



MACCA GROUP

ABDULLAH SHAH GHAZI

SUGAR MILLS LIMITED

2nd

2026

HALF YEARLY **REPORT**



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CORPORATE INFORMATION

Board of Directors

Muhammad Dawood (Chief Executive/Director)
Yasir Iqbal (Chairman)
Muhammad Nawaz
Muhammad Rasheed Rana
Atif Butt
Muhammad Talib
Amjad Abbas

Audit Committee

Muhammad Nawaz (Chairman/Member)
Atif Butt (Member)
Amjad Abbas (Member)

Chief Financial Officer

Sohail Azam Khan

Company Secretary

Saleem Abbas

Internal Auditors'

Mamoon Ahmad Moon

Auditors'

Zahid Jamil & Co.
Chartered Accountants

Registrar

CDC Shares Registrar Services Limited,
CDC House, 99-B, Block-B, S.M.C.H.S.,
Main Shahrah-e-Faisal, Karachi, Pakistan

Registered Office

7/10, A-2 Arkay Square
Shahrah-e-Liaqat, New Challi, Karachi

Mills

Abdullah Shah Ghaziabad, Garho, District
Thatta, Sindh

Bankers

Bank Islami Pakistan Limited
Bank Al-Falah Limited
Silk Bank Limited
MCB Bank Limited
Meezan Bank Limited
Habib Metropolitan Bank Limited
United Bank Limited
Allied Bank Limited

Web Presence:

www.asgsml.com

MISSION STATEMENT

To be the premier sugar and allied product's manufacturer while providing our clients with flexibility, on-time delivery, and consistent quality and to achieve sustainable and equitable expansion and growth through efficient and effective resources and at the same time developing a corporate business environment most suited to all the employees and people Concerned.

VISION STATEMENT

To transform the Company into a market leader for the Quality Sugar Manufacturing, while keeping our focus on the growing customer base, be characterized by a high degree of professionalism and is accountable for the successful fulfillment of the company's mission, and to play a meaningful role in the economy of Pakistan

DIRECTORS REVIEW REPORT

The Directors are pleased to present the un-audited condensed interim financial information of the Company for the six months' period ended on March 31, 2026. This condensed interim financial information is presented to the shareholders of the Company in compliance with the International Accounting Standard No. 34 "Interim Financial Reporting", the Code of Corporate Governance, under Section 237 of the Companies Act, 2017 and the Listed Companies (Code of Corporate Governance) Regulations, 2019. The enclosed financial information has been reviewed by the external auditors, as required by the Code of Corporate Governance.

OPERATIONAL PERFORMANCE

During the crushing season 2025-26, unfortunately, the operations had to be closed for the season due to serious technical problems in one of mills boiler and power turbine.

FINANCIAL PERFORMANCE

The Company suffered loss after taxation of Rs. 149.928 million (2025: loss Rs. 120.140 million) during the six months' period ended on March 31, 2026 due to closure of operations of the mills during the crushing season 2025-26.

ECONOMICAL CHALLENGES

Currently, Pakistan's domestic sugar prices are almost half of the world prices, as many countries protect their sugar industries, resulting in higher domestic prices. This makes sugar in Pakistan one of the cheapest in the world. Given that sugarcane prices have been increasing by 20-25% annually over the past few years, it is logical that sugar prices should also rise similarly. It is essential for sugarcane prices to continue increasing to prevent farmers from switching to other crops, as sugarcane is already planted on less than 5% of the country's agricultural land. Government needs to stabilize sugar prices by taking various measures to reduce the gap between imported and local sugar prices so that growers can get better prices of their produce according to the international prices of the commodity and sugar industry can make reasonable profits.

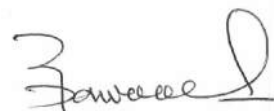
ACCOUNTING POLICIES

The accounting policies adopted in the preparation of this half yearly condensed interim financial information are the same as applied in the preparation of the preceding annual financial statements of the Company.

ACKNOWLEDGEMENT

The Directors appreciate the spirit of good work done by the Company's staff at all levels and valuable support of our Bankers.

