



ZAHIDJEE TEXTILE MILLS LIMITED

Quarterly Report

FOR THE PERIOD ENDED SEPTEMBER 30,2026



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COMPANY INFORMATION

Board of Directors

Mr. Ahmad Zahid	Chairman
Mr. Muhammad Zahid	Chief Executive
Mrs. Mehreen Fahad	Director
Mr. Muhammad Ali	Independent Director
Mr. Sajjad Hussain Shah	Independent Director
Mr. Faisal Masood Afzal	Independent Director
Mr. Shahbaz Haider Agha	Independent Director

Audit Committee

Mr. Sajjad Hussain Shah	Chairman
Mr. Faisal Masood Afzal	Member
Mr. Muhammad Ali	Member

HR & Remuneration Committee

Mr. Shahbaz Haider Agha	Chairman
Mr. Muhammad Ali	Member
Mr. Ahmad Zahid	Member
Mr. Muhammad Zahid	Member

Nomination Committee

Mr. Shahbaz Haider Agha	Chairman
Mrs. Mehreen Fahad	Member
Mr. Faisal Masood Afzal	Member

Risk Management Committee

Mr. Sajjad Hussain Shah	Chairman
Mr. Muhammad Zahid	Member
Mr. Ahmad Zahid	Member

Sustainability Committee

Mr. Faisal Masood Afzal	Member
Mr. Muhammad Zahid	Member
Mr. Ahmad Zahid	Member

Chief Financial Officer

Mr. Muhammad Asif.

Company Secretary

Mr. Shahab ud Din Khan

Auditors

RSM Avais Hyder Liaquat Nauman
Chartered Accounts

Bankers of the Company

Askari Bank Limited
Bank Al-Falah Limited
BankIslami Pakistan Limited
Dubai Islamic Bank
Habib Bank Limited
JS Bank Limited
Meezan Bank Limited
National Bank of Pakistan
Samba Bank Limited
Soneri Bank Limited
The Bank of Punjab
United Bank Limited

Registered Office

131-A, P-Street Upper Mall,
Lahore.

Tel: 042-35777291-5

NTN: 0804274-8

Plant site

- 28-KM, Sheikhpura Road,
Faisalabad
- 32-KM, Tandlian wala Road,
Faisalabad
- M-3 Industrial City,
Sahianwala, Faisalabad

Share Reistrar

Corptec Associates (Private) Limited

503-E, Johar Town, Lahore

Tel: 042-35170335-6

Fax 042-35170338

E-mail: info@corptec.com.pk

Director's Report to Shareholders

The Board of Directors of Zahidjee Textile Mills Limited ("the Company") are pleased to present un-audited financial statements for period ended September 30, 2026.

Economic Review

The first quarter of the financial year unfolded against a challenging global economic backdrop, characterized by uneven growth across major economies, persistent geopolitical uncertainties, and continued volatility in international trade and commodity markets. While Pakistan's macroeconomic indicators continued to reflect gradual stabilization, the textile sector remained under pressure due to subdued global demand, elevated energy and production costs, and ongoing challenges related to export competitiveness. These factors continued to constrain industrial growth and profitability, highlighting the need for sustained economic reforms, improved cost efficiency, and supportive policies to strengthen the sector's performance.

Industry Review

Pakistan's textile industry continued to face significant challenges during the period under review amid subdued global demand, persistent geopolitical tensions, and uncertainty in international trade. These factors continued to constrain export growth and intensify competitive pressures across the sector. Domestically, structural challenges, including increased energy tariff, supply chain disruptions, and fluctuations in cotton production due to climate-related factors, continued to affect industrial efficiency and operational stability. In addition, rising labor costs following minimum wage adjustments, coupled with a stringent tax regime and elevated production expenses, placed further pressure on manufacturers' profit margins. Collectively, these challenges continued to undermine the competitiveness of Pakistan's textile industry against regional competitors, highlighting the need for cost rationalization, policy support, and improved export competitiveness to sustain long-term growth.

