

UN-AUDITED
THIRD QUARTER REPORT
MARCH 31,
2026

SURAJ
سورج

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Company Information

Board of Directors

Mr. Khalid Bashir (Chairman)
Mr. Adil Bashir
Mr. Ahsan Bashir
Mr. Asif Bashir
Ms. Maheen Hisham Adamjee
Mr. Mohammad Iqbal
Mr. Shams Rafi

Chief Executive Officer

Mr. Nadeem Maqbool

Chief Financial Officer

Mr. Naeem Sheikh

Audit Committee

Mr. Shams Rafi (Chairman)
Mr. Asif Bashir
Mr. Mohammad Iqbal

HR, Nomination & Remuneration Committee

Ms. Maheen Hisham Adamjee (Chairperson)
Mr. Khalid Bashir
Mr. Nadeem Maqbool

Risk Management Committee

Mr. Asif Bashir (Chairman)
Mr. Nadeem Maqbool
Mr. Shams Rafi

Share Registrar

Corptec Associates (Pvt.) Ltd.
503-E, Johar Town, Lahore

Auditors

Riaz Ahmad & Co.
Chartered Accountants

Company Secretary

Ms. Maria Atif

Bankers

Allied Bank Limited
Habib Bank Limited
MCB Bank Limited
National Bank of Pakistan
MCB Islamic Bank Limited
United Bank Limited
Habib Metropolitan Bank Limited
Samba Bank Limited
FINCA Microfinance Bank Limited
Meezan Bank Limited
Bank Alfalah Limited

Registered Office

Tricon Corporate Center, 8th Floor, 73-E, Main Jail
Road, Gulberg II, Lahore
Ph: +92-423-5760379, 35760382
Fax: +92-423-5760376
Email: corp.info@suraj.com
Web: www.suraj.com

Project Locations

Nooriabad, District Dadu, Sindh.
Kotla Kahloon, District Nankana Sahib, Punjab.
Bhaikot, Rawind, District Lahore, Punjab.

Directors' Report

On behalf of the Board of Directors, I am pleased to present the Condensed Interim Financial Statements of Suraj Cotton Mills Limited for the period ended March 31, 2026.

Overview

The Company maintained strong financial momentum during the quarter ended March 31, 2026, with net profit increasing by 37.77% to Rs. 1,112.087 million compared to Rs. 807.193 million in the corresponding period of the previous year. This growth reflects improved margins, effective cost optimization, and strengthened financial management. Earnings per share (EPS) increased to Rs. 22.78 from Rs. 16.54, underscoring the Company's continued focus on profitability and operational efficiency. The increase in profitability was primarily driven by strong operational performance, as gross profit improved to Rs. 2,081.312 million (2025: Rs. 1,634.529 million). The improvement in margins reflects better pricing strategies and effective cost control.

Sales amounted to Rs. 21,941 million, compared to Rs. 21,200 million in the corresponding period last year, reflecting an increase of 3.49%, primarily driven by higher sales of yarn inventory. Distribution costs decreased by 4.61%, while administrative expenses reduced by 3.45%, reflecting prudent control over operating overheads. Finance costs declined by 31.53% due to repayment of long-term financing and reduced reliance on short-term borrowings, resulting in lower markup expenses.

Financial Performance

The Company's financial performance for the Quarter ended March 31, 2026 as compared to the corresponding period last year, is presented below;

Brief Income Statement	Mar-25	Mar-24	% Change
	(PKR in Million)		
Sales	21,941	21,200	3.49
Gross profit	2,081	1,634	27.33%
Operating profit	1,729	1,589	8.86%
Financial cost	103	151	(31.53%)
Profit before taxation	1,626	1,437	13.10%
Taxation	514	630	(18.46%)
Net Profit	1,112	807	37.77%
Earnings per Share (EPS)	22.78	16.54	37.72%

Future Prospects

The textile sector remains a key contributor to Pakistan's economy; however, it operates in a challenging macroeconomic environment characterized by high energy costs, exchange rate volatility, inflationary pressures, and fiscal constraints. Rising oil prices have further increased electricity and captive power generation costs, while lower domestic cotton availability has led to greater reliance on imported raw materials, increasing both input costs and working capital requirements. These pressures are expected to persist in the near term. Despite these challenges, improving global demand for value-added textile products and ongoing structural adjustments within the industry may support performance over the medium term. At the same time, growing emphasis on sustainability and ESG compliance is expected to shape industry practices and influence export competitiveness.

Suraj Cotton Mills Limited remains focused on strengthening its operations through disciplined cost management and targeted improvements. The Company is undertaking gradual modernization, enhancing its product mix, and optimizing processes to improve overall efficiency and competitiveness in export markets. It also continues to prioritize compliance, workforce development, and occupational health and safety standards. The Company is actively engaging with industry stakeholders and relevant authorities to address key sector challenges, including energy pricing, export facilitation, and policy support. Overall, while near-term conditions remain constrained, the Company is focused on maintaining operational stability and progressively strengthening its long-term position through prudent management and efficiency-driven initiatives.