ON BEHALF OF THE BOARD



Chief Executive/Director



Director

Lahore
May 25, 2026

ڈائریکٹرز کی رپورٹ

ڈائریکٹرز کو 31 مارچ 2026 کو ختم ہونے والی چھ ماہ کی مدت کے لیے کمپنی کی غیر آڈٹ شدہ عبوری مالیاتی معلومات پیش کرنے پر خوشی ہو رہی ہے۔ یہ کنڈینسڈ عبوری مالیاتی معلومات کمپنی کے شیئر ہولڈرز کو بین الاقوامی اکاؤنٹنگ اسٹینڈرڈ نمبر 34 "عبوری مالیاتی رپورٹنگ" کے تحت پیش کی جاتی ہیں، کوڈ آف کارپوریشن، سی ای او 23 کے ضابطہ کار کے تحت۔ 2017 اور لسٹڈ کمپنیز (کوڈ آف کارپوریشن گورننس) ریگولیشنز، 2019۔ منسلک مالیاتی معلومات کا بیرونی آڈیٹر کے ذریعے جائزہ لیا گیا ہے، جیسا کہ کوڈ آف کارپوریشن گورننس کی ضرورت ہے۔

آپریشنل پرفارمنس

کرشنگ میزن 2025-26 کے دوران، بد قسمتی سے، ملز کے بوائلر اور پاور ٹربائن میں سے ایک میں سنگین تکنیکی خرابی کی وجہ سے آپریشن کو میزن کے لیے بند کرنا پڑا۔

مالی کارکردگی

کمپنی کو روپے ٹیکس کے بعد نقصان کا سامنا کرنا پڑا۔ کرشنگ میزن 2025-26 کے دوران ملوں کے آپریشن بند ہونے کی وجہ سے 31 مارچ 2026 کو ختم ہونے والی چھ ماہ کی مدت کے دوران 149.928 ملین (2025: نقصان 120.140 ملین روپے)۔

معاشی چیلنجز

اس وقت پاکستان میں چینی کی مقامی قیمتیں عالمی قیمتوں کا تقریباً نصف ہیں، کیونکہ بہت سے ممالک اپنی چینی کی صنعتوں کو تحفظ فراہم کرتے ہیں، جس کے نتیجے میں ملکی قیمتیں زیادہ ہوتی ہیں۔ اس سے پاکستان میں چینی دنیا کی سستی ترین چینی بن جاتی ہے۔ یہ دیکھتے ہوئے کہ پچھلے کچھ سالوں میں گنے کی قیمتوں میں 20-25 فیصد سالانہ اضافہ ہو رہا ہے، منطقی ہے کہ چینی کی قیمتوں میں بھی اسی طرح اضافہ ہونا چاہیے۔ کاشتکاروں کو دوسری فصلوں کی طرف جانے سے روکنے کے لیے گنے کی قیمتوں میں اضافہ جاری رکھنا ضروری ہے، کیونکہ ملک کی 5% سے بھی کم زرعی اراضی پر پہلے ہی گنے کی کاشت کی جاتی ہے حکومت کو درآمدی اور مقامی چینی کی قیمتوں کے درمیان فرق کو کم کرنے کے لیے مختلف اقدامات کرتے ہوئے چینی کی قیمتوں کو مستحکم کرنے کی ضرورت ہے تاکہ کاشتکاروں کو اجناس کی بین الاقوامی قیمتوں کے مطابق اپنی پیداوار کی بہتر قیمتیں مل سکیں اور چینی کی صنعت مناسب منافع کما سکے۔

اکاؤنٹنگ پالیسیاں

اس ششماہی کنڈینسڈ عبوری مالیاتی معلومات کی تیاری میں اپنائی گئی ایکاؤنٹنگ پالیسیاں وہی ہیں جو کمپنی کے پچھلے سالانہ مالیاتی بیانات کی تیاری میں لاگو ہوتی ہیں۔

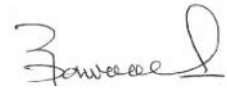
اعتراف

ڈائریکٹرز کمپنی کے عملے کے ہر سطح پر اچھے کام کرنے کے جذبے اور ہمارے بینکرز کے قابل قدر تعاون کی تعریف کرتے ہیں۔

بوڈ کی جانب سے



ڈائریکٹر



چیف ایگزیکٹو / ڈائریکٹر

لاہور

25 مئی، 2026

INDEPENDENT AUDITOR'S REVIEW REPORT

To the members of ABDULLAH SHAH GHAZI SUGAR MILLS LIMITED Report on the Review of Interim Financial Statements

Introduction

We have reviewed the accompanying condensed interim statement of financial position of Abdullah Shah Ghazi Sugar Mills Limited as at March 31, 2026 and the related condensed interim statement of profit or loss, condensed interim statement of other comprehensive income, condensed interim statement of changes in equity, condensed interim statement of cash flows, and notes to the condensed interim financial statements for the six month period then ended (here-in-after referred to as the "interim financial statements"). Management is responsible for the preparation and presentation of these 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. The figures of the condensed interim statement of profit or loss and condensed interim statement of comprehensive income for three months period ended March 31, 2026 and 2025 have not been reviewed, as we are required to review only the cumulative figures for the six months period ended March 31, 2026.

