



**FINANCIAL STATEMENTS**  
For the Half Year Ended  
**March 31, 2026**

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**CORPORATE INFORMATION****DATE OF INCORPORATION**

August 23, 1989

**DATE OF COMMENCEMENT OF BUSINESS**

September 13, 1989

**BOARD OF DIRECTORS**

Mr. Faraz Mubeen Jumani (Chief Executive Officer)  
Mr. Muhammad Mubeen Jumani  
Mr. Fahad Mubeen Jumani  
Mrs. Qamar Mubeen Jumani (Chairperson)  
Miss. Arisha Mubeen Jumani  
Mr. Asif Khan Brohi  
Mr. Ghulam Nabi Memon Morai

**CHIEF FINANCIAL OFFICER**

Mr. Mirza Muhammad Bilal Kamil

**COMPANY SECRETARY**

Mr. Mirza Muhammad Bilal Kamil

**BANKERS**

Al Baraka Bank (Pakistan) Limited  
Allied Bank Limited  
Bank Al Falah Limited  
Bank AL Habib Limited  
Dubai Islamic Bank Pakistan Limited  
Habib Bank Limited  
JS Bank Limited  
MCB Bank Limited  
MCB Islamic Bank Limited  
Meezan Bank Limited  
National Bank of Pakistan  
Pair Investment Company Limited  
Pak-Brunei Investment Company Limited  
Parwaz Financial Services Limited  
Sindh Bank Limited  
Sindh Modarba  
United Bank Limited  
UBL - Ameen

**SHARES REGISTERAR**

C & K Management Associates (Private) Limited  
M-13, Mezzanine Floor, Progressive Plaza,  
Plot No. 5 CL - 10, Civil Lines Quarter,  
Beaumont Road, Near P.I.D.C., Karachi.

**E-MAIL & WEBSITE**

headoffice@jumanigroup.com  
<http://khaipur.sugar.com.pk>

**COST AUDITORS**

M/s A. D. Akhawala & Co.  
(Chartered Accountant)  
321-UNI Centre, I. I. Chundrigar Road, Karachi.

**AUDIT COMMITTEE**

Mr. Asif Khan Brohi (Chairman)  
Mr. Ghulam Nabi Memon Morai (Member)  
Mrs. Qamar Mubeen Jumani (Member)

**HR AND REMUNERATION COMMITTEE**

Mr. Asif Khan Brohi (Chairman)  
Mr. Ghulam Nabi Memon Morai (Member)  
Mr. Fahad Mubeen Jumani (Member)

**NOMINATION COMMITTEE**

Mr. Asif Khan Brohi (Chairman)  
Mrs. Qamar Mubeen Jumani (Member)  
Mr. Fahad Mubeen Jumani (Member)

**RISK MANAGEMENT COMMITTEE**

Mr. Asif Khan Brohi (Chairman)  
Mr. Muhammad Mubeen Jumani (Member)  
Miss. Arisha Mubeen Jumani (Member)

**SUSTAINABLE ESG COMMITTEE**

Mr. Asif Khan Brohi (Chairman)  
Mr. Muhammad Mubeen Jumani (Member)  
Miss. Arisha Mubeen Jumani (Member)

**LEGAL ADVISOR**

Asad Ali Riar (Advocate)  
Suite No 17-18, Farid Chambers, 2nd Floor,  
Abdullah Haroon Road, Karachi.

**STATUTORY AUDITORS**

M/S. Reanda Haroon Zakaria Aamir Salman Rizwan  
& Co. (Chartered Accountants)  
M-1-M4, Mezzanine Floor, Progressive Plaza,  
Plot No. 5 CL - 10, Civil Lines Quarter,  
Beaumont Road, Near Dawood Centre,  
Karachi - 75530.

**REGISTERED OFFICE**

51/II/IV, Khayaban-e-Janbaz,  
Phase-V (Ext.), D.H.A., Karachi.  
Ph: 021-35250131-35 | Fax: 021-35250136

**MILLS**

Naroo Dhoru, Taluka Kot Diji, Khairpur.

**STOCK EXCHANGE SYMBOL**KPUS

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### **VISION STATEMENT**

We aim to be a leading manufacturer of quality sugar, and other allied products and its supplier in local and international markets. We aspire to be known for the quality of our products and intend to play a pivotal role in the economic and social development of Pakistan.