Acknowledgements

The Board of Directors expresses its sincere appreciation to the Company's shareholders, employees, and financial partners for their continued support. The Board also acknowledges the commitment and professionalism of the management team in navigating industry challenges with diligence and foresight.



Chief Executive
28 April, 2026
Lahore


Director

مستقبل کے امکانات

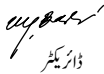
ٹیکسٹائل سیکٹر پاکستان کی معیشت میں اہم کردار ادا کرتا ہے، تاہم یہ مشکل معاشی ماحول میں کام کر رہا ہے جہاں توانائی کی زیادہ لاگت، شرح مبادلہ میں اتار چڑھاؤ، مہنگائی کے دباؤ اور مالیاتی پابندیاں درپیش ہیں۔ تیل کی بڑھتی ہوئی قیمتوں نے بجلی اور کیمینٹ پاور جنریشن کی لاگت میں مزید اضافہ کر دیا ہے، جبکہ ملک میں کیپس کی کم دستیابی کے باعث درآمدی خام مال پر انحصار بڑھ گیا ہے، جس سے پیداواری لاگت اور ورکنگ کیمینٹل کی ضروریات میں اضافہ ہوا ہے۔ توقع ہے کہ یہ دباؤ قلیل مدت میں برقرار رہیں گے۔ اس کے باوجود ویو ایڈڈ ٹیکسٹائل مصنوعات کی عالمی طلب میں بہتری اور صنعت میں جاری ساختی تبدیلیاں درمیانی مدت میں کارکردگی کو سہارا دے سکتی ہیں۔ اسی دوران پائیداری (Sustainability) اور ماحولیاتی، سماجی و گورننس (ESG) تقاضوں پر بڑھتا ہوا زور صنعت کے طریقہ کار اور برآمدی مسابقت کو متاثر کرے گا۔

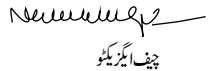
سورج کاٹن ملز لیڈر اپنے آپریشنز کو مضبوط بنانے کے لیے مؤثر لاگت کنٹرول اور مدنی بہتری پر توجہ مرکوز رکھے ہوئے ہے۔ کیمینی بندرتیج جدید کاری کے اقدامات کر رہی ہے، اپنی مصنوعات کے امتزاج کو بہتر بنا رہی ہے اور مجموعی کارکردگی اور برآمدی مسابقت بڑھانے کے لیے عوامل کو بہتر بنا رہی ہے۔ کیمینی ضابطہ جاتی تقاضوں کی پاسداری، افرادی قوت کی ترقی اور پیشہ ورانہ صحت و تحفظ کے معیارات کو بھی ترجیح دے رہی ہے۔

کیمینی صنعت سے متعلقہ اسٹیک ہولڈرز اور متعلقہ حکام کے ساتھ فعال طور پر رابطے میں ہے تاکہ اہم مسائل جیسے کہ توانائی کی قیمتوں، برآمدی سہولت کاری اور پالیسی سپورٹ کو حل کیا جاسکے۔ مجموعی طور پر، اگرچہ قلیل مدت میں حالات دباؤ کا شکار بننے کی توقع ہے، کیمینی محتاط نظم و نسق اور کارکردگی میں بہتری پر مبنی اقدامات کے ذریعے اپنے آپریشنز کو برقرار رکھنے ہوئے طویل مدتی بنیادوں کو مضبوط بنانے پر توجہ مرکوز کیے ہوئے ہے۔

اظہار تشکر

بورڈ آف ڈائریکٹرز کیمینی کے شیئر ہولڈرز، ملازمین اور مالیاتی شرکاء داروں کا ان کی مسلسل حمایت پر ادائیگی شکر یہ ادا کرتا ہے۔ بورڈ انتظامیہ کی ٹیم کے عزم اور پیشہ ورانہ صلاحیتوں کو بھی سراہتا ہے جنہوں نے صنعت کو درپیش مشکلات کا نہایت محنت اور دوراندیشی کے ساتھ مقابلہ کیا۔


ڈائریکٹر


چیف ایگزیکٹو

لاہور: 28 اپریل 2026ء

ڈائریکٹرز کی جائزہ رپورٹ

بورڈ آف ڈائریکٹرز کی جانب سے، میں 31 مارچ 2026 کو ختم ہونے والی سہ ماہی کے لئے سورج کاشن ملز لمیٹڈ کے مختصر عبوری مالیاتی گوشوارے پیش کرتے ہوئے خوشی محسوس کرتا ہوں۔

کارکردگی کا جائزہ

31 مارچ 2026 کو ختم ہونے والی سہ ماہی کے دوران کمپنی نے مضبوط مالی کارکردگی برقرار رکھی، جہاں خالص منافع میں %37.77 اضافہ ہوا اور یہ بڑھ کر 1,112.087 ملین روپے ہو گیا، جو گزشتہ سال کے اسی عرصے میں 807.193 ملین روپے تھا۔ یہ اضافہ بہتر مارجنز، موثر لاگت کنٹرول اور مضبوط مالی نظم و نسق کی عکاسی کرتا ہے۔ فی شخص آمدنی (EPS) بھی بڑھ کر 22.78 روپے ہو گئی، جو گزشتہ سال کے اسی عرصے میں 16.54 روپے تھی، جو کمپنی کی منافع پالی اور آپریشنل کارکردگی پر مسلسل توجہ کو ظاہر کرتی ہے۔

