



HASEEB WAQAS SUGAR MILLS LIMITED



Company Information

Board of Directors

1. Mr. Raza Mustafa
2. Mr. Abdullah Ilyas
3. Mian Waqas Riaz
4. Mrs. Yasmin Riaz
5. Ms. Zainab Waqas
6. Mrs. Shahzadi Ilyas
7. Ms. Zakia Ilyas
8. Mian Abubakar Ijaz

Chairman
Director/Chief Executive
Director
Director
Director
Director
Director
Director

Audit Committee

1. Mian Waqas Riaz (Chairman)
2. Ms. Zakia Ilyas (Member)
3. Mrs. Yasmin Riaz (Member)

Human Resource & Remuneration Committee

1. Mian Waqas Riaz (Chairman)
2. Mrs. Zainab Waqas (Member)
3. Ms. Zakia Ilyas (Member)

Company Secretary

Mr. Ansar Ahmed, FCA
Tel: 042-35917313
Email: cs@hwgc.com.pk

Chief Financial Officer

Syed Mubashar Hussain Bukhari
Tel: 042-35917313
Email: hwgc@hwgc.com.pk

Auditors

M/s Saeed Ul Hassan & Co.
Chartered Accountants
66-H Block Gulberg-III
Lahore

Registrar

Hameed Majeed Associates (Pvt.) Limited
H.M. House, 7-Bank Square, Lahore

Mills

Mouza Jagmal, Tehsil Jattoi
District. Muzaffargarh

Registered Office

06-F, Model Town, Lahore
Tel: 042-35917321-23
Fax: 042-35917317
Website: www.hwgc.com.pk

Bankers

National Bank of Pakistan
Sindh Bank Limited
The Bank of Punjab

Legal Advisor

Muhammad Ahsan Khan
(Advocate)

**DIRECTORS' REVIEW
FOR THE HALF YEAR ENDED 31 MARCH 2026**

Dear Members

On behalf of the Board of Directors, it is my privilege to present you the Half Yearly condensed financial statements duly reviewed by the statutory auditors and their report is attached to the financial statements.

FINANCIAL RESULTS

The financial results of the company for the period under review are summarized as follows:

	For the half year ended 31 March	
	2026	2025
	(Rupees)	
Net Sales	-	-
Gross Profit / (Loss)	(131,841,774)	(141,418,666)
Net Profit / (Loss) before tax	(140,267,036)	(147,829,222)
Net Profit / (Loss) after tax	(113,636,582)	(112,872,514)
Basic Earning	(03.51)	(03.48)

During the period under review, the Company posted gross loss of Rs. (131,841,774) as compared to last periods of Rs. (141,418,666). Further, there has been no production activity in the company over the past few years.

FUTURE OUTLOOK

The management of the company is hopeful of catching the coming crushing season and optimistic of doing the crushing at maximum level.

ACKNOWLEDGEMENT

The Board of Directors deeply express their appreciation and pay their gratitude to sugarcane growers, valuable customers, shareholders, banks and Government Departments for their continued support, trust, persistent co-operation and patronage which gives strength to pursue our corporate objectives with renewed vigor. The Board also acknowledges the valuable teamwork, devotion and dedication by the executives, employees and workers of the Company.

**Place: Lahore:
Dated: 25 May 2026**

On behalf of the Board



(ABDULLAH ILYAS)
Chief Executive



INDEPENDENT AUDITOR'S REVIEW REPORT
TO THE MEMBERS OF HASEEB WAQAS SUGAR MILLS LIMITED
REPORT ON REVIEW OF INTERIM FINANCIAL STATEMENTS

Introduction

We have reviewed the accompanying condensed interim statement of financial position of HASEEB WAQAS SUGAR MILLS LIMITED ("the Company") as at March 31, 2026, and the related condensed interim statement of profit or loss, condensed interim statement of comprehensive income, condensed interim statement of changes in equity, and condensed interim statement of cash flows, together with the notes forming part thereof for the six-month period then ended (herein after referred to as the "interim financial statements").

Management is responsible for the preparation and presentation of this condensed interim financial statement in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on these condensed interim financial statements based on our review.

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.

Basis for Qualified Conclusion

During our review, we identified the following unresolved matters:

- a) **Plant and Machinery Impairment:** The Company's plant and machinery, with a carrying value of Rs. 4.738 billion (representing 83% of total assets), has been idle since operations ceased on September 30, 2018. Although the last revaluation was conducted in 2023, the Company has not performed an annual impairment test or calculated the "value in use" as required by IAS 36. In the absence of a current impairment assessment, we were unable to determine the extent of any further write-downs required to reflect the recoverable amount of these assets.