### **MISSION STATEMENT**

As a prominent producer of sugar, and other allied products, we shall continue to strive to achieve excellence in performance and aim to exceed the expectations of all stakeholders. We target to achieve technological advancements to inculcate the most efficient, ethical and time-tested business practices in our management.

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## **DIRECTORS' REPORT FOR THE INTERIM PERIOD ENDED MARCH 31, 2026**

Dear Members

Assalam-o-alaikoom

On behalf of the Board of Directors, it is our privilege to present before you the un-audited condensed interim financial statements of the Company for the half year ended March 31, 2026.

### **FINANCIAL RESULTS**

The summarized financial performance of the Company for the half year is as follows:

<b>Particulars</b>	<b>March 31, 2026</b>	<b>March 31, 2025</b>
	<b>Rupees in '000</b>	
<b>Profit before Taxation</b>	179,199	254,585
<b>Taxation</b>	(70,481)	(173,712)
<b>Profit after Taxation</b>	108,718	80,873
<b>Earnings Per Share - Basic &amp; Diluted (Rs.)</b>	6.79	5.05

### **PERFORMANCE & OPERATIONAL REVIEW**

<b>Particulars</b>	<b>2025-26</b>	<b>2024-25</b>
	<b>Season</b>	
Season Started	02-12-2025	21-11-2024
Season Closed On	26-03-2026	10-03-2025
Number of Days Worked	115	110
Sugarcane Crushing (MT)	588,196	740,684
Production - Sugar (MT)	59,461	71,476
Production - Molasses (MT)	41,855	37,346

The Company recorded an operating profit of Rs. 389.21 million for the half year under review as compared to Rs. 465.70 million in the same period last year. This variance is primarily reflective of the broader challenges faced during the crushing season 2025-26. As reported earlier, the season commenced late on December 2, 2025, due to a month-long delay caused by the untimely import of sugar by the Federal Government, alongside initial harvesting hesitations from growers. Furthermore, the Government of Sindh (Agriculture Supply & Prices Department) did not notify official sugarcane procurement prices.

Despite these initial bottlenecks and the resulting variations in cane quality, management's persistent focus on operational efficiency and recovery optimization achieved positive results. The Company managed to earn gross profit of Rs. 628.06 million and improved its ultimate net profitability, yielding a post-tax profit of Rs. 108.71 million, up from Rs. 80.87 million in the corresponding period of 2025.

## ENVIRONMENTAL, SOCIAL & GOVERNANCE (ESG) INITIATIVES

Khairpur Sugar Mills Limited stays deeply rooted in environmental sustainability. In compliance with the Sindh Environmental Protection Act, 2013, and under the supervision of foreign consultants, our wastewater treatment plant operates successfully at a capacity of 3,000 cubic meters per day. The treated effluent is efficiently repurposed for agricultural use, contributing to local water conservation and minimizing environmental impacts.

On the social front, the Company continues to drive community infrastructure upgrades, primary healthcare outreach, and educational welfare programs within its operational areas.

## FUTURE OUTLOOK

While sugar prices exhibited a downward trend during the early part of the season, the management holds a positive and constructive outlook for the remainder of the financial year. Profitability is expected to be reinforced by cost-containment measures and the continuous optimization of production streams.

## CORPORATE GOVERNANCE

The company remains fully compliant with the requirements of corporate governance regulations:

1. The total number of Directors are seven as per the following:

Sr. No.	Category	Numbers
a)	Male:	Five (5)
b)	Female:	Two (2)

2. The composition of board is as follows:

Sr. No.	Designation Category	Names
(i)	Independent Directors	Mr. Asif Khan Brohi, Mr. Ghulam Nabi Memon Morai
(ii)	Non-Executive Directors	Mr. Fahad Mubeen Jumani Mrs. Qamar Mubeen Jumani Miss. Arisha Mubeen Jumani
(iii)	Executive Directors	Mr. Muhammad Mubeen Jumani Mr. Faraz Mubeen Jumani
(iv)	Female Directors	Mrs. Qamar Mubeen Jumani Miss. Arisha Mubeen Jumani