Scope of Review

We conducted our review in accordance with 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.

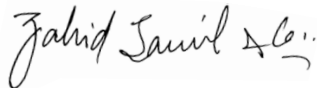
Material Uncertainty Relating to Going Concern

We draw attention to Note 3 to these interim financial statements which indicates that as at the condensed interim statements of financial position date, the Company's accumulated losses reported were Rs.2,898.017 million (Sep. 2025: Rs. 2,802.234 million) and its current liabilities exceeded its current assets by Rs. 2,938.952 million (Sep 2025: Rs. 2,950.447 million). These conditions indicate that the material uncertainty exist, which may cast significant doubts on the Company's ability to continue as a going concern. However, these interim financial statements have been prepared on "going concern basis" in consideration of mitigating factors mentioned in Note 3 of these interim financial statements. Our opinion is not modified in respect of this matter.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim financial statements for the six months period ended March 31, 2026 are not prepared, in all material respects, in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting.

The engagement partner on the review resulting in this independent auditor's report is Adeel Anwar (ACA).



Chartered Accountants Place:

Lahore

Date: May 25, 2026

UDIN: RR202610366XZEdyf81w

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

	Note	<i>Unaudited</i> 31-03-26 <i>Rupees</i>	<i>Audited</i> 30-09-25 <i>Rupees</i>
<u>EQUITY AND LIABILITIES</u>			
<u>SHARE CAPITAL AND RESERVES</u>			
Authorized share capital		1,000,000,000	1,000,000,000
Issued, subscribed and paid-up capital		792,616,660	792,616,660
Capital Reserve:			
Surplus on revaluation of property, plant and equipment		999,242,855	1,053,387,494
Revenue Reserve:			
Accumulated loss		(2,898,017,091)	(2,802,233,637)
TOTAL EQUITY		(1,106,157,576)	(956,229,483)
<u>LIABILITIES</u>			
<u>NON-CURRENT LIABILITIES</u>			
Long term loan from related party - unsecured	7	990,815,091	856,803,592
Long term loan from bank - secured	8	202,000,000	222,000,000
Deferred liabilities	9	111,443,359	136,641,125
		1,304,258,450	1,215,444,717
<u>CURRENT LIABILITIES</u>			
Trade and other payables	10	2,245,964,660	2,300,794,169
Finance cost payable	11	762,643,028	698,194,512
Short term borrowings	12	18,973,000	18,973,000
Current portion of long term loan from bank		25,000,000	15,000,000
Current portion of long term loan from bank			3,421,420
		3,052,580,688	3,036,383,101
TOTAL LIABILITIES		4,356,839,138	4,251,827,818
<u>CONTINGENCIES AND COMMITMENTS</u>			
	13	-	-
		3,250,681,562	3,295,598,335
<u>ASSETS</u>			
<u>NON CURRENT ASSETS</u>			
Property, plant and equipment	14	3,137,053,751	3,209,662,254
		3,137,053,751	3,209,662,254
<u>CURRENT ASSETS</u>			
Stores and spares		56,946,774	47,540,969
Stock in trade	15	3,885,126	3,885,126
Advances	16	28,819,358	13,690,722
Other receivables		302,735	302,735
Tax refunds due from the government		21,712,002	16,028,186
Cash and bank balances	17	1,961,816	4,488,343
		113,627,812	85,936,082
		3,250,681,562	3,295,598,335

The annexed notes, from 1 to 28, form an integral part of these financial statements.