Financial Results

The operating results of the company are summarized below:

Financial Highlights	-----Rs. in million-----	
	September 30, 2026	September 30, 2025
Sales	10,781	9,396
Gross Profit	816	789
Levies	30	52
Profit Before Levies and Income Tax	696.2	649.3
Provision for Taxation	72.2	112.4
Profit After Taxation	594.1	484.8
Earnings Per Share – Basic and Diluted	3.10	2.53

The company has reported sales of Rs. 10.78 billion for the period ended 30 September 2026, as compared to Rs. 9.40 billion for the corresponding period last year, reflecting an increase of 14.74%. Gross profit increased to Rs. 816.14 million from Rs. 789.17 million in the corresponding period last year, showing an improvement of 3.42%. The company earned a net profit of Rs. 594.05 million, as compared to Rs. 484.85 million in the same period last year, reflecting an increase of 22.52%. Consequently, earnings per share (EPS) improved to Rs. 3.10 from Rs. 2.53 in the corresponding period last year.

The improvement in profitability was primarily attributable to higher sales and an increase in other income to Rs. 287.70 million from Rs. 267.20 million. Finance costs declined to Rs. 191.84 million from Rs. 228.55 million, contributing positively to the company's bottom line. Furthermore, levies decreased to Rs. 30.02 million from Rs. 52.09 million, while the provision for taxation declined to Rs. 72.15 million from Rs. 112.44 million. These factors supported the increase in net profit despite higher administrative and other operating expenses. Overall, the company achieved improved profitability during the period under review compared to the corresponding period last year.

As at 30 September 2026, the company's property, plant and equipment stood at Rs. 18.09 billion, compared to Rs. 18.39 billion as at 30 June 2026, primarily reflecting depreciation and other movements during the period. Trade and other payables increased to Rs. 4.59 billion from Rs. 4.20 billion at the preceding year-end. Long-term finance, including its current portion, decreased to Rs. 1.11 billion from Rs. 1.18 billion, reflecting repayments during the period. However, interest/markup payable increased to Rs. 134.32 million from Rs. 92.73 million, while short-term borrowings rose to Rs. 6.16 billion from Rs. 5.05 billion. Cash and bank balances improved to Rs. 5.70 billion from Rs. 5.06 billion, supporting the company's liquidity position. Overall, the company's net worth increased to Rs. 23.33 billion as at 30 September 2026, compared to Rs. 22.73 billion as at 30 June 2026, reflecting an improvement in its equity position during the period.

Future Prospects

Despite a challenging operating environment, the company remains firmly committed to building resilience by prioritizing cost optimization and driving sustainable sales growth to strengthen its market position. Through a continued focus on innovation, sustainability, and agile management practices, the company is well-positioned to navigate economic volatility while consistently contributing to Pakistan's economic development.

Acknowledgements

We are very thankful to the customers for their support and shareholders for their confidence and trust in the management of the Company. We are also thankful to all the staff members for their hard work and commitment to the betterment of the Company.

For and on Behalf of



Muhammad Zahid

Chief Executive Officer



Ahmad Zahid

Director

October 29, 2026

Lahore

حصص یافتگان کے نام ڈائریکٹرز کی رپورٹ

زاہدی ٹیکسٹائل ملز لمیٹڈ ("کمپنی") کے بورڈ آف ڈائریکٹرز کو 30 ستمبر 2026 کو ختم ہونے والی مدت کے غیر آڈٹ شدہ مالیاتی گوشوارے پیش کرتے ہوئے مسرت ہو رہی ہے۔

معاشی جائزہ

مالی سال کی پہلی سہ ماہی ایک مشکل عالمی معاشی پس منظر میں گزری، جس میں بڑی معیشتوں کی غیر یکساں شرح نمو، مسلسل جغرافیائی و سیاسی غیر یقینی صورتحال، اور بین الاقوامی تجارت و اجناس کی منڈیوں میں اتار چڑھاؤ نمایاں رہا۔ اگرچہ پاکستان کے اہم معاشی اشاریے بتدریج معاشی استحکام کی عکاسی کرتے رہے، تاہم ٹیکسٹائل کا شعبہ عالمی منڈی میں کمزور طلب، توانائی اور پیداواری لاگت میں اضافے، اور برآمدی مسابقت سے متعلق مسلسل مسائل کے باعث دباؤ کا شکار رہا۔ ان عوامل نے صنعتی ترقی اور منافع کی شرح کو محدود رکھا، جو اس امر کو اجاگر کرتے ہیں کہ ٹیکسٹائل کے شعبے کی کارکردگی کو بہتر بنانے کے لیے مسلسل معاشی اصلاحات، لاگت میں مؤثر کمی، اور معاون حکومتی پالیسیوں کی ضرورت ہے۔

