FARAN SUGAR MILLS LTD.

Ref: CR-2385/07-26
Date: July 23, 2026

The General Manager
Pakistan Stock Exchange Limited
Stock Exchange Building
Stock Exchange Road
Karachi.

**Sub: FINANCIAL RESULT FOR THE NINE MONTHS ENDED JUNE 30, 2026**

Dear Sir,

We have to inform you that the Board of Directors of our Company in their meeting held on Thursday, July 23, 2026 at 12:00 Noon at our office, 43-1-E(B), P.E.C.H.S. Block 6, off Razi Road, Shahrah-e-Faisal, Karachi recommended the following:

| | | |
|---|---|---|
| **i.** | **Cash Dividend** | NIL |
| **ii.** | **Bonus Issue** | NIL |
| **iii.** | **Right Issue** | NIL |

The financial results of the Company for containing Statement of Profit & Loss, Statement of Financial Position, Statement of Changes in Equity and Statement of Cash Flow for the nine months ended June 30, 2026 are herewith annexed.

The Report of the Company for the nine months ended June 30, 2026 will be transmitted through PUCARS.

Yours sincerely,
For **Faran Sugar Mills Limited**

Muhammad Ayub
Company Secretary

CC to:
The Securities and Exchange Commission of Pakistan
Enforcement Department, NIC Building, 63, Jinnah Avenue,
Blue Area, Islamabad.

Encl: as stated above

**FARAN SUGAR MILLS LIMITED**
**CONDENSED INTERIM PROFIT OR LOSS ACCOUNT (UN-AUDITED)**
**FOR THE NINE MONTH ENDED JUNE 30, 2026**

| | Nine Month Ended | | Quarter Ended | |
|---|---|---|---|---|
| | **Jun 30, 2026** | Jun 30, 2025 | **Jun 30, 2026** | Jun 30, 2025 |
| | ------------- *Rupees* ------------- | | ------------- *Rupees* ------------- | |
| Turnover - net | **7,874,551,730** | 7,976,809,279 | **2,892,290,920** | 2,567,718,053 |
| Cost of sales | **(7,199,593,596)** | (7,481,213,292) | **(2,790,668,586)** | (2,101,808,489) |
| Gross profit | **674,958,134** | 495,595,987 | **101,622,334** | 465,909,564 |
| Administrative expenses | **(164,757,762)** | (170,451,756) | **(58,093,979)** | (58,442,973) |
| Selling and distribution costs | **(77,324,045)** | (64,587,816) | **(12,508,881)** | (8,852,291) |
| | **(242,081,807)** | (235,039,572) | **(70,602,860)** | (67,295,264) |
| Operating profit | **432,876,327** | 260,556,415 | **31,019,474** | 398,614,300 |
| Other income | **55,023,367** | 42,853,618 | **13,580,964** | 8,613,817 |
| Other expenses | **(573,172)** | (4,147,618) | **(341,419)** | (386,031) |
| | **54,450,195** | 38,706,000 | **13,239,545** | 8,227,786 |
| | **487,326,522** | 299,262,414 | **44,259,019** | 406,842,085 |
| Finance costs | **(427,854,975)** | (603,118,353) | **(184,834,038)** | (172,004,094) |
| | **59,471,547** | (303,855,939) | **(140,575,019)** | 234,837,991 |
| Share of profit from equity accounted investments | **223,392,554** | 119,422,667 | **23,263,141** | 104,089,334 |
| Profit before levies and taxation | **282,864,101** | (184,433,272) | **(117,311,878)** | 338,927,325 |
| Levies | **(130,416,709)** | (100,016,294) | **(35,813,655)** | (32,307,727) |
| Profit before taxation | **152,447,392** | (284,449,567) | **(153,125,533)** | 306,619,598 |
| Taxation | **(141,696,359)** | 152,579,360 | **146,436,763** | (26,817,760) |
| **Profit after taxation** | **10,751,033** | (131,870,206) | **(6,688,770)** | 279,801,838 |
| **Earnings per share - basic and diluted** | **0.27** | (3.72) | **(0.17)** | 7.08 |

The annexed notes from 1 to 12 forms an integral part of these financial statements.

| Ahmed Ali Bawany | Muhammad Omar Bawany | Muhammad Ayub |
|---|---|---|
| Chief Executive Officer | Chairman | Chief Financial Officer |