منافع میں اضافہ بنیادی طور پر مضبوط آپریشنل کارکردگی کے باعث ہوا، جہاں مجموعی منافع بڑھ کر 2,081.312 ملین روپے ہو گیا، جبکہ 2025 میں یہ 1,634.529 ملین روپے تھا۔ مارجنز میں یہ بہتری بہتر قیمتوں کی حکمت عملی اور موثر لاگت کنٹرول کا نتیجہ ہے۔

فروخت 21,941 ملین روپے رہی، جو گزشتہ سال کے اسی عرصے میں 21,200 ملین روپے تھی، جس میں %3.49 اضافہ ہوا، جو بنیادی طور پر پلان کی فروخت میں اضافے کی وجہ سے ممکن ہوا۔

ڈسٹری بیوٹن اخراجات میں %4.61 کی جبکہ انتظامی اخراجات میں %3.45 کی واقع ہوئی، جو آپریٹنگ اخراجات پر موثر کنٹرول کو ظاہر کرتی ہے۔ مزید برآں، طویل مدتی قرضوں کی ادائیگی اور قلیل مدتی فنانسنگ پر کم انحصار کے باعث مالیاتی اخراجات میں %31.53 کی ہوئی، جس سے مارک اپ اخراجات میں نمایاں کمی واقع ہوئی۔

مالی کارکردگی

گزشتہ سال کے اسی عرصے کے موازنہ میں 31 مارچ 2026 کو ختم ہونے والی سہ ماہی کے دوران کمپنی کی مالی کارکردگی، درج ذیل میں پیش کی گئی ہے:

آمدنی کا مختصر بیان	2026	2025	فیصدی تبدیلی
			(پاکستانی روپے ملین میں)
آمدنی	21,941	21,200	3.49
مجموعی منافع	2,081	1,634	27.33%
آپریٹنگ منافع	1,729	1,589	8.86%
مالی لاگت	103	151	(31.53%)
ٹیکس سے پہلے منافع	1,626	1,437	13.10%
ٹیکس	514	630	(18.46%)
خالص منافع	1,112	807	37.77%
فی شخص آمدنی (EPS)	22.78	16.54	37.72%

Condensed Interim Statement of Financial Position

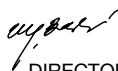
As At 31 March 2026

		Un-Audited 31 March 2026	Audited 30 June 2025
	Note	(Rupees in thousand)	
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorized share capital			
100,000,000 (30 June 2025: 100,000,000)			
ordinary shares of Rupees 10 each		1,000,000	1,000,000
Issued, subscribed and paid up share capital		488,094	488,094
Reserves	4	14,047,412	13,057,701
TOTAL EQUITY		14,535,506	13,545,795
LIABILITIES			
NON-CURRENT LIABILITIES			
Long term financing	5	2,029,545	2,470,692
Deferred liabilities		1,496,940	1,586,297
		3,526,485	4,056,989
CURRENT LIABILITIES			
Trade and other payables		4,627,638	3,836,359
Accrued mark-up		18,936	38,841
Short term borrowings		34,165	1,164,739
Provision for taxation - net		671,429	489,700
Unclaimed dividends		8,577	8,577
Current portion of non current liabilities		1,109,365	1,153,152
		6,470,110	6,691,368
TOTAL LIABILITIES		9,996,595	10,748,357
CONTINGENCIES AND COMMITMENTS	6		
TOTAL EQUITY AND LIABILITIES		24,532,101	24,294,152

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



CHIEF EXECUTIVE OFFICER



DIRECTOR

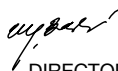


CHIEF FINANCIAL OFFICER

		Un-Audited 31 March 2026	Audited 30 June 2025
	Note	(Rupees in thousand)	
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	7	8,249,846	8,546,997
Investment properties		472,690	472,690
Long term investments	12	1,779,308	1,364,971
Long term deposits		239,500	129,284
		10,741,344	10,513,942
CURRENT ASSETS			
Stores, spares and loose tools		499,797	567,742
Stock in trade		5,860,832	7,389,621
Trade debts		4,548,159	3,220,558
Loans and advances		61,645	144,171
Short term deposits and prepayments		134,434	81,194
Other receivables		261,389	968,188
Short term investments	8	2,159,950	1,238,626
Cash and bank balances		257,885	163,444
		13,784,091	13,773,544
Non-current assets classified as held for sale		6,666	6,666
		13,790,757	13,780,210
TOTAL ASSETS		24,532,101	24,294,152



CHIEF EXECUTIVE OFFICER



DIRECTOR



CHIEF FINANCIAL OFFICER

Condensed Interim Statement of Profit or Loss (Un-Audited)