**CONTINUED**

b) **Unconfirmed Gratuity Payable:** The Gratuity Payable balance amounting to Rs. 40.680 million has not been confirmed by management, and no actuarial valuation report was provided to support this balance. As a result, we were unable to verify the accuracy and completeness of this liability through alternative procedures. Consequently, we are unable to determine whether any adjustments are necessary to this balance.

c) **Sales Tax Status & Liabilities:** The Company's sales tax status remains blacklisted by the Federal Board of Revenue (FBR) due to non-payment of outstanding sales tax liabilities amounting to Rs. 195.389 million. The blacklisted status indicates non-compliance with tax regulations, which may have material implications for the Company's financial position. Furthermore, we were unable to obtain sufficient appropriate evidence to verify the completeness and accuracy of these outstanding liabilities.

d) **Litigated Bank Balances and Borrowings:** Balances payable to various banks in respect of the current portion of long-term loans and lease liabilities amounting to Rs. 1,367.188 million, and mark-up on loans and other payables amounting to Rs. 1,183.696 million, remain unpaid and unconfirmed. All these balances are currently in litigation. We were unable to satisfy ourselves as to the correctness, terms and conditions, and cost of funds of these balances through alternative procedures.

e) **Unconfirmed Trade and Other Payables:** Trade and other payable balances of Rs. 633.153 million could not be confirmed due to the unavailability of addresses for certain parties. Due to the long-outstanding nature of these balances, we were unable to verify the amounts through alternative procedures, preventing us from determining if any adjustments are necessary.

f) **Non-Compliance with Companies Act (Unclaimed Dividends):** The Company has not complied with Section 244 of the Companies Act, 2017, regarding unclaimed dividends of Rs. 1.444 million. These long-outstanding amounts have not been deposited into the Federal Government Treasury, nor have required shareholder notifications been issued, leaving potential penalties unquantified.

g) **Long-Outstanding Receivables and Advances:** Advances, deposits, prepayments, and other receivables amounting to Rs. 98.709 million remain long outstanding. No direct confirmations were obtained, and no provision for doubtful balances has been recognized despite uncertainty over recoverability. Consequently, assets and profit for the period are overstated.

h) **Stores, Spares, and Loose Tools Verification:** Stores, spares, and loose tools amounting to Rs. 56.408 million were not supported by sufficient evidence, such as audited stock sheets, valuation reports, or aging analysis. We were unable to verify their physical existence, condition, or potential obsolescence.



CONTINUED

Qualified Conclusion

Based on our review, except for the possible effects of the matters described in the *Basis for Qualified Conclusion* section of our report, nothing has come to our attention that causes us to believe that the accompanying interim financial statements do not give a true and fair view of the financial position of the Company as at March 31, 2026, and of its financial performance and its cash flows for the six-month period then ended in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting.

Material Uncertainty Related to Going Concern

We draw attention to Note 5 in the interim financial statements, which indicates that the Company has accumulated losses amounting to Rs. 5,734.514 million (plus the current period's share of net loss), and its current liabilities heavily exceed its current assets. Furthermore, there has been no production activity in the Company since operations ceased on September 30, 2018. These conditions, along with other matters as outlined in the notes, indicate the existence of a material uncertainty that may cast significant doubt on the Company's ability to continue as a going concern. Our conclusion is not modified in respect of this matter.

Other Matter

The figures of the condensed interim statement of profit or loss and condensed interim statement of comprehensive income for the three-month individual periods ended March 31, 2026, and March 31, 2025, have not been reviewed, as we were required to review only the cumulative figures for the six-month period ended March 31, 2026.

The engagement partner on the review resulting in this independent auditor's report is Saeed Ul Hassan, FCA.