CHIEF EXECUTIVE OFFICER



DIRECTOR



CHIEF FINANCIAL OFFICER

**CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS (UN-AUDITED)
FOR THE SIX MONTHS PERIOD AND QUARTER ENDED MARCH 31, 2026**

	Note	<i>Six Months Period Ended</i>		<i>Quarter Ended</i>	
		<i>31-03-26</i>	<i>31-03-25</i>	<i>31-03-26</i>	<i>31-03-25</i>
		<i>Rupees</i>	<i>Rupees</i>	<i>Rupees</i>	<i>Rupees</i>
Sales - net	18		120,043,671		120,043,671
Cost of sales	19	(112,027,946)	(278,886,764)	(54,217,560)	(231,058,419)
Gross loss		(112,027,946)	(158,843,093)	(54,217,560)	(111,014,748)
Administrative and general expenses		(8,826,426)	(8,038,536)	(5,472,636)	(6,210,371)
Operating loss		(120,854,372)	(166,881,629)	(59,690,196)	(117,225,119)
Other income		10,179,202	19,299,151		4,385,326
Finance cost		(64,450,690)	(68,050,707)	(33,972,359)	(31,871,019)
Loss before tax		(175,125,860)	(215,633,185)	(93,662,555)	(144,710,812)
Taxation	20	25,197,767	95,492,814	16,696,695	75,256,128
Loss after tax		(149,928,093)	(120,140,371)	(76,965,860)	(69,454,684)
Loss per share		(1.89)	(1.52)	(0.97)	(0.88)

The annexed notes, from 1 to 28, form an integral part of these financial statements.



CHIEF EXECUTIVE OFFICER



DIRECTOR



CHIEF FINANCIAL OFFICER

**CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE SIX MONTHS PERIOD AND QUARTER ENDED MARCH 31, 2026**

	<i>Six Months Period Ended</i>		<i>Quarter Ended</i>	
	<i>31-03-26</i>	<i>31-03-25</i>	<i>31-03-26</i>	<i>31-03-25</i>
	<i>Rupees</i>	<i>Rupees</i>	<i>Rupees</i>	<i>Rupees</i>
Items that may be reclassified subsequently to profit or loss	-	-	-	-
Items that will not be reclassified to profit or loss:				
Remeasurements of defined benefit obligation	-	-	-	-
Other comprehensive loss	-	-	-	-
Deferred tax on remeasurement of retirement benefit obligation	-	-	-	-
Other comprehensive loss	-	-	-	-
Loss after taxation	<u>(149,928,093)</u>	<u>(120,140,371)</u>	<u>(110,359,250)</u>	<u>(69,454,684)</u>
Total comprehensive loss	<u>(149,928,093)</u>	<u>(120,140,371)</u>	<u>(110,359,250)</u>	<u>(69,454,684)</u>

The annexed notes, from 1 to 28, form an integral part of these financial statements.



CHIEF EXECUTIVE OFFICER



DIRECTOR



CHIEF FINANCIAL OFFICER

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

	Share Capital	Accumulated Loss	Surplus on revaluation of property, plant and equipment	Total
	<i>Rupees</i>	<i>Rupees</i>	<i>Rupees</i>	<i>Rupees</i>
Balance as at October 1, 2024 Audited	792,616,660	(2,548,814,371)	1,110,654,739	(645,542,973)
Total comprehensive loss for the period	-	(120,140,371)	-	(120,140,371)
Transfer from surplus on revaluation of property plant and equipment	-	57,267,245	(57,267,245)	-
Balance as at March 31, 2025 Un-Audited	<u>792,616,660</u>	<u>(2,611,687,497)</u>	<u>1,053,387,494</u>	<u>(765,683,344)</u>
Balance as at October 1, 2025 Audited	792,616,660	(2,802,233,637)	1,053,387,494	(956,229,483)
Total comprehensive loss for the period	-	(149,928,093)	-	(149,928,093)
Transfer from surplus on revaluation of property plant and equipment	-	54,144,639	(54,144,639)	-
Balance as at March 31, 2026 Un-Audited	<u>792,616,660</u>	<u>(2,898,017,091)</u>	<u>999,242,855</u>	<u>(1,106,157,576)</u>

The annexed notes, from 1 to 28, form an integral part of these financial statements.