For the period ended 31 March 2026

	Note	Period ended		Quarter ended	
		31 March 2026	31 March 2025	31 March 2026	31 March 2025
		(Rupees in thousand)		(Rupees in thousand)	
Revenue	9	21,941,268	21,200,752	7,895,093	6,842,548
Cost of Sales	10	19,859,956	19,566,223	6,966,801	6,355,649
Gross Profit		2,081,312	1,634,529	928,292	486,899
Distribution Cost		192,875	202,190	73,317	72,377
Administrative Expenses		227,658	235,794	71,995	76,404
Other Expenses		153,994	117,187	48,632	15,898
		574,527	555,171	193,944	164,679
		1,506,785	1,079,358	734,348	322,220
Other Income		223,164	509,832	(206,484)	144,160
Profit from Operations		1,729,949	1,589,190	527,864	466,380
Finance Cost		103,545	151,227	23,175	43,814
Profit Before Levy and Taxation		1,626,404	1,437,963	504,689	422,566
Levy		35,626	200,994	9,687	46,645
Profit Before Taxation		1,590,778	1,236,969	495,002	375,921
Taxation		478,691	429,776	208,453	108,156
Profit After Taxation		1,112,087	807,193	286,549	267,765
Earnings per Share - Basic and diluted (Rupees)		22.78	16.54	5.87	5.49

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



CHIEF EXECUTIVE OFFICER



DIRECTOR



CHIEF FINANCIAL OFFICER

Condensed Interim Statement of Comprehensive Income (Un-Audited) For the period ended 31 March 2026

	Period ended		Quarter ended	
	31 March 2026	31 March 2025	31 March 2026	31 March 2025
	(Rupees in thousand)		(Rupees in thousand)	
PROFIT AFTER TAXATION	1,112,087	807,193	286,549	267,765
Other comprehensive income / (Loss):				
<i>Items that will not be reclassified to profit or loss:</i>				
(Deficit) / surplus arising on remeasurement of investments at fair value through other comprehensive income - net of tax	121,672	473,404	(267,520)	87,675
Items that may be reclassified subsequently to profit or loss	-	-	-	-
Other comprehensive (loss) / income for the period	121,672	473,404	(267,520)	87,675
Total comprehensive income for the period	1,233,759	1,280,597	19,029	355,440

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



CHIEF EXECUTIVE OFFICER



DIRECTOR



CHIEF FINANCIAL OFFICER

Condensed Interim Statement of Changes in Equity (Un-Audited)

For the period ended 31 March 2026

	Reserves							Total	Total Equity
	Capital Reserves			Revenue Reserves					
	Share premium reserve	Fair value reserve on FVTOCI investments	Sub total	General Reserve	Unappropriated profit	Sub total	Total		
------(Rupees in thousand)-----									
Balance as at 30 June 2024 - (Audited)	488,094	29,000	78,007	107,007	3,714,000	7,825,911	11,539,911	11,646,918	12,135,012
Final dividend for the year ended 30 June 2024 @ Rupees 5.00 per Share	-	-	-	-	-	(244,048)	(244,048)	(244,048)	(244,048)
Transfer of gain on disposal of FVTOCI investments to retained earnings	-	-	(113,252)	(113,252)	-	113,252	113,252	-	-
Profit for the period	-	-	-	-	-	807,193	807,193	807,193	807,193
Other comprehensive income for the period	-	-	473,404	473,404	-	-	-	473,404	473,404
Total comprehensive income for the period	-	-	473,404	473,404	-	807,193	807,193	1,280,597	1,280,597
Balance as at 31 March 2025 - (un-audited)	488,094	29,000	438,159	467,159	3,714,000	8,502,308	12,216,308	12,683,467	13,171,561
Transfer of gain on disposal of FVTOCI investments to retained earnings	-	-	(77,272)	(77,272)	-	77,272	77,272	-	-
Profit for the period	-	-	-	-	-	311,490	311,490	311,490	311,490
Other comprehensive income for the period	-	-	62,744	62,744	-	-	-	62,744	62,744
Total comprehensive income for the period	-	-	62,744	62,744	-	311,490	311,490	374,234	374,234
Balance as at 30 June 2025 - (audited)	488,094	29,000	423,631	452,631	3,714,000	8,891,070	12,605,070	13,057,701	13,545,795
Transactions with owners:									
Final dividend for the year ended 30 June 2025 @ Rupees 5.00 per Share	-	-	-	-	-	(244,048)	(244,048)	(244,048)	(244,048)
Transfer of gain on disposal of FVTOCI investment to retained earnings	-	-	(94,181)	(94,181)	-	94,181	94,181	-	-
Profit for the period	-	-	-	-	-	1,112,087	1,112,087	1,112,087	1,112,087
Other comprehensive loss for the period	-	-	121,672	121,672	-	-	-	121,672	121,672
Total comprehensive income for the period	-	-	121,672	121,672	-	1,112,087	1,112,087	1,233,759	1,233,759
Balance as at 31 March 2026 - (un-audited)	488,094	29,000	451,122	480,122	3,714,000	9,853,290	13,567,290	14,047,412	14,535,506

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



CHIEF EXECUTIVE OFFICER



DIRECTOR



CHIEF FINANCIAL OFFICER

Condensed Interim Statement of Cash Flows (Un-Audited) For the period ended 31 March 2026