SAEED UL HASSAN & Co.
Chartered Accountants



Place: Lahore

Date: May 22, 2026

UDIN: RR20261061793mBjiKxR



HASEEB WAQAS SUGAR MILLS LIMITED

CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION

AS AT MARCH 31, 2026

	Note	Un-audited	Audited
		March 31, 2026	Sep 30, 2025
		Rupees	
EQUITY AND LIABILITIES			
Share Capital and Reserves			
Authorized capital			
35,000,000 (Sept. 30, 2022: 35,000,000) ordinary shares of Rs. 10 each		350,000,000	350,000,000
Issued, subscribed and paid up capital	6	324,000,000	324,000,000
Loan from Directors	7	1,290,088,319	1,283,018,319
Surplus on Revaluation of Property, Plant and Equipment		4,295,913,843	4,394,722,372
Accumulated loss		(5,734,513,725)	(5,719,685,672)
		175,488,437	282,055,019
Non Current Liabilities			
Long term financing	8	-	-
Deferred liabilities		170,680,443	170,710,443
Deferred taxation		1,238,281,661	1,264,919,381
		1,408,962,104	1,435,629,824
Current Liabilities			
Trade and other payables		828,541,806	828,973,901
Markup/ interest payables		1,183,695,578	1,183,695,578
Short term borrowings	9	753,147,795	752,354,725
Unclaimed dividend		1,443,972	1,443,972
Current portion of non current liabilities	10	1,367,187,642	1,367,187,642
		4,134,016,793	4,133,655,818
Contingencies and Commitments			
	11	-	-
		5,718,467,334	5,851,340,661
ASSETS			
Non Current Assets			
Property, plant and equipment	12	5,462,038,587	5,590,405,003
Long term deposits		470,000	470,000
		5,462,508,587	5,590,875,003
Deferred Cost		98,000,000	98,000,000
Current Assets			
Stores, spares and loose tools		56,407,833	56,407,833
Stock in trade	13	-	-
Advances, deposits, prepayments and other receivables		98,708,547	103,397,890
Cash and bank balances		2,842,367	2,659,935
		157,958,747	162,465,658
		5,718,467,334	5,851,340,661

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

ABDULLAH ILYAS
CHIEF EXECUTIVE

RAZA MUSTAFA
DIRECTOR

SYED MUBASHIR HUSSAIN BUKHARI
CHIEF FINANCIAL OFFICER



HASEEB WAQAS SUGAR MILLS LIMITED
CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS (UN-AUDITED)
FOR THE HALF YEAR AND 2ND QUARTER ENDED MARCH 31, 2026

	Note	Half year ended		Quarter ended	
		March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025
		Rupees		Rupees	
Sales - Net	14	-	-	-	-
Cost of goods sold	15	<u>(131,841,774)</u>	<u>(141,418,666)</u>	<u>(65,919,077)</u>	<u>(69,856,733)</u>
Gross profit/(loss)		(131,841,774)	(141,418,666)	(65,919,077)	(69,856,733)
Operating expenses:					
- Administrative and general		<u>(9,673,510)</u>	<u>(6,410,556)</u>	<u>(5,750,285)</u>	<u>(2,881,840)</u>
		<u>(141,515,284)</u>	<u>(147,829,222)</u>	<u>(71,669,362)</u>	<u>(72,738,573)</u>
Other operating income	16	<u>1,248,248</u>	<u>-</u>	<u>1,248,248</u>	<u>-</u>
(Loss/Profit) from operation		<u>(140,267,036)</u>	<u>(147,829,222)</u>	<u>(70,421,114)</u>	<u>(72,738,573)</u>
Finance cost		(7,266)	(1,642)	(7,266)	(100)
(Loss/Profit) before taxation		<u>(140,274,302)</u>	<u>(147,830,864)</u>	<u>(70,428,380)</u>	<u>(72,738,673)</u>
Taxation					
- Current tax Expense		<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
- Deferred tax Income/(Expense)		<u>26,637,720</u>	<u>34,958,350</u>	<u>(96,420,049)</u>	<u>(65,910,306)</u>
		<u>26,637,720</u>	<u>34,958,350</u>	<u>(96,420,049)</u>	<u>(65,910,306)</u>
(Loss/Profit) after taxation		<u>(113,636,582)</u>	<u>(112,872,514)</u>	<u>(166,848,429)</u>	<u>(138,648,979)</u>
Loss/Profit per share - basic and diluted		<u>(3.51)</u>	<u>(3.48)</u>	<u>(5.15)</u>	<u>(4.28)</u>

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

ABDULLAH ILYAS
CHIEF EXECUTIVE

RAZA MUSTAFA
DIRECTOR

SYED MUBASHIR HUSSAIN BUKHARI
CHIEF FINANCIAL OFFICER



HASEEB WAQAS SUGAR MILLS LIMITED

CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)