3. The Board had formed committees comprising of members given below:

Sr. No.	Name of Committee	Composition	
		Name	Designation
(i)	Audit Committee	Mr. Asif Khan Brohi	Chairman/Member
		Mr. Ghulam Nabi Memon Morai	Member
		Mrs. Qamar Mubeen Jumani	
(ii)	Human Resource and Remuneration Committee	Mr. Asif Khan Brohi	Chairman/Member
		Mr. Ghulam Nabi Memon Morai	Member
		Mrs. Qamar Mubeen Jumani	
(iii)	Nomination Committee	Mr. Asif Khan Brohi	Chairman/Member
		Mr. Fahad Mubeen Jumani	Member
		Mrs. Qamar Mubeen Jumani	
(iv)	Risk Management Committee	Mr. Asif Khan Brohi	Chairman/Member
		Mr. Muhammad Mubeen Jumani	Member
		Miss. Arisha Mubeen Jumani	
(v)	Sustainability (ESG) Committee	Mr. Asif Khan Brohi	Chairman/Member
		Mr. Muhammad Mubeen Jumani	Member
		Miss. Arisha Mubeen Jumani	

### DIVIDEND

In alignment with strict capital preservation goals to support ongoing post-season operations and manage working capital efficiently, the Board has decided not to declare an interim dividend for the period ended March 31, 2026.

### ACKNOWLEDGEMENT

The Board expresses its sincere appreciation to our shareholders, corporate clients, banking partners, and regulatory bodies for their continuous trust. We also commend the relentless dedication and hard work of our employees, whose contributions remain pivotal to the company's operational progress.

**For and on behalf of  
the Board of Directors  
Khairpur Sugar Mills Limited**



**(Faraz Mubeen Jumani)**  
Chief Executive Officer



**(Muhammad Mubeen Jumani)**  
Director

Place: Karachi  
Dated: May 21, 2026

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**INDEPENDENT AUDITOR'S REVIEW REPORT  
TO THE MEMBERS OF KHAIRPUR SUGAR MILLS LIMITED  
REPORT ON REVIEW OF CONDENSED INTERIM FINANCIAL STATEMENTS****Introduction**

We have reviewed the accompanying condensed interim statement of financial position of **Khairpur Sugar Mills Limited** as at March 31, 2026 and the related condensed interim statement of profit or loss and other comprehensive income, condensed interim statement of changes in equity, and the condensed interim statement of cash flows and notes to the financial statements for six-month period then ended (here-in-after referred to as the "Condensed Interim Financial Statements"). Management is responsible for the preparation and presentation of this interim financial statements in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on these financial statements based on our review.

**Scope of Review**

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

**Conclusion**

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed interim financial statements is not prepared, in all material respects, in accordance with the accounting and reporting standards as applicable in Pakistan for the interim financial reporting.

**Other matter**

The figures of the condensed statement of profit or loss and other comprehensive income for the quarters ended March 31, 2026 and 2025 and the notes thereto have not been reviewed as we are required to review only the cumulative figures for the six months period ended March 31, 2026.

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

*Reanda Haroon Zakaria Aamir Salman Rizwan & Co*  
**Reanda Haroon Zakaria Aamir Salman Rizwan & Company**  
Chartered Accountants

Place: Karachi  
Dated: May 21, 2026  
UDIN: RR202610127TxvENef5c

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**STATEMENT OF CONDENSED INTERIM FINANCIAL POSITION (UN-AUDITED)**  
**AS AT MARCH 31, 2026**