	31 March 2026	31 March 2025
	(Rupees in thousand)	
		(Restated)
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	1,626,404	1,437,963
Adjustment for non-cash and other items:		
Depreciation	563,792	580,705
Gain on sale on investments at fair value through profit or loss	(8,296)	(11,824)
Exchange (gain) / loss	(11,399)	-
Allowance for expected credit loss	4,738	-
Dividend income	(105,954)	(221,964)
Gain on disposal of property, plant and equipment	(18,083)	(67,584)
Provision for slow moving, obsolete and damaged store items	12,020	4,432
Provision for Workers' Profit Participation Fund	94,398	75,838
Provision for Workers' Welfare Fund	35,871	28,862
Profit on bank deposits	(34,411)	(33,172)
Unrealized (gain) / loss on remeasurement of investments at FVTPL	(41,635)	(145,285)
Finance cost	103,545	151,227
Cash flows from operating activities before working capital changes	2,220,990	1,799,198
EFFECT ON CASH FLOW DUE TO WORKING CAPITAL CHANGES		
(Increase) / decrease in current assets:		
Stores, spares and loose tools	55,925	232,496
Stock in trade	1,528,789	177,459
Trade debts	(1,320,940)	(537,114)
Loans and advances	82,526	79,542
Trade deposits and short term prepayments	(53,240)	183,255
Other receivables	706,799	143,938
Increase in current liabilities:		
Increase in trade and other payables	774,555	260,925
Net cash from /(used in) working capital	1,774,414	540,501
CASH GENERATED FROM /(USED IN) OPERATIONS	3,995,404	2,339,699

Condensed Interim Statement of Cash Flows (Un-Audited)

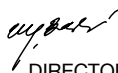
For the period ended 31 March 2026

	31 March 2026	31 March 2025
	(Rupees in thousand)	
Finance cost paid	(123,450)	(174,117)
Workers' profit participation fund paid	(107,978)	(105,988)
Profit on bank deposits received	34,411	33,172
Increase in long term deposits	(110,216)	-
Income tax paid	(329,062)	(334,224)
NET CASH FROM /(USED IN) OPERATING ACTIVITIES	3,359,109	1,753,006
CASH FLOWS FROM INVESTING ACTIVITIES		
Capital expenditure incurred	(288,130)	(779,091)
Proceeds from disposal of property, plant and equipment	44,474	92,400
Investments - net	(1,250,601)	(200,178)
Dividend received	105,954	221,964
NET CASH USED IN INVESTING ACTIVITIES	(1,388,303)	(664,905)
CASH FLOWS FROM FINANCING ACTIVITIES		
Long term financing - net	(501,743)	(501,604)
(Decrease)/ increase in short term borrowings - net	(1,130,574)	(560,866)
Dividend paid	(244,048)	(242,784)
NET CASH (USED IN) / FROM FINANCING ACTIVITIES	(1,876,365)	(1,305,254)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	94,441	(217,153)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	163,444	378,804
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	257,885	161,651

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



CHIEF EXECUTIVE OFFICER



DIRECTOR



CHIEF FINANCIAL OFFICER

Selected Notes to the Condensed Interim Financial Statements (Un-Audited) For the period ended 31 March 2026

1. THE COMPANY AND ITS ACTIVITIES

Suraj Cotton Mills Limited 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. 802, Tricon Corporate Centre, 73-E, Main Jail Road, Gulberg II, Lahore. The Company is engaged in manufacturing, sale and trading of yarn, cloth and processing of cloth.

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: 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.

2.2 These condensed interim financial statements do not include all the information and disclosures required in annual financial statements and should be read in conjunction with the annual audited financial statements of the Company for the year ended 30 June 2023. These condensed interim financial statements are un-audited, however, have been subjected to limited scope review by the auditors and are being submitted to the shareholders as required by the Listed Companies (Code of Corporate Governance) Regulations, 2019 and Section 237 of 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 period ended 31 March 2026

	Un-Audited 31 March 2026	Audited June 30 2025
(Rupees in thousand)		
4. RESERVES		
Capital reserves:		
Share premium reserve	29,000	29,000
Fair value reserve on FVTOCI investments	451,122	423,631
	480,122	452,631
Revenue reserves:		
General reserve	3,714,000	3,714,000
Unappropriated profit	9,853,290	8,891,070
	13,567,290	12,605,070
	14,047,412	13,057,701
5. LONG TERM FINANCING - SECURED		
Opening balance	3,063,146	3,624,454
Repaid during the period / year	(501,743)	(717,885)
Add / (less): Deferred income - Government grant	65,832	156,577
	2,627,235	3,063,146
Less: Current portion shown under current liabilities	(597,690)	(592,454)
	2,029,545	2,470,692
6. CONTINGENCIES AND COMMITMENTS		
Contingencies		
i) There is no significant change in the status of contingencies as disclosed in the preceding published financial statements of the Company for the period ended 31 December 2025 except as follows:		
ii) Guarantees of Rupees 898.43 million (30 June 2025: Rupees 810.98 million) are given by the banks of the Company to Sui Northern Gas Pipelines Limited against gas connections, Director Excise and Taxation, Karachi against infrastructure cess and others.		
Commitments		
i) Contracts for capital expenditure are approximately of Rupees 2,148.334 million (30 June 2025: Rupees Nil)		
ii) Letters of credit other than for capital expenditure are of Rupees 2,186.277 million (30 June 2025: Rupees 6,657.684 million).		