CHIEF EXECUTIVE OFFICER



DIRECTOR



CHIEF FINANCIAL OFFICER

**CONDENSED INTERIM STATEMENT OF CASH FLOWS (UN-AUDITED)
FOR THE SIX MONTHS PERIOD ENDED MARCH 31, 2026**

	<u>31-03-26</u> <i>Rupees</i>	<u>31-03-25</u> <i>Rupees</i>
<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>		
Loss before taxation	(175,125,860)	(215,633,185)
Adjustments for non-cash income and expenses:		
Depreciation	78,729,260	82,904,215
Creditor written-off	(10,179,202)	(19,299,151)
Finance cost	64,450,690	68,050,707
	133,000,749	131,655,770
Loss before working capital changes	(42,125,112)	(83,977,415)
Effect on cash flows due to changes in working capital: (Increase)/Decrease in:		
Stores and spares	(9,405,805)	6,789,895
Stock in trade	-	(44,504,447)
Tax refunds due from the government	(5,492,643)	-
Advances	(15,128,636)	1,782,545
	(30,027,084)	(35,932,007)
(Increase)/Decrease in:		
Trade and other payables	(48,071,727)	123,814,677
	(48,071,727)	123,814,677
Cash generated from operations	(120,223,923)	3,905,255
Income tax paid	(191,174)	(813,627)
Finance cost paid	(2,173)	(48,888)
	(193,347)	(862,515)
Net cash generated from / (used in) operating activities	(120,417,270)	3,042,740
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>		
Payments for acquisition of property, plant and equipment	(2,290,250)	(62,150)
Payments for acquisition of capital work in progress	(3,830,509)	(134,168,330)
Net cash used in investing activities	(6,120,759)	(134,230,480)
<u>CASH FLOWS FROM FINANCING ACTIVITIES</u>		
Payment against long term loan from bank	(10,000,000)	(6,000,000)
Proceeds from long term loan from related party - unsecured	134,011,499	142,903,658
Net cash generated from financing activities	124,011,499	136,903,658
Net increase/(decrease) in cash and cash equivalents	(2,526,527)	5,715,919
Cash & cash equivalents at the beginning of the year	4,488,343	1,292,593
Cash & cash equivalents at the end of the period	1,961,816	7,008,512

The annexed notes, from 1 to 28, form an integral part of these financial statements.



CHIEF EXECUTIVE OFFICER



DIRECTOR



CHIEF FINANCIAL OFFICER

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE SIX MONTHS PERIOD ENDED MARCH 31, 2026

1 LEGAL STATUS AND NATURE OF BUSINESS

The Company as incorporated in Pakistan on February 25, 1984 as a Private Limited Company and was subsequently converted into a Public Limited Company on February 11, 1990. The Company is listed on Pakistan Stock Exchange. The principal business of the Company is manufacturing and selling of refined sugar and by products. The Mill is located at Gharo, Sindh. Name of parent company is M/s. Haq Bahu Sugar Mills (Private) Limited and registered office of the company is situated at 7/10, A-2 Akray Square Shahra-e-Liaquat, New Challi, Karachi, with sub-office at 65-Infantry Road, Dharampura, Lahore.

Mill location: Gharo, Sindh

The company has been classified as Large Sized Entity as per the guidelines of SECP and ICAP.

2 BASIS OF PREPARATION

2.1 Basis of Accounting

2.1.1 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;
- Islamic Financial Accounting Standards (IFAS) issued by the Institute of Chartered Accountants of Pakistan 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 or IFAS, the provisions of and directives issued under the Companies Act, 2017 have been followed.

2.1.2 These condensed interim financial statements provide maximum information as required by law, and should be read in conjunction with the annual audited financial statements for the year ended 30 September 2025.

2.1.3 These condensed interim financial statements are unaudited and being submitted to the shareholders as required under Section 237 of the Companies Act, 2017 and the Listing Regulations of Pakistan Stock Exchange Limited.

3 GOING CONCERN ASSUMPTION

These financial statements have been prepared under the "going concern convention" except of certain classes of property, plant and equipment which are stated at revalued amount and employee retirement benefits which are stated at fair value.

The interim condensed financial statements of the company for the half year ended March 31, 2026 reflect that company has sustained a net loss after taxation of Rs. 149.928/- million and as of that March 31, 2026 it has accumulated losses of Rs. 2,898.017/- million (Sep 2025: Rs. 2,802.234 million) and its current liabilities exceeded its current assets by Rs. 2,938.952 million (Sep 2025: Rs. 2,950.447 million). These conditions indicate that the material uncertainty exist, which may cast significant doubts on the company's ability to continue as going concern and therefore the company may not be able to realize its assets and discharge its liabilities in the normal course of business. However management has taken the following significant measures to improve the operational performance and liquidity of the company:

- a) Unfavourable business conditions are temporary and cyclical in nature and would reverse in future;
- b) Arbitration efforts that have been undertaken to resolve dispute with TCP will be successful and the Company will be able to settle the subject amount in a convenient and sustainable manner;
- c) Negotiations with all the secured creditors and financial institutions to restructure the liabilities on long-term basis are underway and some financial institutions have restructured their facilities and management expects that the remaining will also turnout successful;
- d) The Sponsors, Directors and associated companies have assured of their continued support.

