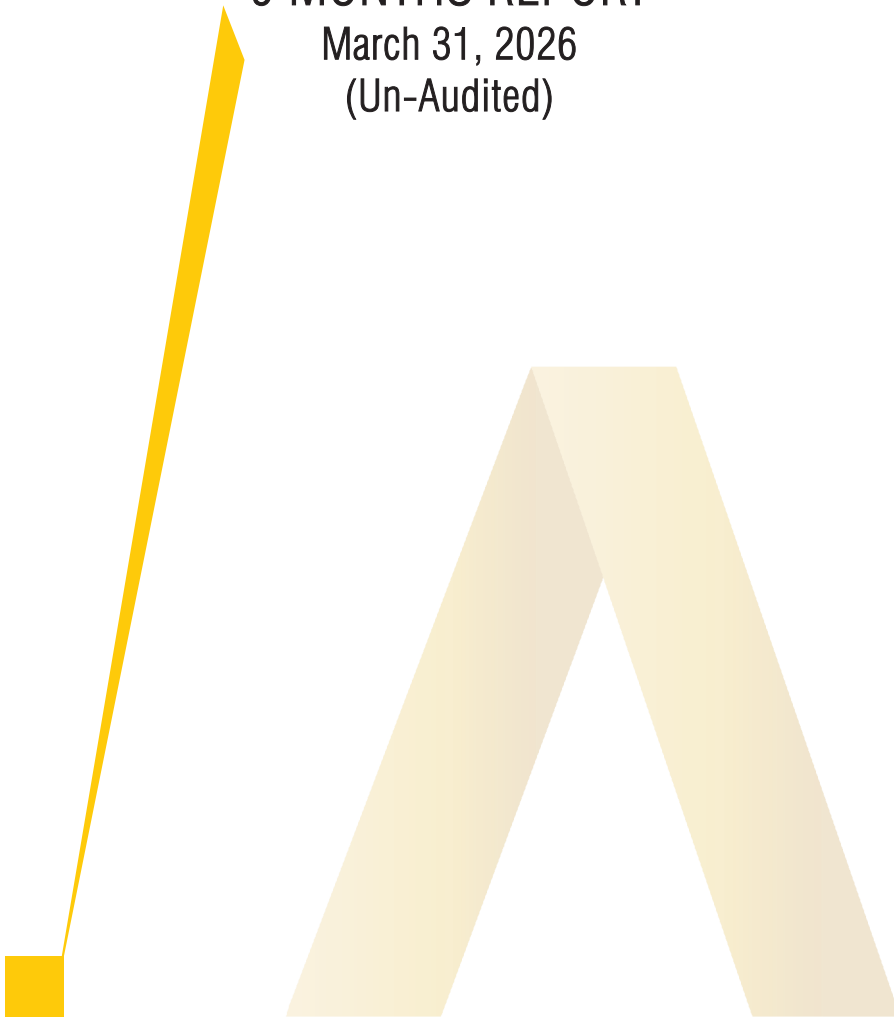


9 MONTHS REPORT

March 31, 2026
(Un-Audited)



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COMPANY INFORMATION

Board of Directors

Muhammad Anwar (Chairman)

Adil Bashir

Asif Bashir

Khurram Mazhar Karim

Muhammad Shafiq Gill (Nominee: NIT)

Shahid Arshad

Minail Mishal Adamjee

Chief Executive Officer

Khalid Bashir

Chief Financial Officer

Tariq Javed

Company Secretary

Muhammad Haroon Arif

Audit Committee

Shahid Arshad (Chairman)

Khurram Mazhar Karim (Member)

Adil Bashir (Member)

Human Resource & Remuneration Committee

Minail Mishal Adamjee (Chairman)

Asif Bashir (Member)

Khurram Mazhar Karim (Member)

Risk Committee

Asif Bashir (Chairman)

Shahid Arshad (Member)

Khurram Mazhar Karim (Member)

Share Registrar

Corptec Associates (Pvt) Ltd.

503-E, Johar Town, Lahore.

Auditors

Riaz Ahmad & Company

Chartered Accountants

Bankers

MCB Bank Limited

Meezan Bank Limited

Sindh Bank Limited

United Bank Limited

Registered Office

Office No. 801, Tricon Corporate Centre, 73-E,

Main Jail Road, Gulberg II, Lahore

Ph: +92-423-576 0379, 576 0381

Email: info@shams.com.pk

Web: www.shams.com.pk

Project Locations

Kotla Kahloon, District Nankana Sahib, Punjab

3-KM, Faisalabad Road, Chiniot, Punjab

DIRECTORS' REPORT

The Board of Directors of your Company are pleased to present the Directors' Report on the operations and financial performance of the Company for the period from July 2025 to March 2026.

Overview:

During the nine months from (July-2025 to March 2026), the Company reported total sales of Rs 3.073 billion and a gross profit of Rs 250.917 million. Despite these figures, the Company experienced a net loss of Rs (13.068) million mainly due to the non-operational status of Unit I and Unit II, coupled with suboptimal utilization of Unit III, which did not operate at full capacity.