Selected Notes to the Condensed Interim Financial Statements (Un-Audited)
For the period ended 31 March 2026

	Note	Un-Audited 31 March 2026 (Rupees in thousand)	Audited June 30, 2025
7. PROPERTY, PLANT AND EQUIPMENT			
Operating fixed assets - tangible	(7.1)	8,087,562	8,410,684
Capital work in progress	(7.2)	162,284	136,313
		8,249,846	8,546,997
7.1 OPERATING FIXED ASSETS - TANGIBLE			
Opening book value		8,410,684	8,345,728
Add: Additions during the period / year -cost	(7.1.1)	262,159	875,016
		8,672,843	9,220,744
Less: Deletions during the period / year		(21,489)	(28,451)
		8,651,354	9,192,293
Less: Depreciation during the period / year		(563,792)	(781,609)
Book value at the end of the period / year		8,087,562	8,410,684
7.1.1 ADDITIONS DURING THE PERIOD / YEAR - COST			
Factory building		-	8,731
Plant and machinery		226,573	649,184
Factory equipment		-	114,841
Office premises		-	52,892
Electric installation		13,583	39,713
Vehicles		22,003	9,655
		262,159	875,016
7.2 CAPITAL WORK IN PROGRESS			
Plant and machinery		126,227	136,313
Electric installation		36,057	-
		162,284	136,313
8. SHORT TERM INVESTMENTS			
Equity investments		896,451	725,280
Mutual funds		773,999	111,191
Debt instruments - term deposit receipts (at amortized cost)		489,500	402,155
		2,159,950	1,238,626

Selected Notes to the Condensed Interim Financial Statements (Un-Audited)
For the period ended 31 March 2026

	PERIOD ENDED		QUARTER ENDED	
	March 31 - 2026	March 31 - 2025	March 31 - 2026	March 31 - 2025
----- (Rupees in Thousand) -----				
10. COST OF SALES				
Raw material consumed	13,766,321	13,674,447	4,347,969	4,215,929
Sizing expenses	134,453	109,621	46,361	37,651
Stores, spares and loose tools consumed	235,877	291,457	77,990	120,253
Packing materials consumed	151,424	156,333	47,095	52,317
Salaries, wages and other benefits	1,293,633	1,238,536	425,677	409,739
Fuel and power	2,621,067	3,114,598	784,568	1,069,929
Repairs and maintenance	201,016	205,757	66,608	67,376
Insurance	33,974	35,696	11,544	11,758
Depreciation	539,143	555,819	181,036	190,926
Other factory overheads	30,851	28,655	10,855	9,360
	19,007,759	19,410,919	5,999,703	6,185,238
Work-in-process:				
Opening stock	342,632	396,277	352,289	389,923
Closing stock	(370,145)	(359,787)	(370,145)	(359,787)
	(27,513)	36,490	(17,856)	30,136
Cost of goods manufactured	18,980,246	19,447,409	5,981,847	6,215,374
Finished goods:				
Opening stock	3,267,719	2,840,591	3,372,964	2,862,052
Closing stock	(2,388,009)	(2,721,777)	(2,388,009)	(2,721,777)
	879,710	118,814	984,955	140,275
	19,859,956	19,566,223	6,966,801	6,355,649

(UN-AUDITED)

HALF YEAR ENDED

31 March 2026 31 March 2025

(Rupees in thousand)

11 EARNINGS PER SHARE - BASIC AND DILUTED

There is no dilutive effect on the basic earnings per share which is based on:

Profit attributable to ordinary shareholders	(Rupees in thousand)	1,112,087	807,193
Weighted average number of ordinary shares	Numbers	48,809,515	48,809,515
Earnings per share - Basic and diluted	(Rupees)	22.78	16.54

Selected Notes to the Condensed Interim Financial Statements (Un-Audited)
For the period ended 31 March 2026

12 OPERATING SEGMENT INFORMATION

12.1 The Company has two reportable segments. The following summary describes the operation in each of the Company's reportable segments:

Spinning: Production of different quality of yarn using natural and artificial fibers.

Weaving: Production of different quality of greige fabric using yarn.

Transactions between operating segments are recorded on arm's length basis in a manner similar to transactions with third parties. Inter segment sales and purchases have been eliminated from the total.