FOR THE HALF YEAR AND 2ND QUARTER ENDED MARCH 31, 2026

	Half year ended		Quarter ended	
	<u>March 31, 2026</u>	<u>March 31, 2025</u>	<u>March 31, 2026</u>	<u>March 31, 2025</u>
	Rupees		Rupees	
(Loss/Profit) after taxation	(113,636,582)	(112,872,514)	(166,848,429)	(138,648,979)
Other comprehensive income for the period	-	-	-	-
Total comprehensive (loss) for the period	<u>(113,636,582)</u>	<u>(112,872,514)</u>	<u>(166,848,429)</u>	<u>(138,648,979)</u>

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

ABDULLAH ILYAS
CHIEF EXECUTIVE

RAZA MUSTAFA
DIRECTOR

SYED MUBASHIR HUSSAIN BUKHARI
CHIEF FINANCIAL OFFICER

**HASEEB WAQAS SUGAR MILLS LIMITED****CONDENSED INTERIM STATEMENT OF CASH FLOWS (UN-AUDITED)**

FOR THE HALF YEAR ENDED MARCH 31, 2026

	March 31, 2026	March 31, 2025
	Rupees	
CASH FLOW FROM OPERATING ACTIVITIES		
(Loss)/profit before taxation	(140,274,302)	(147,830,864)
Adjustments for:		
- Depreciation	128,366,416	135,459,428
- Finance cost	7,266	1,642
	128,373,682	135,461,070
Operating profit before working capital changes	(11,900,620)	(12,369,794)
(Increase) / decrease in current assets:		
- Stores, spares and loose tools	-	(7)
- Stock in trade	-	-
- Advances, deposits, prepayments and other receivables	4,524,906	(14,051,193)
Increase / (decrease) in current liabilities:		
- Trade and other payables	(432,095)	13,139,932
	4,092,811	(911,268)
Cash generated/(used in) from operations	(7,807,809)	(13,281,062)
Income tax paid / deducted	164,437	76,753
Gratuity paid	(30,000)	-
Finance cost paid	(7,266)	(1,642)
Net cash generated from/(used in) operating activities	(7,680,638)	(13,205,951)
CASH FLOW FROM INVESTING ACTIVITIES		
Property, plant and equipment purchased	-	-
Long term deposits	-	-
Proceeds from sale of property, plant and equipment	-	-
Net cash (used in) investing activities	-	-
CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds / (Repayment) from long term loans - Net	-	-
Proceeds / (Repayment) from Directors/Sponsors- Net	7,070,000	4,617,000
Proceeds / (Repayment) of related parties	793,070	(1,377)
Net cash generated from financing activities	7,863,070	4,615,623
Net increase/(decrease) in cash and cash equivalents	182,432	(8,590,328)
Cash and cash equivalents at the beginning of the period	2,659,935	8,632,886
Cash and cash equivalents at the end of the period	2,842,367	42,558

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

ABDULLAH ILYAS
CHIEF EXECUTIVE

RAZA MUSTAFA
DIRECTOR

SYED MUBASHIR HUSSAIN BUKHARI
CHIEF FINANCIAL OFFICER



HASEEB WAQAS SUGAR MILLS LIMITED
CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)
FOR THE HALF YEAR ENDED MARCH 31, 2026

	Issued Subscribed and Paid up Capital	Loan from Directors	Surplus on Revaluation of Property, Plant & Equipments	Accumulated (Loss) / Profit	Total
	R u p e e s				
Balance as at September 30, 2024	324,000,000	1,258,445,119	4,549,877,441	(5,629,735,685)	502,586,875
Loss for the period	-	-	-	(112,872,114)	(112,872,114)
Other comprehensive Income / (Loss) for the Period	-	-	-	-	-
Total comprehensive income / (loss) for the period	-	-	-	(112,872,114)	(112,872,114)
Transtation with Owners:					
Increase / (Decrease) in Director's Laon during the Period	-	4,617,000	-	-	4,617,000
Surplus on revaluation of fixed assets transferred to retained earnings in respect of incremental depreciation - net of Tax	-	-	(79,206,352)	79,206,352	-
Balance as at March 31, 2025	324,000,000	1,263,062,119	4,470,671,089	(5,663,401,447)	394,331,761
Total comprehensive loss for the period	-	-	-	(132,232,942)	(132,232,942)
Net (loss) for the period	-	-	-	-	-
Other comprehensive income	-	-	-	(132,232,942)	(132,232,942)
Total comprehensive income / (loss) for the period	-	-	-	(132,232,942)	(132,232,942)
Increase in director's loan during the year	-	19,956,200	-	-	19,956,200
Revaluation Surplus arise during the year	-	-	-	-	-
Surplus on revaluation of fixed assets transferred to retained earnings in respect of incremental depreciation	-	-	(75,948,717)	75,948,717	-
Balance as at September 30, 2025	324,000,000	1,263,062,119	4,394,722,372	(5,719,685,672)	262,098,819
Total comprehensive loss for the period	-	-	-	(113,636,582)	(113,636,582)
Net loss for the period	-	-	-	-	-
Adjustment	-	-	-	-	-
Other comprehensive income	-	-	-	(113,636,582)	(113,636,582)
Total comprehensive income / (loss) for the period	-	-	-	(113,636,582)	(113,636,582)
Increase in director's loan during the year	-	7,070,000	-	-	7,070,000
Surplus on revaluation of fixed assets transferred to retained earnings in respect of incremental depreciation	-	-	(98,808,529)	98,808,529	-
Balance as at March 31, 2026	324,000,000	1,270,132,119	4,295,913,843	(5,734,513,725)	155,532,237