Financial summary of the current quarter is as follow:

| Rs. in million | 31 March 2026 | 31 March 2025 |
|--------------------------------------|------------------|------------------|
| Sales | 3,072,861 | 3,744,031 |
| Gross profit | 250,917 | 125,039 |
| Operating expenses | (129,635) | (114,059) |
| Other income | 27,289 | 25,641 |
| Profit from operations | 148,570 | 36,621 |
| Finance cost | (123,228) | (79,653) |
| Profit/Loss before levy and Taxation | 25,343 | (43,032) |
| Levy and Taxation | (38,411) | (46,801) |
| (Loss) After Levy and Taxation | (13,068) | (89,833) |
| (Loss) per share (Rs.) | (1.51) | (10.40) |

Future Outlook:

The operating environment for the industry is expected to remain challenging in the near term due to high prices of raw material, inconsistent demand, and high interest rates.

The Board and management remain focused on strengthening operational performance through improved efficiency, optimized energy utilization, increase in solar capacity, and disciplined cost control measures. Emphasis will also be placed on prudent working capital management, stable customer relationships, and selective market diversification to enhance order consistency and capacity utilization.

While external uncertainties persist, the Company is committed to adopting prudent financial and operational strategies aimed at stabilizing performance and gradually restoring profitability, thereby safeguarding long-term shareholder value.

Acknowledgment:

We would like to extend our sincere appreciation to the Board of Directors for their leadership and guidance, and to our employees, stakeholders, and lending partners for their continued cooperation and support.

For and On behalf of Board of Directors



Khalid Bashir
Chief Executive



Asif Bashir
Director

29 April 2026
Lahore

ڈائریکٹر رپورٹ

آپ کی کمپنی کے بورڈ آف ڈائریکٹرز کو جولائی 2025ء سے مارچ 2026ء کی مدت کے لیے کمپنی کے آپریشنز اور مالیاتی کارکردگی پر ڈائریکٹرز کی رپورٹ پیش کرنے پر خوشی ہے۔

عمومی جائزہ:

جولائی 2025ء سے مارچ 2026ء کے نو مہینوں کے دوران، کمپنی میں 3.073 بلین روپے کی کل فروخت اور 250.917 بلین روپے کا مجموعی منافع رپورٹ کیا۔ ان اعداد و شمار کے باوجود، کمپنی کو (13.068) بلین روپے کا خالص نقصان ہوا بنیادی طور پر یونٹ I اور یونٹ II کی غیر آپریشنل حیثیت، اور یونٹ III کے سب سے زیادہ استعمال کے ساتھ، جو پوری صلاحیت کے ساتھ کام نہیں کرتا تھا۔

موجودہ سہ ماہی کا مالی خلاصہ حسب ذیل ہے:

| (مبلغ بلین میں) | 31 مارچ 2026ء | 31 مارچ 2025ء |
|---|---------------|---------------|
| فروخت | 3,072,861 | 3,744,031 |
| مجموعی منافع | 250,917 | 125,039 |
| آپریٹنگ اخراجات | (129,635) | (114,059) |
| دیگر آمدنی | 27,289 | 25,641 |
| آپریٹنگ منافع | 148,570 | 36,621 |
| مالی اخراجات | (123,228) | (79,653) |
| لیوی اور ٹیکسیشن سے قبل منافع / (نقصان) | 25,343 | (43,032) |
| لیوی اور ٹیکسیشن | (38,411) | (46,801) |
| لیوی اور ٹیکسیشن کے بعد (نقصان) | (13,068) | (89,833) |
| فی حصص (نقصان) روپے | (1.51) | (10.40) |

مستقبل کے امکانات:

امید کی جاتی ہے کہ خام مال کی بلند قیمتوں، متضاد طلب اور بلند شرح سود کی وجہ سے صنعت کے لیے آپریٹنگ ماحول قریب کی مدت میں چیلنجنگ رہے گا۔

بورڈ اور انتظامیہ بہتر کارکردگی، توانائی کے بہتر استعمال، تئسی صلاحیت میں اضافے، اور لاگت پر قابو پانے کے نظم و ضبط کے اقدامات کے ذریعے آپریٹنگ کارکردگی کو مضبوط بنانے پر مرکوز ہے۔ آرڈر کی مستقل مزاجی اور صلاحیت کے استعمال کو بڑھانے کے لیے دانشورانہ اور تکنیکی عملیاتی مینجمنٹ، مستحکم کسٹمر تعلقات، اور منتخب مارکیٹ تنوع پر بھی زور دیا جائے گا۔

اگر چہ بیرونی غیر یقینی صورتحال برقرار ہے، کمپنی محتاط مالی اور آپریٹنگ حکمت عملیوں کو اپنانے کے لیے پرعزم ہے جس کا مقصد کارکردگی کو مستحکم کرنا اور منافع کو بتدریج بحال کرنا ہے، اس طرح طویل مدتی شیئرز ہولڈرز کی قدر کی حفاظت کرنا ہے۔