	Spinning		Weaving		Un-Audited		Elimination of Inter-segment transactions		Total-Company	
	March 31 - 2026	March 31 - 2025	March 31 - 2026	March 31 - 2025	March 31 - 2026	March 31 - 2025	March 31 - 2026	March 31 - 2025	March 31 - 2026	March 31 - 2025
	--- (Rupees in thousand) ---									
SALES										
External Inter-segment	10,769,636	8,514,626	11,171,632	12,686,126	-	-	-	-	21,941,268	21,200,752
	4,535,369	6,504,884	-	-	(4,535,369)	(6,504,884)	-	-	-	-
	15,305,005	15,019,510	11,171,632	12,686,126	(4,535,369)	(6,504,884)	-	-	21,941,268	21,200,752
COST OF SALES										
External Inter-segment	(9,864,761)	(7,904,947)	(9,995,195)	(11,661,276)	-	-	-	-	(19,859,956)	(19,566,223)
	(4,535,369)	(6,504,884)	-	-	4,535,369	6,504,884	-	-	(19,859,956)	(19,566,223)
	(14,400,130)	(14,409,831)	(9,995,195)	(11,661,276)	4,535,369	6,504,884	-	-	(19,859,956)	(19,566,223)
Gross profit	904,875	609,679	1,176,437	1,024,850	-	-	-	-	2,081,312	1,634,529
Distribution cost	(64,646)	(88,085)	(158,229)	(164,105)	-	-	-	-	(192,875)	(202,190)
Administrative expenses	(160,622)	(176,198)	(67,036)	(59,596)	-	-	-	-	(227,658)	(235,794)
	(195,268)	(214,283)	(225,265)	(223,701)	-	-	-	-	(420,533)	(437,984)
Profit before taxation and unallocated income and expenses	709,607	395,396	951,172	801,149	-	-	-	-	1,660,779	1,196,545
Unallocated income and expenses:										
Operating expenses									(153,994)	(117,187)
Other income									223,164	509,832
Finance cost									(103,545)	(151,227)
Levy									(35,626)	(200,994)
Taxation									(478,691)	(429,776)
Profit for the period									1,112,087	807,193

12.3 Reconciliation of Reportable Segment Assets and Liabilities

Selected Notes to the Condensed Interim Financial Statements (Un-Audited)
For the period ended 31 March 2026

	SPINNING		WEAVING		TOTAL-COMPANY	
	Un-Audited March 31 - 2026	Audited June 30 - 2025	Un-Audited March 31 - 2026	Audited June 30 - 2025	Un-Audited March 31 - 2026	Audited June 30 - 2025
Total assets for reportable segment	17,015,776	14,764,377	3,097,711	6,446,822	20,113,487	21,211,199
Unallocated assets:						
Investment properties					472,690	472,690
Long term investments					1,779,308	1,364,971
Short term investments					2,159,950	1,238,626
Non-current assets classified as held for sale					6,666	6,666
Total assets as per condensed interim statement of financial position					24,532,101	24,294,152
Total liabilities for reportable segments	5,132,174	5,771,118	2,687,475	2,892,665	7,819,649	8,663,783
Unallocated liabilities:						
Deferred liabilities					1,496,940	1,586,297
Provision for taxation - net					671,429	489,700
Unclaimed dividend					8,577	8,577
Total liabilities as per condensed interim statement of financial position					9,996,595	10,748,357

Selected Notes to the Condensed Interim Financial Statements (Un-Audited) For the period ended 31 March 2026

13. 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 recognised 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 Thousand)

Financial assets				
Fair value through profit or loss	1,670,450	-	-	1,670,450
Fair value through other comprehensive income	1,774,123	-	-	1,774,123
	3,444,573	-	-	3,444,573

Recurring fair value measurements at 30 June 2025 - Audited	Level 1	Level 2	Level 3	Total
--	---------	---------	---------	-------

(Rupees in Thousand)

Financial assets				
Fair value through profit or loss	836,471	-	-	836,471
Fair value through other comprehensive income	1,359,786	-	-	1,359,786
Derivative Financial Liabilities	-	-	-	-
	2,196,257	-	-	2,196,257

Selected Notes to the Condensed Interim Financial Statements (Un-Audited) **For the period 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 ended 31 March 2026. Further there was no transfer in and out of level 3 measurements.

The Company's policy is to recognise 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 maximise 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 level 1 fair values

Specific valuation technique used to value financial instruments was use of quoted market prices on dealer quotes for similar investments.

Selected Notes to the Condensed Interim Financial Statements (Un-Audited) For the period ended 31 March 2026

14. TRANSACTIONS WITH RELATED PARTIES

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

	UN-AUDITED			
	PERIOD ENDED		QUARTER ENDED	
	March 31- 2026	March 31- 2025	March 31- 2026	March 31- 2025
	(Rupees in thousand)		(Rupees in thousand)	
i) Transactions				
Associated companies				
Purchase of electricity	4,785	10,303	569	1,142
Sale of goods	360,646	312,211	234,699	70,434
Purchase of goods	-	193,000	-	-
Insurance expense	64,319	66,118	7,181	5,004
Dividend paid	115,990	115,990	-	-
Key management personnel				
Remuneration paid to Chief Executive Officer & Directors.	58,691	51,879	19,857	17,318
Dividend paid	77,075	72,931	-	-
Other related parties				
Company's contribution to provident fund trust	47,694	49,895	13,174	17,332

ii) Period end balances

	As at 31 March 2026 (Un-audited)		
	ASSOCIATED COMPANIES	OTHER RELATED PARTIES	TOTAL
	(Rupees in Thousand)		
Trade and other payables	19,036	-	19,036
Other receivables	7,176	-	7,176
Short term investments	-	6,101	6,101
Long term investments	154,125	-	154,125