- e) Further, the management is actively pursuing a plan to reduce cost and to increase the efficiency of mills.

Finally, the management is very much convinced that the above measures would result in improving the financial position and operational performance of the company.

4 ACCOUNTING STANDARDS AND POLICIES

- 4.1** The accounting standards, policies and the methods of computation adopted in the preparation of this condensed interim financial information are same as those applied in the preparation of the audited financial statements for the yearPeriod ended 31 March, 2026, unless otherwise as mentioned.

5 ACCOUNTING ESTIMATES & JUDGEMENTS

The preparation of the condensed interim financial statements require management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates.

In preparing the condensed interim financial statements, the significant judgments made by the management in applying accounting policies and the key sources of estimation uncertainty are the same as those applied in the preparation of audited financial statements for the Period ended 31 March, 2026.

6 SEASONALITY OF OPERATIONS

The Company has not carried out its commercial operations during this season due to non-availability of good quality sugarcane. The sugarcane crushing season normally starts from November and lasts till April each year.

	<i>Unaudited</i> 31-03-26 <i>Rupees</i>	<i>Audited</i> 30-09-25 <i>Rupees</i>
7 LONG TERM LOAN FROM RELATED PARTY - UNSECURED		
Subordinated loan from holding company	990,815,091	856,803,592
<p>The loan has been advanced by M/s. Haq Bahu Sugar Mills (Pvt.) Ltd. which carries mark-up @ 3 months KIBOR plus 1% (2025: @ 3 months KIBOR plus 1%) payable half yearly. Since the loan will not be repayable within next twelve months, therefore the same has been classified as long term liability. The loan is subordinated to certain short term finance facility obtained by the Company and is subject to BOD resolution/approval.</p>		
8 LONG TERM LOAN FROM BANK - SECURED		
Mark-up based borrowing from conventional banks (Secured):		
Islamic Mode of Financing (Secured):	8.1	
Bank Islami	227,000,000	237,000,000
	227,000,000	237,000,000
Less: Current Portion of Long term Loans	(25,000,000)	(15,000,000)
	202,000,000	222,000,000
<p>8.1 The Bank Islami Limited had filed a recovery suit for Rs. 360,907,225/- on account of loan recovery against the Company. On May 2021, the learned court has reserved its judgment on this issue. Although, the case would be discharged from the court once the loan matures and NOC issued by the bank is filed with the court, but both the Company and the bank have mutually agreed to restructure the financing arrangement. Under the restructured financing arrangement, the Company shall pay principal amount of Rs. 275 Million, markup amount of Rs. 36.444 Million and an estimated additional rental / future profit of Rs. 126.358 Million to the bank by June 30, 2032, with markup payments starting from September 2028. All the agreed payments have been discounted and appropriately accounted and disclosed for. Further details regarding the legal proceedings have been disclosed in note 13 (c).</p>		
9 DEFERRED LIABILITIES		
DEFERRED TAXATION		
The Liability of Deferred Tax comprises of Temporary differences relating to:		
Taxable Temporary Differences		
Accelerated tax depreciation	329,845,691	295,891,606
Revaluation - net of related depreciation	401,133,036	423,248,452
	730,978,727	719,140,058
Deductible Temporary Differences		
Retirement Benefit Obligation	(1,598,491)	(1,598,491)
Minimum Tax Available for Carry Forward	-	(3,421,420)
Available tax losses and credits	(623,448,914)	(582,991,059)
	(625,047,406)	(588,010,970)
	105,931,321	131,129,088
STAFF RETIREMENT BENEFITS-GRATUITY		
Balance sheet liability	5,512,037	4,567,651
Current service cost	-	473,853
Interest cost on defined benefit obligation	-	512,327
Re-measurements chargeable in other comprehensive income	-	(41,794)
	5,512,037	5,512,037
	111,443,358	136,641,125
10 TRADE AND OTHER PAYABLES		
Creditors for goods and services	823,248,216	911,646,755
Advance from customer	1,237,791,106	1,202,149,384
Accrued Liabilities	14,415,076	15,238,904
Deposits	-	39,076
Income Tax Payable	3,755,045	301,967
Workers' Profit Participation Fund	149,957,339	149,957,339
Workers' Welfare Fund	11,768,838	11,768,838
Other liabilities	5,029,040	9,691,906
	2,245,964,660	2,300,794,169
11 FINANCE COST PAYABLE		
Mark-up on Borrowing from Conventional Banks:		
Islamic Mode of Financing:		
Long Term Financing	131,344,406	123,041,491
Short Term Borrowings	-	-
	131,344,406	123,041,491
Other		
Long Term Financing	631,298,622	575,153,021
	631,298,622	575,153,021
	762,643,028	698,194,512