اظہار تشکر:

بورڈ آف ڈائریکٹرز کمپنی کے محنتی ملازمین کی انتھک محنت اور عزم کی دلی تعریف کرتا ہے۔ ہم بورڈ آف ڈائریکٹرز کی قیمتی رہنمائی کے ساتھ ساتھ اپنے شیئرز ہولڈرز اور قرض دہندگان کا بھی شکریہ ادا کرتے ہیں جنہوں نے کمپنی پر اپنے اعتماد اور حمایت کو جاری رکھا۔

منجانب برائے بورڈ آف ڈائریکٹرز

محمد عاصم

آصف بشیر

ڈائریکٹر

محمد خالد بشیر

چیف ایگزیکٹو

12 اپریل 2026ء

CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION

As At March 31, 2026

| | Un Audited March 31, 2026 | Audited June 30, 2025 |
|--|--|-----------------------------|
| | Note | |
| (Rupees in thousands) | | |
| EQUITY AND LIABILITIES | | |
| SHARE CAPITAL AND RESERVES | | |
| Authorized share capital | | |
| 25,000,000 (30 June 2025: 25,000,000) ordinary shares of Rupees 10 each | 250,000 | 250,000 |
| Issued, subscribed and paid-up share capital | | |
| 8,640,000 (30 June 2025: 8,640,000) ordinary shares of Rupees 10 each | 86,400 | 86,400 |
| Reserves | 677,130 | 693,459 |
| Total equity | 763,530 | 779,859 |
| LIABILITIES | | |
| NON-CURRENT LIABILITIES | | |
| Long term financing - secured | 4 145,404 | 124,092 |
| Gas Infrastructure Development Cess (GIDC) payable | - | - |
| Lease liabilities | 16,687 | - |
| | 162,091 | 124,092 |
| CURRENT LIABILITIES | | |
| Trade and other payables | 1,029,033 | 902,055 |
| Accrued mark-up | 28,927 | 16,905 |
| Short term borrowings | 958,397 | 733,547 |
| Current portion of non-current liabilities | 62,106 | 45,014 |
| Unclaimed dividend | 4,622 | 4,622 |
| | 2,083,085 | 1,702,143 |
| Total liabilities | 2,245,176 | 1,826,235 |
| CONTINGENCIES AND COMMITMENTS | 5 | |
| TOTAL EQUITY AND LIABILITIES | 3,008,706 | 2,606,094 |

The annexed notes form an integral part of this condensed interim financial information.


Chief Executive


Chief Financial Officer


Director

| | | Un Audited | Audited |
|---------------------------------|-------------|------------------------------|-----------|
| | | March | June |
| | | 31, 2026 | 30, 2025 |
| | Note | (Rupees in thousands) | |
| ASSETS | | | |
| NON-CURRENT ASSETS | | | |
| Property, plant and equipment | 6 | 1,018,574 | 1,049,957 |
| Right-of-use assets | | 25,773 | - |
| Long term investments | | 49,138 | 52,397 |
| Long term security deposits | | 30,665 | 30,665 |
| Deferred income tax asset - net | | - | - |
| | | 1,124,150 | 1,133,019 |
| CURRENT ASSETS | | | |
| Stores and spare parts | | 108,391 | 110,042 |
| Stock-in-trade | | 758,613 | 847,718 |
| Trade debts | | 633,134 | 121,110 |
| Advances | | 16,270 | 4,249 |
| Short term prepayments | | 2,281 | - |
| Other receivables | | 15,845 | 11,918 |
| Taxation and levy - net | | 23,884 | 18,552 |
| Sales tax refundable | | 282,114 | 331,030 |
| Cash and bank balances | | 44,024 | 28,456 |
| | | 1,884,556 | 1,473,075 |
| TOTAL ASSETS | | 3,008,706 | 2,606,094 |



Chief Executive



Chief Financial Officer



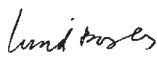
Director

CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS (Un-Audited)

For The Nine Months Ended 31 March 2026

| | Note | NINE MONTHS ENDED | | QUARTER ENDED | |
|--|------|-------------------|------------------|------------------|------------------|
| | | 31 March 2026 | 31 March 2025 | 31 March 2026 | 31 March 2025 |
| (Rupees in thousands) | | | | | |
| REVENUE FROM CONTRACTS WITH CUSTOMERS | 7 | 3,072,861 | 3,744,031 | 1,173,798 | 928,910 |
| COST OF SALES | 8 | (2,821,945) | (3,618,992) | (1,041,359) | (903,633) |
| GROSS PROFIT | | 250,916 | 125,039 | 132,439 | 25,277 |
| DISTRIBUTION COST | | (20,879) | (17,464) | (3,278) | (3,353) |
| ADMINISTRATIVE EXPENSES | | (101,818) | (96,595) | (36,406) | (28,978) |
| OTHER EXPENSES | | (6,938) | - | (1,907) | - |
| | | (129,635) | (114,059) | (41,591) | (32,331) |
| | | 121,281 | 10,980 | 90,848 | (7,054) |
| OTHER INCOME | | 27,289 | 25,641 | 8,080 | 8,629 |
| PROFIT FROM OPERATIONS | | 148,570 | 36,621 | 98,928 | 1,575 |
| FINANCE COST | | (123,228) | (79,653) | (42,274) | (21,211) |
| PROFIT / (LOSS) BEFORE LEVY AND TAXATION | | 25,342 | (43,032) | 56,654 | (19,636) |
| LEVY | | (38,411) | (46,801) | (14,724) | (11,545) |
| (LOSS) / PROFIT AFTER LEVY | | (13,069) | (89,833) | 41,930 | (31,181) |
| (LOSS) / EARNINGS PER SHARE - BASIC AND DILUTED (RUPEES) | | (1.51) | (10.40) | 4.85 | (3.61) |