		March 31, 2026 Un-Audited	September 30, 2025 Audited
	Note	-----Rupees in 000's-----	
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
Property, plant and equipment	05	6,315,444	6,390,892
Intangible assets		6,926	7,104
Long term deposits		82,457	69,565
		<u>6,404,827</u>	<u>6,467,561</u>
<b>Current Assets</b>			
Stock in trade	06	5,610,741	1,608,514
Stores, spares and loose tools		223,048	218,215
Trade debts		285,740	585,954
Advances		1,946,241	1,429,534
Deposits, prepayments and other receivables	07	142,698	141,809
Tax refund due from Government		60,657	7,811
Cash and bank balances		97,967	218,769
		<u>8,367,092</u>	<u>4,210,606</u>
<b>TOTAL ASSETS</b>		<u><u>14,771,919</u></u>	<u><u>10,678,167</u></u>
<b>EQUITY AND LIABILITIES</b>			
<b>Authorized Capital</b>			
20,000,000 ordinary shares of Rs. 10 each		<u>200,000</u>	<u>200,000</u>
<b>Share capital and reserves</b>			
Issued, subscribed and paid up capital		160,175	160,175
Revenue reserves - accumulated profit		733,204	557,541
Surplus on revaluation of property, plant and equipment - net		3,077,344	3,144,289
Subordinated Loan		1,140,657	1,140,657
		<u>5,111,380</u>	<u>5,002,662</u>
<b>NON-CURRENT LIABILITIES</b>			
Long term financing	08	164,710	224,065
Deferred liabilities		1,264,154	1,246,664
Lease liabilities	09	298,250	247,356
		<u>1,727,114</u>	<u>1,718,085</u>
<b>CURRENT LIABILITIES</b>			
Current portion of lease liability	09	97,162	53,187
Current portion of long term financing		15,252	-
Trade and other payables	10	2,334,377	761,615
Short term borrowings	11	5,238,151	2,944,832
Accrued Markup		248,483	197,786
		<u>7,933,425</u>	<u>3,957,420</u>
Contingencies and commitments	12	-	-
<b>Total Equity and Liabilities</b>		<u><u>14,771,919</u></u>	<u><u>10,678,167</u></u>

The annexed notes from 1 to 19 form an integral part of these condensed interim financial statements.



**Faraz Mubeen Jumani**  
Chief Executive Officer



**Mirza Muhammad Bilal Kamil**  
Chief Financial Officer




**Muhammad Mubeen Jumani**  
Director

Place: Karachi, Dated: May 21, 2026

**STATEMENT OF CONDENSED INTERIM PROFIT OR LOSS AND OTHER  
 COMPREHENSIVE INCOME (UN-AUDITED)  
 FOR THE HALF YEAR ENDED MARCH 31, 2026**

	Half year ended		Second quarter ended	
	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025
----- Rupees in 000's -----				
Sales - net	4,070,320	7,107,650	2,137,655	4,893,939
Cost of sales	(3,411,963)	(6,417,745)	(1,808,686)	(4,475,582)
<b>Gross Profit</b>	<b>658,357</b>	<b>689,905</b>	<b>328,969</b>	<b>418,357</b>
<b>Operating expense</b>				
Administrative expenses	(224,562)	(193,709)	(121,645)	(89,629)
Distribution expenses	(14,287)	(30,492)	(10,631)	(18,924)
	(238,849)	(224,201)	(132,276)	(108,553)
<b>Operating profit</b>	<b>419,508</b>	<b>465,704</b>	<b>196,693</b>	<b>309,804</b>
Other income	9,907	9,868	6,389	3,744
Other charges	(13,404)	(21,007)	(13,404)	(21,007)
	416,011	454,565	189,678	292,541
Financial charges	(236,812)	(199,980)	(171,881)	(84,593)
<b>Profit before taxation</b>	<b>179,199</b>	<b>254,585</b>	<b>17,797</b>	<b>207,948</b>
<b>Taxation</b>				
Current	(52,991)	(88,099)	15,600	(64,412)
Deferred	(17,490)	(85,613)	(17,490)	(85,613)
	(70,481)	(173,712)	(1,890)	(150,025)
<b>Profit after taxation</b>	<b>108,718</b>	<b>80,873</b>	<b>15,907</b>	<b>57,923</b>
<b>Other comprehensive income</b>	-	-	-	-
<b>Total comprehensive profit for the period</b>	<b>108,718</b>	<b>80,873</b>	<b>15,907</b>	<b>57,923</b>
Earnings per share-basic and diluted	6.79	5.05	0.99	3.62

The annexed notes from 1 to 19 form an integral part of these condensed interim financial statements.