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

ABDULLAH ILYAS
CHIEF EXECUTIVE

RAZA MUSTAFA
DIRECTOR

SYED MUBASHIR HUSSAIN BUKHARI
CHIEF FINANCIAL OFFICER



HASEEB WAQAS SUGAR MILLS LIMITED

NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION FOR THE HALF YEAR ENDED MARCH 31, 2026

1 STATUS AND ACTIVITIES

Haseeb Waqas Sugar Mills Limited ("the Company") was incorporated on 13 January 1992 as a Public Limited Company under the Companies Ordinance, 1984 (Now the Companies Act 2017). The Company's registered office is situated at 6-F Model Town, Lahore. The mill is situated at Tehsil Jattoi Distt. Muzaffargarh. The Company is listed on Pakistan Stock Exchange. The principal activity of the Company is manufacture and sale of refined sugar and its by-products.

2 STATEMENT OF COMPLIANCE

2.01 These condensed interim financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting which 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 (the Act) and provisions of and directives issued under the Act. Where the provisions of and directives issued under the Act differ with the requirements of IAS 34, the provisions of and directives issued under the Act have been followed.

These condensed interim financial statements do not include all the information and disclosures required in an annual audited financial statements, and should be read in conjunction with the Company's annual audited financial statements for the year ended September 30, 2022.

2.02 This condensed interim financial report comprises of the condensed interim statement of financial position as at March 31, 2024, the condensed interim profit or loss account, the condensed interim profit or loss account and other comprehensive income, condensed interim statement of changes in equity and the condensed interim statement of cash flows for the six months period then ended which have been subjected to a review but not audited. This condensed interim financial report also includes the condensed interim profit or loss account for the quarter ended March 31, 2024 which is not subject to a review.

2.03 The comparative Statement of financial position, presented in this condensed interim financial statement, as at March 31, 2024 has been extracted from the annual audited financial statements of the Company for the year ended September 30, 2023 whereas the comparative condensed interim profit or loss account, the condensed interim profit or loss account and other comprehensive income, condensed interim statement of changes in equity and condensed interim statement of cash flows for the six months period ended March 31, 2023 were subjected to review but not audited. The comparative condensed profit or loss account for the quarter ended March 31, 2023 included in this condensed interim financial report was not subject to a review.

3 BASIS OF MEASUREMENT

This condensed interim financial information has been prepared under the historical cost convention modified by adjustment of revaluation of certain assets. In this condensed interim financial information, except for the statement of cash flows, all the transactions have been accounted for on accrual basis.

4 SIGNIFICANT ACCOUNTING POLICIES

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

5 GOING CONCERN ASSUMPTION

During the period under review, the Company posted gross loss of Rs. 131,841,774/- as compared to last period's of Rs. 141,418,666/-. Further, the Company remain non operational during the crushing season and resultantly have zero production and sales during the period.

OPERATIONAL MEASURES

In view of above issues Company has taken and / or in the process of taking following mitigating steps:

Shifting of mill to Alipur Jatoi, Muzaffargarh done where sugar cane availability and sugar recovery are better.

BMR done and we will see impact of this BMR in the financials of coming season.

Our review petition (regarding shifting of mill to Alipur Jatoi) dismissed by Supreme Court and management considering alternate options available including but not limited to application to Ministry of Industries and Planning under Section 3 of the Punjab Industries (Control on Establishment and Inlargement) Ordinance, 1963.

The management foresees positive cash flow from future operations in expectation of better availability of sugar cane and sugar prices in coming season, since sugar dynamics are good and rising.

The projected financial statements prepared by the management to support its going concern assessment is based on following assumptions.