12 SHORT TERM BORROWINGS

Other Financing (Unsecured):	12.1	18,973,000	18,973,000
		18,973,000	18,973,000

12.1 This loan is interest free and unsecured and is payable with the mutual consent.

13 CONTINGENCIES AND COMMITMENTS

Contingencies

- a) The Company received advances from Trading Corporation of Pakistan (TCP) under four different sugar supply agreements. The Company contends that this amount is not due as the buyer did not fulfil its performance obligations. As a prudent policy, adjustments would be made on finalization of the dispute. The Company is of the view that Trading Corporation of Pakistan has made numerous breaches of the agreements causing enormous losses to the Company and has filed a civil suit in court of Honourable Civil Judge, Lahore praying to refer the dispute for arbitration under the terms of the agreements. The matter is a pending arguments before the Court.
- b) The Bank Islami Limited had filed a recovery suit for Rs. 360,907,225/- on account of loan recovery against the Company. On May 2021, the learned court has reserved its judgment on this issue. Although, the case would be discharged from the court once the loan matures and NOC issued by the bank is filed with the court, but both the Company and the bank have mutually agreed to restructure the financing arrangement. Under the restructured financing arrangement, the Company shall pay principal amount of Rs. 275 Million, mark-up amount of Rs. 36.444 Million and an estimated additional rental / future profit of Rs. 126.358 Million to the bank by June 30, 2032, with markup payments starting from September 2028. All the agreed payments have been discounted and appropriately accounted and disclosed for.

14 PROPERTY, PLANT AND EQUIPMENT

		<i>Unaudited</i>	<i>Audited</i>
		31-03-26	30-09-25
		<i>Rupees</i>	<i>Rupees</i>
Operating assets	14.1	2,999,054,912	3,075,493,924
Capital work in progress	14.2	137,998,839	134,168,330
		3,137,053,751	3,209,662,254
14.1 <u>Operating Assets</u>			
Net book value at beginning of the period/ year		3,075,493,924	3,239,137,229
Addition during the period/ year		2,290,250	2,243,050
Deletion during the period/ year		-	-
Depreciation charged during the period/ year		(78,729,260)	(165,886,356)
		2,999,054,913	3,075,493,924
14.2 <u>Capital work in progress</u>			
Opening balance		134,168,330	422,484,339
Add: Additions during the period		3,830,509	134,168,330
Less: Transfer to property, plant and equipment		-	422,484,339
		137,998,839	134,168,330

15 STOCK IN TRADE

Work in Process	3,885,126	3,885,126
Finished Goods		
	3,885,126	3,885,126

16 ADVANCES

Unsecured, considered good			
Growers		4,536,506	4,536,506
Contractors		15,149,885	-
Suppliers		2,497,184	2,521,258
Employees		731,520	731,520
For expenses		5,904,263	5,901,438
		28,819,358	13,690,722

OTHER RECEIVABLE

Other receivable	302,735	302,735
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17 CASH AND BANK BALANCES

Cash at Banks	957,686	717,085
Cash in Hand	1,004,130	3,771,258
	1,961,816	4,488,343