**Faraz Mubeen Jumani**  
 Chief Executive Officer



**Mirza Muhammad Bilal Kamil**  
 Chief Financial Officer



**Muhammad Mubeen Jumani**  
 Director

Place: Karachi, Dated: May 21, 2026

**STATEMENT OF CONDENSED INTERIM  
CHANGES IN EQUITY (UN-AUDITED)  
FOR THE HALF YEAR ENDED MARCH 31, 2026**

	Issued, subscribed & paid-up capital	Accumulated Profit	Surplus on revaluation of fixed assets	Subordinated Loan	Total
-----Rupees in 000's-----					
<b>Balance as at October 1, 2024</b>	160,175	395,911	2,368,193	1,140,657	4,064,936
<b>Total comprehensive income for the year ended March 31 2025</b>					
- Profit for the period	-	80,873	-	-	80,873
- Other comprehensive income for the period	-	-	-	-	-
	-	80,873	-	-	80,873
Transfer on account of incremental depreciation-net of deferred tax	-	48,292	(48,292)	-	-
<b>Balance as at March 31, 2025</b>	<b>160,175</b>	<b>525,076</b>	<b>2,319,901</b>	<b>1,140,657</b>	<b>4,145,809</b>
<b>Balance as at October 1, 2025</b>	160,175	557,541	3,144,289	1,140,657	5,002,662
<b>Total comprehensive income for the period ended March 31 2026</b>					
- Profit for the period	-	108,718	-	-	108,718
- Other comprehensive income for the period	-	-	-	-	-
	-	108,718	-	-	108,718
Transfer on account of incremental depreciation-net of deferred tax	-	66,945	(66,945)	-	-
<b>Balance as at March 31, 2026</b>	<b>160,175</b>	<b>733,204</b>	<b>3,077,344</b>	<b>1,140,657</b>	<b>5,111,380</b>

The annexed notes from 1 to 19 form an integral part of these condensed interim financial statements.



**Faraz Mubeen Jumani**  
Chief Executive Officer



**Mirza Muhammad Bilal Kamil**  
Chief Financial Officer



**Muhammad Mubeen Jumani**  
Director

Place: Karachi, Dated: May 21, 2026

**STATEMENT OF CONDENSED INTERIM CASH FLOW (UN-AUDITED)  
FOR THE HALF YEAR ENDED MARCH 31, 2026**

	March 31, 2026 (Un-Audited)	March 31, 2025 (Un-Audited)
	----Rupees in 000's----	
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Profit before taxation	179,199	254,585
Adjustments for:		
- Financial cost	238,195	199,314
- Depreciation	160,279	123,431
- Amortization	178	93
- Gain on disposal	(6,079)	-
	392,573	322,838
Working capital changes:		
Trade debts	300,214	(1,768)
Stores, spares and loose tools	(4,834)	60,992
Stock in trade	(4,002,227)	(2,684,483)
Loans and advances - Considered good	(516,707)	(17,152)
Deposits, prepayments and other receivables	(888)	61,919
Trade and other payables	1,572,762	1,006,476
Cash used in operations	(2,651,680)	(1,574,016)
	(2,079,908)	(996,593)
Taxes paid - net	(105,837)	(71,958)
Financial charges paid	(187,502)	(210,230)
	(293,339)	(282,188)
Net cash used in operating activities	(2,373,247)	(1,278,781)
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Fixed capital expenditure	(86,028)	(165,256)
Long term deposits	(12,892)	-
Short term investment	-	22,300
Proceed from Disposal of Property Plant & Equipment	9,050	-
Capital work-in-progress	(1,772)	(24,455)
Net cash used in investing activities	(91,642)	(167,411)
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds from short term borrowing	4,703,602	1,346,198
Repayment of short term borrowing	(2,410,282)	-
Proceeds from long term borrowing	10,797	71,028
Repayment of long term borrowing	(54,899)	-
Repayment of lease rentals	94,869	(5,524)
Net cash generated from financing activities	2,344,087	1,411,702
Net decrease in cash and cash equivalents	(120,802)	(34,490)
Cash and cash equivalent at beginning of the period	218,769	82,246
Cash and cash equivalent at end of the period	97,967	47,756



**Faraz Mubeen Jumani**  
Chief Executive Officer



**Mirza Muhammad Bilal Kamil**  
Chief Financial Officer



**Muhammad Mubeen Jumani**  
Director

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**NOTES TO THE CONDENSED INTERIM  
FINANCIAL STATEMENTS (UN-AUDITED)  
FOR THE HALF YEAR ENDED MARCH 31, 2026**

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**1 NATURE AND STATUS OF BUSINESS**

The Company was incorporated in Pakistan on August 23, 1989 as a public limited company under the repealed Companies Ordinance, 1984 now the Companies Act, 2017, (The Act). The company is listed on Pakistan Stock Exchange Limited (formerly Karachi Stock Exchange). The registered office of the Company is situated at 51/II/IV, 26th Street, Khayaban e Janbaz D.H.A, Karachi.