Selected Notes to the Condensed Interim Financial Statements (Un-Audited)
For the period ended 31 March 2026

	As At 30 June 2025 (Audited)		
	ASSOCIATED COMPANIES	OTHER RELATED PARTIES	TOTAL
	(Rupees in Thousand)		
Trade debts	10,487	-	10,487
Trade and other payables	10,559	18,223	28,782
Loans and advances	7,788	-	7,788
Short term investments	-	15,688	15,688
Long term investments	115,919	-	115,919

15 DISCLOSURE REQUIREMENT FOR COMPANY NOT ENGAGED IN SHARIAH NON-PERMISSIBLE BUSINESS ACTIVITIES AS ITS CORE BUSINESS ACTIVITIES

Description	Un-Audited	Audited
	31 March 2026	June 30, 2025
	(Rupees in thousand)	
Financing (long-term, short-term, or lease financing) obtained as per Islamic mode	19,720	185,737
Interest or mark-up accrued on any conventional loan or advance	14,560	20,630
Long-term and short-term Shariah compliant Investments	2,206,726	1,608,416
Shariah-compliant bank deposits, bank balances, and TDRs	316,201	345,468

Selected Notes to the Condensed Interim Financial Statements (Un-Audited) For the period ended 31 March 2026

	Un-Audited			
	Period ended		Quarter ended	
	31 March 2026	31 March 2025	31 March 2026	31 March 2025
	-----Rupees in Thousand-----			
Revenue earned from a Shariah-compliant business segment	21,941,268	21,200,752	7,895,093	6,842,548
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	81,528	77,657	29,992	37,631
Gain on disposal of investments at fair value through profit or loss	8,296	3,914	(26,794)	(18,839)
Unrealised gain on re-measurement of investments at fair value through profit or loss	4,117	129,265	(226,904)	27,450
Gain on disposal of investments at FVTOCI	94,181	113,252	-	48,214
Unrealised gain on re-measurement of investments at FVTOCI	(93,533)	360,152	(361,618)	105,831
Profit earned from Shariah-compliant bank deposits, bank balances, or TDRs				
Profit on deposits with banks	4,701	3,479	1,567	1,177
Return on term deposit receipts	11,490	18,516	3,830	3,150
Exchange gain earned from actual currency	11,399	7,780	10,298	7,503
Exchange gains earned using conventional derivative financial instruments				
Profit paid on Islamic mode of financing	31,951	30,144	6,761	6,699
Total Interest earned on any conventional loan or advance				
Return on term deposit receipts	11,652	-	8,801	-
Profit on deposits with banks	6,567	11,177	2,189	3,460
Source and detailed breakup of other income, including breakup of other or miscellaneous portions of other income into Shariah-compliant and noncompliant income				
<i>Shariah-compliant:</i>				
Dividend income	81,528	77,657	29,992	37,631
Profit on deposits with banks	4,701	3,479	1,567	1,177
Return on term deposit receipts	11,490	18,516	3,830	3,150
Gain on disposal of investments at fair value through profit or loss	8,296	3,914	(26,794)	(18,839)

Selected Notes to the Condensed Interim Financial Statements (Un-Audited) For the period ended 31 March 2026

	Un-Audited			
	Period ended		Quarter ended	
	31 March 2026	31 March 2025	31 March 2026	31 March 2025
	-----Rupees in Thousand-----			
Unrealised gain on re-measurement of investments at fair value through profit or loss	4,117	129,265	(226,904)	27,450
Net exchange gain	11,399	7,780	10,298	7,503
Gain on disposal of property, plant and equipment - net	18,083	67,584	6,210	48,985
Scrap sales	3,386	11,175	1,230	2,102
Non-shariah compliant income:				
Dividend income	24,426	144,307	5,912	24,418
Return on term deposit receipts	11,652	-	8,801	-
Profit on deposits with banks	6,567	11,177	2,189	3,460
Gain on disposal of investments at fair value through profit or loss	-	7,910	-	782
Unrealised gain / (loss) on re-measurement of investments at fair value through profit or loss	37,519	16,020	(22,815)	(4,707)

Relationship with Shariah-compliant financial institutions, including banks, takaful operators and their windows, etc

Name	Relationship
Meezan Bank Limited	Bank balance and short term borrowings
MCB Islamic Bank Limited	Bank balance and short term borrowings
Dubai Islamic Bank Limited	Bank balance
National Bank of Pakistan (Aitemaad Current Account)	Bank balance

16. 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.

17. DATE OF AUTHORIZATION

These condensed interim financial statements were approved by the Board of Directors and authorized for issue on 28th April 2026.

Selected Notes to the Condensed Interim Financial Statements (Un-Audited) For the period ended 31 March 2026

18. 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.

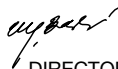
Corresponding figures have been re-arranged, wherever necessary, for the purpose of comparison. However, no significant re-arrangements have been made.

19. GENERAL

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



CHIEF EXECUTIVE OFFICER



DIRECTOR



CHIEF FINANCIAL OFFICER



SURAJ
سورج

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