	Un-Audited		Un-Audited	
	Half Year Ended		Quarter Ended	
	31-Mar-25	31-Mar-24	31-Mar-25	31-Mar-24
	Rupees	Rupees	Rupees	Rupees
18 SALES - NET				
Gross Local Sales				
Sugar		98,878,486		98,878,486
Molasses		42,970,409		42,970,409
Total Gross Sales	-	141,848,895	-	141,848,895
Less: Sales tax		(21,805,224)		(21,805,224)
	-	120,043,671	-	120,043,671
19 COST OF SALES				
Cost of sugar cane	-	194,554,370	-	194,554,370
Stores and spares consumed	9,463,904	3,911,418	3,076,151	3,389,639
Oil and lubricants consumed	634,741	1,575,325	13,972	1,406,558
Packing material consumed	-	872,181	-	872,181
Chemical consumed	-	3,251,721	-	3,244,821
Salaries, wages and benefits	19,216,421	18,595,803	9,499,518	14,313,147
Water, fuel and power	2,940,334	10,594,548	1,654,815	8,930,867
Vehicle running and maintenance	495,596	855,192	325,404	844,632
Freight, handling and octroi	481,910	6,606,779	285,790	6,566,279
Depreciation	14.1.1 77,322,526	81,578,129	38,661,263	40,789,653
Others	1,472,515	995,745	700,647	650,720
	112,027,946	323,391,211	54,217,560	275,562,866
Add: Opening WIP	3,885,126	-	-	-
Less: Closing WIP	(3,885,126)	(2,995,373)	(3,885,126)	(2,995,373)
Cost of Goods Manufactured	112,027,946	320,395,838	50,332,434	272,567,493
Add: Opening Finished Goods	-	-	-	-
Less: Closing Finished Goods		(41,509,074)		(41,509,074)
	112,027,946	278,886,764	50,332,434	231,058,419
20 TAXATION				
Taxation for the period				
Current	-	-	-	-
Deferred	(25,197,767)	(95,492,814)	(16,696,695)	(75,256,128)
	(25,197,767)	(95,492,814)	(16,696,695)	(75,256,128)
21 FINANCE COST				
Mark up on subordinated sponsors' loan-Haq bahu sugar mills (pvt.) limited			56,145,601	59,309,862
Mark up on long term loan			8,302,915	8,691,956
Bank charges and commission			2,173	48,889
			64,450,690	68,050,707

22 TRANSACTIONS WITH RELATED PARTIES

The Company has related party relationship with its Associated Companies, associated persons, employee benefit plan, its directors and key management personnel. Transactions with related parties are carried-out on arm's length basis.

Aggregate transactions with related parties, during the current period, were as follows:

Name of the related party	Relationship	Nature of Transaction	Un-Audited	
			Half Year Ended	
			31-Mar-26	31-Mar-25
			Rupees	Rupees
Haq Bahu Sugar Mills (Pvt)Ltd	Parent Company	Mark-up expense	56,145,601	59,309,862
Mr. Azhar Qadeer Butt	Key management personnel	Remuneration and other benefits	-	-

23 FINANCIAL RISK MANAGEMENT

The Company's activities expose it to a variety of financial risks: market risk (including currency risk, interest rate risk and price risk), credit risk and liquidity risk.

There has been no change in the Company's sensitivity to these risks since September 30, 2024, except for the change in exposure from liquidity risks due to increase in borrowings and general exposure due to fluctuations in foreign currency and interest rates. There have been no change in risk management objectives and policies of the Company during the current period.

These condensed interim financial statements does not include all financial risk management information and disclosures as required in the audited annual financial statements and should be read in conjunction with the Company's annual audited financial statements as at September 30, 2025.

24 FAIR VALUE OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES

Fair value is the price that would be received upon sale of an asset or paid upon transfer of a liability in an orderly transaction between market participants at the measurement date. Underlying the definition of fair value is the presumption that the Company is a going concern and there is no intention or requirement to curtail materially the scale of its operation or to undertake a transaction on adverse terms.

Fair values categorised into different levels in a fair value hierarchy based on the inputs used in the valuation technique are as follows:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities [Level 1].
- Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) [Level 2].
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) [Level 3].

The carrying values of all financial assets and liabilities reflected in the financial statements approximate their fair values.

25 CORRESPONDING FIGURES

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

26 CORRESPONDING FIGURES

The corresponding and comparative figures have been rearranged and reclassified for the purpose of comparison and better presentation. However, there has been no significant reclassification, effecting the financial results.

27 DATE OF AUTHORIZATION

These condensed interim financial statements have been authorized for issue by the Board of Directors on May 25, 2026.

28 GENERAL

Figures in these condensed interim financial statements have been rounded off to the nearest Rupee unless otherwise stated.



CHIEF EXECUTIVE OFFICER



DIRECTOR



CHIEF FINANCIAL OFFICER

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