The company is principally engaged in the manufacture and sale of sugar and by products.

**2 BASIS OF PREPARATION****2.1 Statement of compliance**

These condensed interim financial statement 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 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.

These condensed interim financial statements do not include all the information and disclosure required for the annual audited financial statements and should be read in conjunction with the annual audited financial statements of the Company for year ended 30 September 2025.

The comparative statement of financial position presented in this condensed interim financial statements has been extracted from the audited annual financial statements of the Company for the year ended 30 September 2025, whereas the comparative condensed interim statement of Profit or Loss and Other Comprehensive Income, condensed interim Statement of Changes in Equity and condensed interim Statement Cash Flow are extracted from the unaudited condensed interim financial information for the period ended 31 March 2025.

This condensed interim financial statements are unaudited but subject to limited scope review by the statutory auditors as required by the Companies Act, 2017. The figures of the condensed interim statement of profit or loss and other comprehensive income for the quarters ended March 31, 2026 and March 31, 2025 have not been reviewed by the statutory auditors of the Company as they have reviewed the cumulative figures for the six months ended March 31, 2026 and March 31, 2025.

**2.2 Functional and presentation currency**

This condensed interim financial information is presented in Pakistani Rupees which is also the Company's functional currency. All figures have been rounded off to the nearest thousand rupees.

**3 MATERIAL ACCOUNTING POLICIES**

The accounting policies and the methods of computation adopted in the preparation of this condensed interim financial statement are the same as those applied in the preparation of the financial statements for the year ended September 30, 2025.

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**4 ACCOUNTING ESTIMATES, JUDGMENTS AND FINANCIAL RISK MANAGEMENT**

The preparation of these condensed interim financial statements in conformity with approved accounting standards requires management to make estimates, assumptions and use judgments that affect the application of policies and reported amounts. Actual results may differ from these estimates, assumptions and judgements. Estimates, assumptions and judgments are continually evaluated and are based on historical experience and other factors, including reasonable expectations of future events. Revisions to accounting estimates are recognized prospectively commencing from the period of revision.

In preparing these condensed interim financial statements, the significant judgments made by management in applying the Company's accounting policies and the key sources of estimation and uncertainty were the same as those that applied to the financial statements as at and for the year ended September 30, 2025.

The Company's financial risk management objectives and policies are consistent with those disclosed in the financial statements as at and for the year ended September 30, 2025.

	<b>March 31, 2026 Un-Audited</b>	September 30, 2025 Audited
<b>Note</b>	<b>----Rupees in 000's----</b>	
<b>5 PROPERTY, PLANT &amp; EQUIPMENT</b>		
Written down value at 1 October	<b>6,307,605</b>	4,860,874
Additions during the period	5.1 <b>126,028</b>	497,385
Revaluation surplus during the period	-	1,221,838
Disposals during the period	<b>(2,971)</b>	(2,657)
<b>Depreciation charged</b>		
on owned asset	<b>(150,340)</b>	(252,467)
on right of used assets	<b>(9,938)</b>	(17,368)
	<b>(160,279)</b>	(269,835)
	<b>6,270,384</b>	6,307,605
Capital work in progress	5.2 <b>45,059</b>	83,287
	<b>6,315,444</b>	6,390,892
<b>5.1 Additions</b>		
Plant and machinery	<b>40,000</b>	202,050
Office equipment	-	45
Furniture and fittings	<b>360</b>	-
Factory equipment	<b>650</b>	-
Vehicles	-	96,209
Right of use assets	<b>85,018</b>	199,081
	<b>126,028</b>	497,385
<b>5.2 Capital Work In Progress</b>		
<b>Plant &amp; Machinery</b>		
Opening balance at 1 October	<b>83,287</b>	58,890
Add: Additions during the year	<b>1,772</b>	24,397
Less: Transferred to property, plant and equipment	<b>(40,000)</b>	-
	<b>45,059</b>	83,287