	Year Ended September 30,		
	2027	2028	2029
Sugar Cane Crushing M.T	780,000	800,000	800,000
Sugar cane rate	400	425	450
Sugar price per Kg	135	140	145

However, it is believed that considering the mitigating factors set out in the preceding paragraphs, the going concern assumption is appropriate and has, as such, prepared these financial statements on a going concern basis.



	March 31, 2026	Sep 30, 2025
6 ISSUED, SUBSCRIBED AND PAID UP CAPITAL	Rupees	
27,000,000 (March 31, 2025: 27,000,000) shares issued for cash	270,000,000	270,000,000
5,400,000 (March. 31, 2025: 5,400,000) shares issued as fully paid bonus shares	54,000,000	54,000,000
	<u>324,000,000</u>	<u>324,000,000</u>

There is no movement in ordinary share capital of the Company during the period.

7 LOAN FROM DIRECTORS	<u>1,290,088,319</u>	<u>1,283,018,319</u>
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This loan has been obtained from Sponsors of the Company, and is interest free. There is no fixed tenor or schedule for repayment of this loan. According to the loan agreement, the lenders shall not demand repayment and the same is entirely at the Company's option. Further, this loan is subordinated to National Bank of Pakistan, The Bank of Punjab, Sindh Bank Limited and Silk Bank Ltd.

These loans are accounted for under Technical Release - 32 "Accounting Directors' Loan" issued by the Institute of Chartered Accountants of Pakistan effective for the financial statements for the period beginning on or after January 01, 2016 with earlier application permitted.

8 LONG TERM FINANCING

Loan from banking companies and other financial institutions-secured

National Bank of Pakistan			
- Demand Finance I	8.1.1	220,000,000	220,000,000
- Demand Finance II	8.1.2	160,000,000	160,000,000
Sindh Bank Ltd			
- Demand Finance	8.1.3	500,000,000	500,000,000
Silk Bank Ltd			
- Demand Finance	8.1.4	390,000,000	390,000,000
PAIR Investment Company Limited			
- Demand Finance	8.1.5	70,000,000	70,000,000
		<u>1,340,000,000</u>	<u>1,340,000,000</u>
Less: current portion shown under current liabilities			
- NBP - Demand Finance - I		(220,000,000)	(220,000,000)
- NBP - Demand Finance - II		(160,000,000)	(160,000,000)
- Sindh Bank - Demand Finance		(500,000,000)	(500,000,000)
- Silk Bank Ltd		(390,000,000)	(390,000,000)
- Demand Finance - PAIR		(70,000,000)	(70,000,000)
		<u>(1,340,000,000)</u>	<u>(1,340,000,000)</u>
		-	-

8.1.1 Demand Finance I - NBP		
Opening balance	220,000,000	220,000,000
Loan obtained during the period / year	-	-
	<u>220,000,000</u>	<u>220,000,000</u>
Less: payment made during the period / year	-	-
	<u>220,000,000</u>	<u>220,000,000</u>

This finance has been obtained from National Bank of Pakistan The finance is secured by 1st PP charge of Rs. 293.334 million on fixed assets of the Company and personal guarantees of sponsoring directors of the Company. It carries markup 3 months KIBOR +2.5% per annum. This loan is payable in ten bi-annual instalments.

8.1.2 Demand Finance II - NBP		
Opening balance	160,000,000	160,000,000
Loan obtained during the period / year	-	-
	<u>160,000,000</u>	<u>160,000,000</u>
Less: payment made during the period / year	-	-
	<u>160,000,000</u>	<u>160,000,000</u>

This finance has been obtained from National Bank of Pakistan The finance is secured by 1st PP charge of Rs. 213.334 million on fixed assets of the Company and personal guarantees of sponsoring directors of the Company. It carries markup 3 months KIBOR +2.5% per annum. This loan is payable in twelve equall quarterly instalments.

8.1.3 Demand Finance - Sindh Bank		
Opening balance	500,000,000	500,000,000
Loan obtained during the period / year	-	-
	<u>500,000,000</u>	<u>500,000,000</u>
Less: payment made during the period / year	-	-
	<u>500,000,000</u>	<u>50,000,000</u>

This finance has been obtained from Sindh Bank Limited under demand finance arrangement. The finance is secured by ranking charge over all present and future fixed assets of the Company and personal guarantees of directors of the Company. It carries markup 3 months KIBOR +5% per annum. This loan is payable in twelve quarterly instalments.