The annexed notes form an integral part of this condensed interim financial information.



Chief Executive



Director



Chief Financial Officer

CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME
(Un-audited)

For The Nine Months Ended 31 March 2026

| | NINE MONTHS ENDED | | QUARTER ENDED | |
|--|------------------------------|------------------|------------------|------------------|
| | 31 March 2026 | 31 March 2025 | 31 March 2026 | 31 March 2025 |
| | (Rupees in thousands) | | | |
| (LOSS) / PROFIT AFTER TAXATION | (13,069) | (89,832) | 41,930 | (31,181) |
| OTHER COMPREHENSIVE INCOME / (LOSS) | | | | |
| Items that will not be reclassified to profit or loss: | | | | |
| Surplus / (deficit) arising on remeasurement of investments at fair value through other comprehensive income | (3,259) | (18,485) | (17,584) | (1,125) |
| Items that may be reclassified subsequently to profit or loss | - | - | - | - |
| Other comprehensive income / (loss) for the period | (3,259) | (18,485) | (17,584) | (1,125) |
| TOTAL COMPREHENSIVE (LOSS) / INCOME FOR THE PERIOD | (16,328) | (108,317) | 24,346 | (32,306) |

The annexed notes form an integral part of this condensed interim financial information.



Chief Executive



Director



Chief Financial Officer

CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (Un-Audited)
For The Period Ended March 31, 2026

| | Reserves | | | | | | | TOTAL EQUITY | |
|---|---------------|----------------------------------|--------------------|-----------|-----------------|--|-----------|--------------|----------------|
| | Capital | | | Revenue | | | | | |
| | SHARE CAPITAL | Premium on issue of right shares | Fair value reserve | Sub total | General reserve | Unappropriated profit / accumulated (loss) | Sub total | | Total reserves |
| (Rupees in thousands) | | | | | | | | | |
| Balance as at 30 June 2024 (Audited) | 86,400 | 86,400 | 47,423 | 133,823 | 600,000 | 111,095 | 711,095 | 844,918 | 931,318 |
| Loss for the period | - | - | - | - | - | (89,832) | (89,832) | (89,832) | (89,832) |
| Other comprehensive loss for the period | - | - | (18,485) | (18,485) | - | - | - | (18,485) | (18,485) |
| Total comprehensive loss for the period | - | - | (18,485) | (18,485) | - | (89,832) | (89,832) | (108,317) | (108,317) |
| Balance as at 31 March 2025 (Un-audited) | 86,400 | 86,400 | 28,938 | 115,338 | 600,000 | 21,263 | 621,263 | 736,601 | 823,001 |
| Loss for the period | - | - | - | - | - | (47,362) | (47,362) | (47,362) | (47,362) |
| Other comprehensive income for the period | - | - | 4,220 | 4,220 | - | - | - | 4,220 | 4,220 |
| Total comprehensive loss for the period | - | - | 4,220 | 4,220 | - | (47,362) | (47,362) | (43,142) | (43,142) |
| Balance as at 30 June 2025 (Audited) | 86,400 | 86,400 | 33,158 | 119,558 | 600,000 | (26,099) | 573,901 | 693,459 | 779,859 |
| Loss for the period | - | - | - | - | - | (13,069) | (13,069) | (13,069) | (13,069) |
| Other comprehensive loss for the period | - | - | (3,260) | (3,260) | - | - | - | (3,260) | (3,260) |
| Total comprehensive loss for the period | - | - | (3,260) | (3,260) | - | (13,069) | (13,069) | (16,329) | (16,329) |
| Balance as at 31 March 2026 (Un-audited) | 86,400 | 86,400 | 29,898 | 116,298 | 600,000 | (39,168) | 560,832 | 677,130 | 763,530 |

The annexed notes form an integral part of this condensed interim financial information.