	<b>March 31, 2026 Un-Audited</b>	September 30, 2025 Audited
<b>Note</b>	<b>----Rupees in 000's----</b>	
<b>6 STOCK IN TRADE</b>		
<b>Finished goods</b>		
- Sugar	<b>5,316,611</b>	1,486,047
- Molasses	<b>108,531</b>	1,826
- Bagasse	<b>183,297</b>	118,744
	<u><b>5,608,439</b></u>	<u>1,606,617</u>
Work in process	<b>2,302</b>	1,897
	<u><b>5,610,741</b></u>	<u>1,608,514</u>
<b>6.1</b>	The carrying value of finished goods of Rs. 3,100 million (September 2025: Rs.1,081.49 million) are pledged with banks against cash finance.	
<b>7 DEPOSITS, PREPAYMENTS AND OTHER RECEIVABLES</b>		
Deposits	<b>34,708</b>	34,708
Prepayments	<b>1,815</b>	967
Other Receivables	<b>28,432</b>	28,432
Freight Subsidy	<b>77,743</b>	77,702
	<u><b>142,698</b></u>	<u>141,809</u>
<b>7.1</b>	The balance shows amount receivable against cash freight subsidy and additional freight subsidy from Federal Government and Government of Sindh related to sugar export during the financial year 2018.	
	The company with other sugar mills of Sindh have filed the petition before Honorable Sindh High Court regarding the outstanding portion of freight support subsidy payable by the Government of Sindh (GOS). The company's lawyer is optimistic about the outcome of suit in favor of company.	
<b>8 LONG TERM FINANCING</b>		
<b>Loan from related parties</b>		
Loan from associates	<b>136,027</b>	178,299
<b>Loan from other financial institution</b>		
Finance facility	<b>43,935</b>	45,766
Less: Current maturity	<b>(15,252)</b>	-
	<u><b>164,710</b></u>	<u>224,065</u>
<b>8.1</b>	This represents loan from associates which is unsecured and carries markup at 1 Year KIBOR.	
<b>8.2</b>	This represents loan from financial institution which carries markup at 3 Month KIBOR plus 2.5%.	

**9 LEASE LIABILITY**

The Company had entered into lease agreement with bank to acquire plant and machinery. The purchase option is available to the Company after payment of the last installment and on surrender of deposit at the end of the lease period. Taxes, repairs and maintenance, insurance and other costs relating to the leased assets are to be borne by the Company. The implicit rate of return on lease finance ranges from 8.44% to 16.28% per annum (2025 : 17.22% to 25.66%).

The amount of future lease payments and the period in which they fall due are as follows: -

	<b>March 31, 2026 Un-Audited</b>	<b>September 30, 2025 Audited</b>
<b>Note</b>	<b>----Rupees in 000's-----</b>	
<b>Minimum lease payment</b>		
Up to one year	129,548	84,667
More than one year but less than five years	324,521	278,187
	<b>454,069</b>	<b>362,854</b>
<b>Financial charges</b>		
Up to one year	32,386	31,480
More than one year but less than five years	26,271	30,831
	<b>58,657</b>	<b>62,311</b>
<b>Present value of minimum lease payments</b>		
Up to one year	97,162	53,187
More than one year but less than five years	298,250	247,356
	<b>395,412</b>	<b>300,543</b>
<b>Current maturity shown under current liabilities</b>	<b>(97,162)</b>	<b>(53,187)</b>
	<b>298,250</b>	<b>247,356</b>
<b>10 TRADE AND OTHER PAYABLES</b>		
Creditors	1,003,731	289,229
Accrued liabilities	59,673	27,779
Market committee fee payable	2,345	792
Advance from customers	649,364	19,591
Unclaimed gratuity	14,341	14,341
Sales tax payables	407,057	297,317
Workers' Profit Participation Fund	39,118	29,966
Workers' Welfare Fund	23,322	19,070
Payable to provident fund	55,805	46,899
Withholding tax payable	79,620	16,631
	<b>2,334,377</b>	<b>761,615</b>
<b>11 SHORT TERM BORROWINGS</b>		
<b>From Related parties - Unsecured</b>		
- From Directors	770,083	716,197
<b>From Banking company - Secured</b>		
- Cash finance	3,949,570	1,799,959
- Running finance	150,000	150,000
- Diminishing Musharaka	68,498	266,020
- Temporary overdraft	-	12,656
	<b>4,168,068</b>	<b>2,228,635</b>
<b>From other financial institution</b>		
- Finance facility	300,000	-
	<b>5,238,151</b>	<b>2,944,832</b>

- 11.1 This represents roll over secured cash financing facilities from banking companies. These facilities carries mark-up at 3 Month KIBOR + 2.5% to 2.75% (2025 : 3 Month KIBOR + 2.5% to 4%) per annum respectively. The facilities are secured against pledge of sugar stock of the Company, first equitable mortgage over land and property of associated company and personal guarantees of all directors of the Company and subordination.