	<u>March 31, 2026</u>	<u>Sep 30, 2025</u>
	Rupees	
8.1.4 Demand Finance - Silk Bank Ltd		
Opening balance	390,000,000	390,000,000
Loan obtained during the period / year	-	-
	<u>390,000,000</u>	<u>390,000,000</u>
Less: payment made during the period / year	-	-
	<u>390,000,000</u>	<u>390,000,000</u>
<p>This finance has been obtained from Silk Bank Limited under demand finance arrangement. The finance is secured by Pari passu charge over all present and future fixed assets of the Company and corporate guarantee of Abdullah Sugar Mills Ltd and personal guarantees of directors of the Company. It carries markup 6 months KIBOR + 2% per annum. This loan is payable in twelve quarterly instalments.</p>		
8.1.5 Demand Finance - PAIR		
Opening balance	70,000,000	70,000,000
Less: payment made during the period / year	-	-
	<u>70,000,000</u>	<u>70,000,000</u>
<p>This finance has been obtained from PAIR Investment Company Limited. The finance is secured by parri passu charges over the present and future fixed assets of the Company, with a margin of 33% above the financing amount. Parri passu charge by way of creation of mortgage over the land and building of the Company and personal guarantees of directors of the Company. It carries markup 3 months KIBOR +350 bps per annum. This loan is payable in eighteen equal monthly installments.</p>		
9 SHORT TERM BORROWINGS		
Loan from related parties	<u>753,147,795</u>	<u>752,354,725</u>
	<u>753,147,795</u>	<u>752,354,725</u>
10 CURRENT PORTION OF NON CURRENT LIABILITIES		
Long term finances	1,340,000,000	1,340,000,000
Liabilities against assets subject to finance lease	27,187,642	27,187,642
	<u>1,367,187,642</u>	<u>1,367,187,642</u>
11 CONTINGENCIES AND COMMITMENTS		

- 11.01 The collector of Sales Tax And Central Excise (Adjudication) Lahore has issued a show cause notice to the Company for the further tax amounting to Rs. 47 million upto the tax period September 2002 on the grounds that it charged sales tax at the rate of 15 % on its sales to persons liable to be registered.
- 11.02 The Federal Board of Revenue has blacklisted the Sales Tax status of the Company on 8th March 2018 due to non compliance of the Sales Tax Act, 1990 and the rules made thereunder including not discharging of sales tax liability amounting to Rs. 209 million. However, the Company will further proceed to restate the sales tax status after starting of crushing season as mentioned in note # 5.
- 11.03 Company has made defaults in repayment of installment of long term loans form financial institutions and bank. As a result, company's name has been included in CIB report of State Bank of Pakistan. The detail of the cases are as:

Sr. #	Name of the Court	Date Instituted	Principal parties	Description of factual basis of the proceedings	Relief sought
1	Lahore High Court	03-May-17	Sindh Bank Limited	Default in repayment of principal amount of long term loan along with markup	rescheduling of loan
2	Lahore High Court	29-Jan-16	The Bank of Punjab	Settled	N/A
3	Lahore High Court	22-Sep-16	National Bank Of Pakistan	Default in repayment of principal amount of long term loan along with markup	rescheduling of loan
4	Lahore High Court	31-Mar-17	First National Bank Modarba	Default in repayment of principal amount of long term loan along with markup	rescheduling of loan
5	Banking Court	20-Apr-18	PAIR Investment Company Limited	Default in repayment of principal amount of long term loan along with markup	rescheduling of loan

- 11.04 The Division Bench of Honorable Lahore High Court Lahore in its judgment dated September 11, 2017 ordered the relocation of Haseeb Waqas Sugar Mills Limited from Muzaffar Garh to Nankana. Furthermore, Lahore High Court directed the mills to restore and reconstitute the position by dismantling & removing the said mills from the present location. The Supreme Court of Pakistan vide short order even dated September 13, 2018 dismissed the Company's appeal and prohibited the Company from conducting any business in relation to or functioning as a sugar mill after the period of two months i.e. 12 November 2018. Further, the appellants are directed to remove within the said period from Muzaffar Garh (current factory location) to Nankana (previous factory location). However, the Company has filled review petition dated 6th November 2018 to review the above order and accept the appeal filed by the petitioners; but the Supreme Court upheld the previous order to remove the plant from Muzaffar Garh to Nankana Sahab.
- Further the company has moved an application to Ministry of Industries under section 3 of the Punjab Industries (Control on Establishment and Enlargement) Ordinance 1963 but the application has been turned down by Ministry of Industries.
- Principal parties for respondents are Govt. of the Punjab, JDW Sugar Mills Limited, Ashraf Sugar Mills Limited, Indus Sugar Mills Limited and RYK Mills Limited etc.