Lund Singh
Chief Executive

Yongfund
Chief Financial Officer

mpg Sand
Director

CONDENSED INTERIM STATEMENT OF CASH FLOW (Un-Audited)
For The Nine Months Ended 31 March 2026

| | Note | Nine Months Ended | |
|---|----------|-------------------|------------------|
| | | 31 March 2026 | 31 March 2025 |
| (Rupees in thousands) | | | |
| CASH FLOWS FROM OPERATING ACTIVITIES | | | |
| Cash (used in) / generated from operations | 9 | (66,874) | 75,328 |
| Finance cost paid | | (111,207) | (82,991) |
| Income tax and levy paid | | (51,163) | (44,661) |
| Workers' profit participation fund paid | | - | (2,834) |
| Long term security deposits made | | - | (28,143) |
| Net cash used in operating activities | | (229,244) | (83,301) |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | |
| Capital expenditure on property, plant and equipment | | (29,786) | (199,511) |
| Additions in right-of-use assets | | (1,107) | - |
| Proceeds from disposal of property, plant and equipment | | 14,512 | 3,000 |
| Dividend received | | 180 | 716 |
| Return on bank deposits received | | 1,896 | 6,094 |
| Net cash used in investing activities | | (14,305) | (189,701) |
| CASH FLOWS FROM FINANCING ACTIVITIES | | | |
| Repayment of lease liabilities | | (833) | - |
| Long term loan obtained | | 35,100 | - |
| Short term borrowings - net | | 224,850 | 219,218 |
| Net cash from financing activities | | 259,117 | 219,218 |
| Net increase / (decrease) in cash and cash equivalents | | 15,568 | (53,784) |
| Cash and cash equivalents at the beginning of the period | | 28,456 | 59,013 |
| Cash and cash equivalents at the end of the period | | 44,024 | 5,229 |

The annexed notes form an integral part of this condensed interim financial information.


Chief Executive


Director


Chief Financial Officer

**SELECTED NOTES TO THE CONDENSED INTERIM
FINANCIAL STATEMENTS (Un-Audited)**
For The Nine Months Ended 31 March 2026

1. THE COMPANY AND ITS OPERATIONS

- 1.1** Shams Textile Mills Limited ("the Company") is a public limited Company incorporated in Pakistan under the Companies Act, 1913 (Now Companies Act, 2017) and is listed on Pakistan Stock Exchange Limited. Its registered office is situated at Office No. 801, Tricon Corporate Centre, 73-E, Main Jail Road, Gulberg II, Lahore. The Company is engaged in the business of manufacturing, sale and trading of yarn.
- 1.2** The Board of Directors of the Company in its meeting held on 29 October 2025 has approved the disposal of old plant and machinery of Spinning unit I of the Company (with insignificant carrying amount) located at Chiniot. Further, one of the two manufacturing units of the Company remained temporarily closed for a few months during the nine month period in view of low demand and prices of yarn and the Company was unable to fully utilize the plant capacity resulting in losses. The management has carried out a going concern assessment of the Company and believes that the going concern assumption used for the preparation of these condensed interim financial statements is appropriate and no material uncertainty exists. The Company has embarked upon various capital expenditure projects including solar power generation that shall result in savings in costs and ultimate profitability; the Company is availing fresh borrowing limits from a financial institution for operations of the Company; chief executive of the Company, his spouse and his son (executive director) are committed to support the Company to continue as a going concern; and firm commitment to ramp-up production in view of favorable prices. As at the reporting date, the balance due to chief executive of the Company, his spouse and his son (executive director) is interest free and they have provided support to the Company. Accordingly, no material uncertainties leading to a significant doubt about going concern have been identified.

2. BASIS OF PREPARATION

- 2.1** These condensed interim financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting. The accounting and reporting standards as applicable in Pakistan for interim financial reporting comprise 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, directives and notifications issued under the Companies Act, 2017.

3. MATERIAL ACCOUNTING POLICY INFORMATION

The material accounting policy information and methods of computations adopted for the preparation of these condensed interim financial statements are the same as applied in the preparation of the preceding audited annual published financial statements of the Company for the year ended 30 June 2025.

3.1 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of these condensed interim financial statements in conformity with the approved accounting standards requires the use of certain critical accounting estimates. It also requires the management to exercise its judgment in the process of applying the Company's accounting policies. Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

During preparation of these condensed interim financial statements, the significant judgments made by the management in applying the Company's accounting policies and the key sources of estimation and uncertainty were the same as those that applied in the preceding audited annual published financial statements of the Company for the year ended 30 June 2025.