**FARAN SUGAR MILLS LIMITED**
**CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION (UN-AUDITED)**
**AS AT JUNE 30, 2026**

| | | Un-Audited | Audited |
|---|---|---|---|
| | | Jun-2026 | Sep-2025 |
| **ASSETS** | *Note* | ------------- Rupees | ------------- |
| **Non-current assets** | | | |
| Property, plant and equipment | 5 | 2,906,566,006 | 3,014,275,336 |
| Long term investments | 6 | 1,488,304,094 | 1,258,448,507 |
| Long term advances | | - | 3,779,974 |
| Deferred tax asset | | 235,125,094 | 376,821,500 |
| Long term deposits | | 9,635,569 | 9,307,534 |
| | | 4,639,630,763 | 4,662,632,851 |
| **Current assets** | | | |
| Stores and spares | | 145,569,461 | 133,043,321 |
| Stock in trade | | 3,210,435,079 | 412,544,937 |
| Trade debts | | 522,702,388 | 320,506,866 |
| Short term investments | | - | - |
| Investment in associate classified as held for sale | | - | - |
| Loans, advances, deposits, prepayments and other receivables | | 239,712,381 | 312,582,670 |
| Taxation | | 50,152,199 | |
| Cash and bank balances | | 206,601,039 | 137,270,147 |
| | | 4,375,172,546 | 1,315,947,941 |
| **Total assets** | | 9,014,803,309 | 5,978,580,792 |
| **EQUITY AND LIABILITIES** | | | |
| **Share capital and reserves** | | | |
| Authorised capital | | 400,000,000 | 400,000,000 |
| Issued, subscribed and paid up capital | | 395,109,889 | 395,109,889 |
| **Capital reserve** | | | |
| Share premium | | 371,073,000 | 371,073,000 |
| Surplus on re-measurement of investment | | 17,480,304 | 11,017,273 |
| | | 388,553,304 | 382,090,273 |
| **Revenue reserves** | | | |
| Unappropriated profit | | 1,411,443,603 | 1,400,692,570 |
| | | 2,195,106,796 | 2,177,892,732 |
| **Non-current liabilities** | | | |
| Long term borrowings from banking companies | | 325,003,156 | 400,216,576 |
| Deferred liabilities | | 122,660,931 | 136,121,656 |
| | | 447,664,087 | 536,338,232 |
| **Current liabilities** | | | |
| Trade and other payables | | 885,224,533 | 863,710,551 |
| Accrued mark up | | 204,704,403 | 73,553,316 |
| Current portion of long term finance | | 153,891,389 | 165,780,122 |
| Unclaimed dividend | | 9,407,037 | 9,407,036 |
| Taxation - net | | - | 8,004,900 |
| Short term borrowing from banking companies | 7 | 5,118,805,062 | 2,143,893,903 |
| | | 6,372,032,424 | 3,264,349,828 |
| **Contingency and commitment** | 8 | | |
| **Total equity and liabilities** | | 9,014,803,309 | 5,978,580,792 |

The annexed notes from 1 to 12 forms an integral part of these financial statements.

| Ahmed Ali Bawany | Muhammad Omar Bawany | Muhammad Ayub |
|---|---|---|
| Chief Executive Officer | Chairman | Chief Financial Officer |

**FARAN SUGAR MILLS LIMITED**
**CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)**
**FOR THE NINE MONTHS ENDED JUNE 30, 2026**

| | Issued, subscribed and paid up capital | Capital reserves | Revenue reserves | | |
|---|---|---|---|---|---|
| | | Share premium | Unappropriated profits | Surplus on re-measurement of investment | Total |
| | (Rupees) | | | | |
| **Balance as at October 1, 2024** | **250,069,550** | **8,472,152** | **1,146,001,102** | **4,187,879** | **1,408,730,683** |
| *Transactions with owners* | | | - | | - |
| Right Share issue | 145,040,339 | 362,600,848 | | | 507,641,187 |
| *Total comprehensive income for the nine month ended June 30, 2025* | | | | | |
| - Profit after taxation | - | - | (131,870,206) | - | (131,870,206) |
| - Other comprehensive income | - | - | - | 1,972,727 | 1,972,727 |
| | - | - | (131,870,206) | 1,972,727 | (129,897,479) |
| **Balance as at June 30, 2025** | **395,109,889** | **371,073,000** | **1,014,130,896** | **6,160,606** | **1,786,474,391** |
| *Total comprehensive income for the period ended September 30, 2025* | | | | | |
| - Profit after taxation | - | - | 386,561,674 | - | 386,561,674 |
| - Other comprehensive income | - | - | - | 4,856,667 | 4,856,667 |
| | **-** | **-** | **386,561,674** | **4,856,667** | **391,418,342** |
| **Balance as at September 30, 2025** | **395,109,889** | **371,073,000** | **1,400,692,570** | **11,017,273** | **2,177,892,732** |
| **Balance as at October 1, 2025** | 395,109,889 | 371,073,000 | 1,400,692,570 | 11,017,273 | 2,177,892,732 |
| *Total comprehensive income for the nine month ended June 30, 2026* | | | | | |
| - Profit after taxation | - | - | 10,751,033 | - | 10,751,033 |
| - Other comprehensive income | - | - | - | 6,463,031 | 6,463,031 |
| | **-** | **-** | **10,751,033** | **6,463,031** | **17,214,064** |
| **Balance as at June 30, 2026** | **395,109,889** | **371,073,000** | **1,411,443,603** | **17,480,304** | **2,195,106,796** |