- 11.05 The Company has not complied with the section 244 of Companies Act, 2017 with respect to unclaimed dividend but it is not expected to have any legal consequences.



	<u>March 31, 2026</u>	<u>Sep 30, 2025</u>
	Rupees	
12 PROPERTY, PLANT AND EQUIPMENT		
Opening written down value	5,590,405,003	5,863,625,134
Addition / Deletion during the period	-	-
	<u>5,590,405,003</u>	<u>5,863,625,134</u>
Depreciation for the period / year	(128,366,416)	(273,220,131)
	<u>5,462,038,587</u>	<u>5,590,405,003</u>
13 STOCK IN TRADE	<u>March 31, 2026</u>	<u>Sep 30, 2025</u>
	Rupees	
Work in process		
- Sugar	-	-
- By products stock	-	-
	<u>-</u>	<u>-</u>



	Half year ended		Quarter ended	
	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025
	Rupees		Rupees	
14 SALES - NET				
- Sugar	-	-	-	-
- Molasses	-	-	-	-
- Mud	-	-	-	-
	-	-	-	-
Less: Sales tax and excise duty	-	-	-	-
	-	-	-	-
15 COST OF GOODS SOLD				
Raw materials consumed	-	-	-	-
Stores and spares consumed	-	136,839	(58,650)	78,189
Salaries, wages and other benefits	2,235,449	5,035,269	(313,170)	2,486,650
Repair and maintenance	2,527,075	2,081,242	782,709	336,876
Depreciation	126,832,541	133,821,090	59,944,900	66,933,449
Others	246,709	344,226	(75,948)	21,569
	131,841,774	141,418,666	60,279,841	69,856,733
Opening work in process	-	-	-	-
Closing work in process	-	-	-	-
	-	-	-	-
Cost of goods manufactured	131,841,774	141,418,666	60,279,841	69,856,733
Opening finished goods	-	-	-	-
Closing finished goods	-	-	-	-
	-	-	-	-
Cost of goods Sold	131,841,774	141,418,666	60,279,841	69,856,733
16 Other operating income				
Total Receipt net of Harvesting Expenses	1,248,248.00	-	1,248,248.00	-
	1,248,248.00	-	1,248,248.00	-
17 RELATED PARTY TRANSACTIONS				

Related parties comprise holding company, subsidiaries and associated undertakings, other related group companies, key management personnel including Chief executive, Directors and Executives and Post employment benefit plans. The Company in the normal course of business carries out transactions with various related parties. Details of related party transactions and balances are as follows:

17.1 Details of related party transactions other than those with key management personnel

The Company during the period / year entered into following transactions with related parties other than key management personnel:

	March 31, 2026	Sep 30, 2025
	Rupees	
17.1.1 Transactions with Associates		
Sale of molasses		
Abdullah Sugar Mills Ltd	-	-
(Repayment) / Obtain of Laon (to)/from		
Abdullah Sugar Mills Ltd	800,000	266,410
Haseeb Waqas Trading (Pvt) Ltd	-	-

17.1.2 Payments against balances due to related parties were made partially in cash and partially by paying for expenses on behalf of related parties and vice versa.

17.1.3 As per common practice in the sugar industry in Pakistan, the Company also purchased sugar cane from persons associated, directly and indirectly, with management personnel of the Company. These purchases were made in accordance with the cane procurement practice in the sugar industry. It is not practicable to determine the related amounts.



March 31, 2026 Sep 30, 2025

Rupees

17.2 Details of related party balances are as follows:

Due to:

Abdullah Sugar Mills Limited	750,950,661	750,150,661
Haseeb Waqas Trading (Pvt.) Limited	2,204,064	2,204,064
Loan from Directors and Sponsors	1,290,088,319	1,283,018,319

18 AUTHORIZATION FOR ISSUE

This condensed interim financial information has been authorized for issue by the Board of Directors of the Company on May 22, 2026.

19 GENERAL

- Comparative figures have been rearranged / reclassified, wherever necessary, to facilitate comparison.
- Figures have been rounded off to the nearest of Pakistani rupees.

ABDULLAH ILYAS
CHIEF EXECUTIVE

RAZA MUSTAFA
DIRECTOR

SYED MUBASHIR HUSSAIN BUKHARI
CHIEF FINANCIAL OFFICER