**SELECTED NOTES TO THE CONDENSED INTERIM
FINANCIAL STATEMENTS (Un-Audited)**
For The Nine Months Ended 31 March 2026

| | Un-audited March 31, 2025 (Rupees in thousands) | Audited June 30, 2025 |
|---|--|-----------------------------|
| 4 LONG TERM FINANCING - SECURED | | |
| From banking company | | |
| Opening balance | 137,880 | - |
| Add: Obtained during the period / year | 35,100 | 137,880 |
| | 172,980 | 137,880 |
| Less: Current portion shown under current liabilities | (27,576) | (13,788) |
| | 145,404 | 124,092 |
| 5 CONTINGENCIES AND COMMITMENTS | | |
| a) Contingencies | | |
| There is no significant change in the status of contingencies as disclosed in the preceding annual audited financial statements of the Company for the year ended 30 June 2025. | | |
| b) Commitments | | |
| i) Letters of credit for capital expenditures amounted to Rupees Nil (30 June 2025: Rupees 7.571 million). | | |
| ii) Letters of credit for other than capital expenditures amounted to Rupees 208.495 million (30 June 2025: Rupees 358.067 million). | | |
| 6 PROPERTY, PLANT AND EQUIPMENT | | |
| Operating fixed assets (Note 6.1) | 1,018,574 | 886,851 |
| Capital work-in-progress (Note 6.2) | - | 163,106 |
| | 1,018,574 | 1,049,957 |
| 6.1 Operating fixed assets | | |
| Opening book value | 886,851 | 729,263 |
| Add: Cost of additions during the period / year (Note 6.1.1) | 192,892 | 230,694 |
| Less: Book value of deletions during the period / year (Note 6.1.2) | (1,293) | (2,175) |
| Less: Depreciation charged during the period / year | (59,876) | (70,931) |
| | 1,018,574 | 886,851 |
| 6.1.1 Cost of additions | | |
| Plant and machinery | 192,292 | 132,174 |
| Factory building on freehold land | - | 68,205 |
| Residential and other building on freehold land | - | 25,371 |
| Factory equipment | 600 | - |
| Vehicles | - | 4,944 |
| | 192,892 | 230,694 |
| 6.1.2 Book value of deletions | | |
| Plant and machinery | 1,053 | 1,961 |
| Electric and sui gas installations | 8 | - |
| Factory equipment | 17 | - |
| Vehicles | 215 | 214 |
| | 1,293 | 2,175 |

**SELECTED NOTES TO THE CONDENSED INTERIM
FINANCIAL STATEMENTS (Un-Audited)**
For The Nine Months Ended 31 March 2026

| | Un-audited | Audited |
|--|------------------------------|----------|
| | March | June |
| | 31, 2025 | 30, 2025 |
| | (Rupees in thousands) | |

6.2 Capital work-in-progress

| | | |
|---------------------|---|---------|
| Plant and machinery | - | 163,106 |
|---------------------|---|---------|

7 REVENUE FROM CONTRACTS WITH CUSTOMERS

Revenue is recognised at a point in time as per the terms and conditions of underlying contracts with customers. Sales of yarn represent 97.91% (31 March 2025: 97.16%) of the total sales of the Company. Remaining sales represent waste sales. 2.09% (31 March 2025: 2.84%) of the sales of the Company relates to customers in Pakistan.

| | Un-Audited | | | |
|--|------------------------------|----------|----------------------|----------|
| | Nine Months Ended | | Quarter Ended | |
| | 31 March | 31 March | 31 March | 31 March |
| | 2026 | 2025 | 2026 | 2025 |
| | (Rupees in thousands) | | | |

8 COST OF SALES

| | | | | |
|------------------------------------|------------------|-----------|------------------|-----------|
| Raw materials consumed | 1,752,987 | 2,860,430 | 685,353 | 701,653 |
| Salaries, wages and other benefits | 214,700 | 192,051 | 59,701 | 59,993 |
| Stores and spare parts consumed | 99,205 | 97,240 | 39,940 | 37,659 |
| Packing materials consumed | 43,734 | 56,328 | 16,184 | 13,780 |
| Repair and maintenance | 5,279 | 8,876 | 1,102 | 3,205 |
| Fuel and power | 624,987 | 665,720 | 242,638 | 222,090 |
| Insurance | 5,664 | 5,164 | 1,953 | 1,721 |
| Other factory overheads | 7,675 | 7,200 | 2,600 | 2,528 |
| Depreciation | 52,718 | 44,220 | 18,369 | 15,282 |
| | 2,806,949 | 3,937,229 | 1,067,840 | 1,057,911 |
| Work-in-process: | | | | |
| Opening stock | 70,249 | 61,963 | 61,331 | 81,911 |
| Closing stock | (71,943) | (74,796) | (71,943) | (74,796) |
| | (1,694) | (12,833) | (10,612) | 7,115 |
| Cost of goods manufactured | 2,805,255 | 3,924,396 | 1,057,228 | 1,065,026 |
| Finished goods and waste: | | | | |
| Opening stock | 292,806 | 125,712 | 260,247 | 269,724 |
| Closing stock | (276,116) | (431,117) | (276,116) | (431,117) |
| | 16,690 | (305,405) | (15,869) | (161,393) |
| | 2,821,945 | 3,618,991 | 1,041,359 | 903,633 |