## 12 CONTINGENCIES AND COMMITMENTS

As at March 31, 2026, there is no material change in the status of matters reported as contingencies and commitments in the notes to financial statements of the company for the year ended 30 September 2025.

## 13 SEASONALITY OF OPERATIONS

The Sugar Industry are operating on seasonal basis normally from November to March. Therefore all major production cost other than fixed cost, for example cost of goods manufactured, stock and short term finances being reflected to be high in this period.

## 14 TRANSACTIONS WITH RELATED PARTIES

The related parties and associated undertakings comprise group companies, associates, directors and key management personnel.

During the period, the following transactions with related parties are carried out: -

	<b>Un-Audited</b>			
	<b>Half year ended</b>		<b>Second quarter ended</b>	
	<b>March 31, 2026</b>	<b>March 31, 2025</b>	<b>March 31, 2026</b>	<b>March 31, 2025</b>
	----- Rupees in 000's -----			
Loan to associates - paid	-	121,324.34	-	46,273.00
Loan from director - receipts	<b>150,000</b>	245,330	<b>150,000</b>	162,640
Loan from director - repayments	<b>96,114</b>	48,215	<b>34,750</b>	14,012
Loan from associates - receipts	-	27,500	-	-
Loan from associates - repayments	<b>42,272</b>	72,357	<b>19,000</b>	63,187
Loan from provident fund - receipts	-	-	-	-
KSML employees provident fund	<b>7,980</b>	6,014	-	3,035
Remuneration and other benefits of Chief Executive and Directors	<b>25,200</b>	25,200	<b>12,600</b>	12,600

## 15 OPERATING SEGMENTS

These condensed interim financial statements have been prepared on the basis of a single reportable segment. Total sales of the Company relating to customers in Pakistan were 100% during the current period (31 March 2025: 89%). All non-current assets of the Company at the end of the current and preceding period are located in Pakistan. Sales to 10 major customers of the Company are around 100% of the Company's total sales during the current period (31 March 2025: 97%). The Company's production process is seasonal in nature because of the cultivation and reaping of sugarcane due to which production is carried out in the first half of the financial year.

## 16 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

These condensed interim financial statements do not include all financial risk management information and disclosures which are required in the annual financial statements of the Company and should be read in conjunction with the Company's annual financial statements for the year ended 30 September 2025. There have been no changes in any risk management policies since the year-end.

## 17 SHARIAH COMPLIANCE DISCLOSURE

As per the requirements of the fourth schedule to the Companies Act, 2017, companies listed on the Islamic Index shall disclose the following:

	-----Mar 2026-----		-----Sep 2025-----	
	Conventional	Shariah Compliant	Conventional	Shariah Compliant
----- Rupees in 000's -----				
Bank balances	24,810	72,897	19,327	199,372
Long term financing	164,710	-	224,065	-
Lease liabilities	395,412	-	300,543	-
Short term borrowing	1,599,895	3,638,256	1,478,573	1,466,259
Accrued markup	216,853	31,630	197,181	605
Revenue	-	4,070,320	-	11,137,024
Return on term deposit receipt	-	-	694	-
Return on savings account	-	682	-	2,411
Finance cost	115,902	120,910	198,616	270,157

## 18 DATE OF AUTHORIZATION

These condensed interim financial statements has been authorized for issue on May 21, 2026 by the Board of Directors of the Company.

## 19 GENERAL

Figures have been rounded off to the nearest thousand rupees.



**Faraz Mubeen Jumani**  
Chief Executive Officer



**Mirza Muhammad Bilal Kamil**  
Chief Financial Officer



**Muhammad Mubeen Jumani**  
Director

Place: Karachi, Dated: May 21, 2026

**More than**  
**Sugarcane**



 **KHAIRPUR**  
**SUGAR MILLS LIMITED**

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