The annexed notes from 1 to 12 forms an integral part of these financial statements.

| Ahmed Ali Bawany | Muhammad Omar Bawany | Muhammad Ayub |
|---|---|---|
| Chief Executive Officer | Chairman | Chief Financial Officer |

**FARAN SUGAR MILLS LIMITED**
**CONDENSED INTERIM STATEMENT OF CASH FLOWS (UN-AUDITED)**
**FOR THE NINE MONTH ENDED JUNE 30, 2026**

| | Note | Jun 30, 2026 | Jun 30, 2025 |
|---|---|---|---|
| | | *Rupees* | |
| **CASH FLOWS FROM OPERATING ACTIVITIES** | | | |
| **CASH GENERATED FROM OPERATIONS** | | | |
| Profit before taxation | | **282,864,101** | **(184,446,769)** |
| *Adjustments for:* | | | |
| Depreciation | | 126,167,366 | 126,082,760 |
| Share in profit from equity accounted investments | | (223,392,554) | (119,422,667) |
| Dividend income | | - | (123,375) |
| Finance costs | | 427,854,975 | 603,118,352 |
| Gain on disposal of property, plant and equipment | | (2,164,688) | (283,980) |
| | | 328,465,099 | 609,371,091 |
| | | **611,329,200** | **424,924,322** |
| **Working capital changes** | | | |
| Increase in stores and spares | | (12,526,140) | (40,902,554) |
| Increase in stock in trade | | (2,797,890,142) | (811,512,025) |
| Increase/ (decrease) in trade debts | | (202,195,522) | 136,676,834 |
| Decrease in loans, advances, deposits, prepayments and other receivables | | 72,870,289 | 359,144,995 |
| Increase/ (Decrease) in trade and other payables | | 8,053,257 | (384,191,884) |
| | | (2,931,688,259) | (740,784,634) |
| Cash used in operating activites | | (2,320,359,059) | (315,860,312) |
| Taxes paid | | (188,573,808) | (145,099,271) |
| Finance cost paid | | (296,703,887) | (993,869,695) |
| Net cash used in operating activities | | **(2,805,636,753)** | **(1,454,829,278)** |
| **CASH FLOWS FROM INVESTING ACTIVITIES** | | | |
| Capital expenditure | | (22,152,547) | (78,509,794) |
| Disposal of Subsidy | | - | 99,970 |
| Proceeds from sale of fixed assets | | 5,859,246 | 455,244 |
| Long term advances made | | 3,779,974 | - |
| Sale of Investment | | - | 6,231,409 |
| Dividend received | | - | 123,375 |
| Long term deposits - net | | (328,035) | (1,945,501) |
| **Net cash used in investing activities** | | **(12,841,362)** | **(73,545,297)** |
| **CASH FLOWS FROM FINANCING ACTIVITIES** | | | |
| Long term loans - net | | (87,102,153) | (109,595,426) |
| Right Issue | | | 507,641,189 |
| Short term finance - net | | 3,474,911,159 | 33,931,040 |
| **Net cash generated from financing activities** | | **3,387,809,007** | **431,976,803** |
| **Net increase/ (decrease) in cash and cash equivalents** | | **569,330,892** | **(1,096,397,772)** |
| Cash and cash equivalents at the beginning of the year | | (1,362,729,853) | 97,330,221 |
| **Cash and cash equivalents at the end of the year** | | **(793,398,961)** | **(999,067,551)** |
| **Cash and cash equivalents comprise of the following:** | | | |
| Cash and bank balances | | 206,601,039 | 300,932,449 |
| Short term running Musharika finance | | (1,000,000,000) | (1,300,000,000) |
| | | **(793,398,961)** | **(999,067,551)** |

The annexed notes from 1 to 12 forms an integral part of these financial statements.

| Ahmed Ali Bawany | Muhammad Omar Bawany | Muhammad Ayub |
|---|---|---|
| Chief Executive Officer | Chairman | Chief Financial Officer |