**SELECTED NOTES TO THE CONDENSED INTERIM
FINANCIAL STATEMENTS (Un-Audited)**
For The Nine Months Ended 31 March 2026

| | Un-audited Nine Months Ended | |
|---|---|--------------------------|
| | 31 March 2026 | 31 March 2025 |
| (Rupees in thousands) | | |
| 9 CASH (USED IN) / GENERATED FROM OPERATIONS | | |
| Loss before levy and taxation | 25,342 | (43,031) |
| Adjustments for non-cash charges and other items: | | |
| Depreciation on property, plant and equipment | 59,876 | 51,876 |
| Depreciation on right of-use-assets | 1,663 | - |
| Gain on disposal of property, plant and equipment | (13,215) | (1,023) |
| Finance cost | 123,228 | 79,653 |
| Allowance for expected credit losses | 2,365 | (4,095) |
| Profit on deposits with banks | (1,896) | (6,094) |
| Provision for slow moving and obsolete stores and spare parts | 2,666 | - |
| Provision for workers' profit participation fund | 1,363 | - |
| Provision for workers' welfare fund | 545 | - |
| Dividend income | (180) | (716) |
| Working capital changes (Note 9.1) | (268,631) | (1,242) |
| | (66,874) | 75,328 |
| 9.1 Working capital changes | | |
| (Increase) / decrease in current assets: | | |
| - Stores and spare parts | (1,012) | 4,597 |
| - Stock-in-trade | 89,105 | (322,968) |
| - Trade debts | (514,389) | (32,339) |
| - Advances | (12,021) | (13,673) |
| - Short term prepayments | (2,281) | (2,023) |
| - Other receivables | (3,927) | 1,796 |
| - Sales tax refundable | 48,916 | 15,638 |
| | (395,609) | (348,972) |
| Increase in trade and other payables | 126,978 | 347,730 |
| | (268,631) | (1,242) |

10. RECOGNIZED FAIR VALUE MEASUREMENTS - FINANCIAL INSTRUMENTS

(i) Fair value hierarchy

Judgements and estimates are made in determining the fair values of the financial instruments that are recognized and measured at fair value in these condensed interim financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the following three levels. An explanation of each level follows underneath the table.

| Recurring fair value measurements At 31 March 2026 (Un-audited) | Level 1 | Level 2 | Level 3 | Total |
|--|----------------|----------------|----------------|--------------|
| Rupees in thousands | | | | |

Financial assets

| | | | | |
|---|--------|---|---|--------|
| Fair value through other comprehensive income | 49,138 | - | - | 49,138 |
|---|--------|---|---|--------|

| Recurring fair value measurements At 30 June 2025 (Audited) | Level 1 | Level 2 | Level 3 | Total |
|--|----------------|----------------|----------------|--------------|
| Rupees in thousands | | | | |

Financial assets

| | | | | |
|---|--------|---|---|--------|
| Fair value through other comprehensive income | 52,397 | - | - | 52,397 |
|---|--------|---|---|--------|

**SELECTED NOTES TO THE CONDENSED INTERIM
FINANCIAL STATEMENTS (Un-Audited)**
For The Nine Months Ended 31 March 2026

The above table does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amounts are a reasonable approximation of fair value. Due to short term nature, carrying amounts of certain financial assets and financial liabilities are considered to be the same as their fair value. For the majority of the non-current receivables, the fair values are also not significantly different to their carrying amounts.

There were no transfers between levels 1 and 2 for recurring fair value measurements during the period. Further, there was no transfer in and out of level 3 measurements.

The Company's policy is to recognize transfers into and transfers out of fair value hierarchy levels as at the end of the reporting period.

Level 1: The fair value of financial instruments traded in active markets (such as publicly traded derivatives, and trading and equity securities) is based on quoted market prices at the end of the reporting period. The quoted market price used for financial assets held by the Company is the current bid price. These instruments are included in level 1.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities.

ii. Valuation techniques used to determine fair values

Specific valuation technique used to value financial instruments was use of quoted market prices.

11. TRANSACTION WITH RELATED PARTIES

Related parties of the Company comprise associated undertakings, other related parties, key management personnel and provident fund trust. The Company in the normal course of business carries out transactions with various related parties. Detail of transactions with related parties are as follows:

| i. Transactions | Un-Audited | | | |
|--|---------------------------------------|------------------|-----------------------------------|------------------|
| | Nine Months Ended 31 March 2026 | 31 March 2025 | Quarter ended 31 March 2026 | 31 March 2025 |
| (Rupees in thousands) | | | | |
| Associated companies | | | | |
| Sale of goods and services | 1,010 | 4,940 | - | 1,546 |
| Purchase of goods and services | 195,851 | 217,705 | 37,464 | 24,167 |
| Insurance premium | 10,285 | 9,620 | 3 | - |
| Rent expense | 675 | 1,125 | 225 | 375 |
| Interest on loan amount | 9,881 | 13,732 | 3,152 | 3,596 |
| Other related parties | | | | |
| Company's contribution to employees' provident fund trust | 5,877 | 7,381 | 1,942 | 2,454 |
| Remuneration of chief executive, directors and executives | 45,873 | 43,122 | 13,348 | 14,374 |

**SELECTED NOTES TO THE CONDENSED INTERIM
FINANCIAL STATEMENTS (Un-Audited)**
For The Nine Months Ended 31 March 2026

| ii. Period end balances | As at 31 March 2026 (Un-audited) | | |
|--------------------------|----------------------------------|-----------------------|---------|
| | Associated Companies | Other related Parties | Total |
| | (Rupees in thousands) | | |
| Trade and other payables | 7,983 | 123,215 | 131,198 |
| Long term investments | 6,313 | - | 6,313 |
| Short term borrowings | 100,000 | - | 100,000 |

| | As at 30 June 2025 (Audited) | | |
|--------------------------|------------------------------|-----------------------|---------|
| | Associated Companies | Other related Parties | Total |
| | (Rupees in thousands) | | |
| Trade and other payables | 9,325 | 111,965 | 121,290 |
| Long term investments | 4,959 | - | 4,959 |
| Short term borrowings | 100,000 | - | 100,000 |

**12. DISCLOSURE REQUIREMENT FOR COMPANY NOT ENGAGED IN SHARIAH
NON-PERMISSIBLE BUSINESS ACTIVITIES AS THEIR CORE BUSINESS
ACTIVITIES**

| | Un-audited 31 March 2026 | Audited 30 June 2025 |
|---|--------------------------------|----------------------------|
| | (Rupees in thousands) | |
| Description | | |
| Financing (long-term, short-term, or lease financing) obtained as per Islamic mode | 196,123 | - |
| Interest or mark-up accrued on any conventional loan or advance | 20,102 | 16,905 |
| Long-term and short-term Shariah compliant Investments | 10,113 | 11,981 |
| Shariah-compliant bank deposits, bank balances, and TDRs | 22,152 | 1,284 |

| | Un-Audited | | | |
|--|---------------------------------------|------------------|-----------------------------------|------------------|
| | Nine Months Ended 31 March 2026 | 31 March 2025 | Quarter ended 31 March 2026 | 31 March 2025 |
| | (Rupees in thousands) | | | |
| Revenue earned from a Shariah-compliant business segment | 1,896 | 6,094 | 48 | 295 |
| Break-up of late payments or liquidated damages | - | - | - | - |
| Gain or loss or dividend earned on Shariah compliant investments or share of profit from Shariah-compliant associates | | | | |
| Dividend income | - | - | - | - |
| Unrealized loss on re-measurement of investments fair value through other comprehensive income | (1,868) | (8,788) | (3,010) | (6,920) |
| Profit earned from Shariah-compliant bank deposits, bank balances, or TDRs | | | | |
| Profit on deposits with banks | 122 | 716 | 57 | 87 |

**SELECTED NOTES TO THE CONDENSED INTERIM
FINANCIAL STATEMENTS (Un-Audited)**

For The Nine Months Ended 31 March 2026

| | Un-Audited | | Un-Audited | |
|--|--|------------------|-----------------------------------|------------------|
| | Nine Months Ended 31 March 2026 | 31 March 2025 | Quarter ended 31 March 2026 | 31 March 2025 |
| (Rupees in thousands) | | | | |
| Exchange gain earned from actual currency | - | - | - | - |
| Exchange gains earned using conventional derivative financial instruments | - | - | - | - |
| Profit paid on Islamic mode of financing | - | - | - | - |
| Total Interest earned on any conventional loan or advance | - | 1,767 | - | 1,767 |
| Source and detailed breakup of other income, including breakup of other or miscellaneous portions of other income into Shariah-compliant and non compliant income | | | | |
| Shariah-compliant | | | | |
| Profit on deposits with banks | 122 | 716 | 57 | 87 |
| Gain on disposal of property, plant and equipment - net | 13,215 | 1,038 | 5,571 | 1,038 |
| Scrap sales | 4,434 | 5,858 | 838 | 2,962 |
| Rental income | 7,564 | 7,839 | 1,623 | 4 |
| Non-compliant | | | | |
| Dividend income | 180 | 180 | 180 | 90 |
| Relationship with Shariah-compliant financial institutions, including banks, takaful operators and their windows, etc | | | | |
| Name | Relationship | | | |
| National Bank of Pakistan (Islamic) | Bank balance | | | |
| Meezan Bank Limited | Bank balance | | | |
| Faysal Bank Limited (Islamic) | Bank balance | | | |
| United Bank Limited - Ameen Islamic Banking | Bank balance and short term borrowings | | | |

13. FINANCIAL RISK MANAGEMENT

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

14. DATE OF AUTHORIZATION FOR ISSUE

These condensed interim financial statements were approved by the Board of Directors and authorized for issue on 29 April, 2026.

15. CORRESPONDING FIGURES

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

Corresponding figures have been re-arranged, wherever necessary, for the purpose of comparison, however, no significant re-arrangements have been made.

16. GENERAL

Figures have been rounded off to the nearest thousand of Rupees unless otherwise stated.


Chief Executive


Director


Chief Financial Officer

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Shams Textile Mills Limited
Tricon Corporate Center, 8th Floor,
73-E Jail Road, Gulberg-II,
Lahore - Pakistan.
T: 92 (42) 3576 0381
E: info@shams.com.pk
www.shams.com.pk

T. A. Communications 0345-4247671