صنعتی جائزہ

زیر جائزہ مدت کے دوران پاکستان کی ٹیکسٹائل انڈسٹری کو عالمی منڈی میں کمزور طلب، مسلسل جغرافیائی و سیاسی کشیدگی اور بین الاقوامی تجارت میں غیر یقینی صورتحال کے باعث نمایاں مشکلات کا سامنا رہا۔ ان عوامل نے برآمدات میں اضافے کی رفتار کو محدود کرنے کے ساتھ ساتھ شعبے میں مسابقتی دباؤ کو بھی مزید بڑھا دیا۔

ملکی سطح پر ساختی مسائل، جن میں توانائی کے نرخوں میں اضافہ، سپلائی چین میں رکاوٹیں اور موسمیاتی عوامل کے باعث کپاس کی پیداوار میں اتار چڑھاؤ شامل ہیں، صنعتی کارکردگی اور آپریشنل استحکام کو متاثر کرتے رہے۔ اس کے علاوہ کم از کم اجرت میں اضافے کے نتیجے میں بڑھنے والی افرادی قوت کی لاگت، سخت ٹیکس نظام اور پیداواری اخراجات میں اضافے نے صنعت کاروں کے منافع کی شرح پر مزید دباؤ ڈالا۔

مجموعی طور پر، ان چیلنجز نے علاقائی حریف ممالک کے مقابلے میں پاکستان کی ٹیکسٹائل انڈسٹری کی مسابقتی صلاحیت کو متاثر کیا۔ یہ صورتحال طویل مدتی ترقی کو برقرار رکھنے کے لیے لاگت کو معقول بنانے، مؤثر پالیسی معاونت فراہم کرنے اور برآمدی مسابقت کو بہتر بنانے کی ضرورت کو اجاگر کرتی ہے۔ **مالیاتی نتائج**

:کمپنی کے عملیاتی نتائج کا خلاصہ درج ذیل ہے

مالیاتی کارکردگی کے اہم نکات	ستمبر، 2026	ستمبر، 2025
فروخت	10,781	9,396
مجموعی منافع	816	789
لیویز	30	52
لیویز اور انکم ٹیکس سے قبل منافع	696.2	649.3
ٹیکس کی فراہمی	72.2	112.4
فی حصص آمدنی (بنیادی اور ڈائلیوٹڈ)	3.10	2.53

کمپنی نے 30 ستمبر 2026 کو ختم ہونے والی مدت کے دوران 10.78 ارب روپے کی فروخت حاصل کی، جبکہ گزشتہ سال کی اسی مدت میں فروخت 9.40 ارب روپے تھی، جو 14.74 فیصد اضافے کو ظاہر کرتی ہے۔ مجموعی منافع گزشتہ سال کی اسی مدت کے 789.17 ملین روپے کے مقابلے میں بڑھ کر 816.14 ملین روپے ہو گیا، جو 3.42 فیصد بہتری کی عکاسی کرتا ہے۔ کمپنی نے زیر جائزہ مدت کے دوران 594.05 ملین روپے کا خالص منافع حاصل کیا، جبکہ گزشتہ سال کی اسی مدت میں یہ منافع 484.85 ملین روپے تھا، جو 22.52 فیصد اضافے کو ظاہر کرتا ہے۔ نتیجتاً، فی حصص آمدنی گزشتہ سال کی اسی مدت کے 2.53 روپے کے مقابلے میں بڑھ کر 3.10 روپے ہو گئی۔

منافع میں بہتری کی بنیادی وجوہات میں فروخت میں اضافہ اور دیگر آمدنی کا گزشتہ سال کے 267.20 ملین روپے کے مقابلے میں بڑھ کر 287.70 ملین روپے ہو جانا شامل ہیں۔ مالیاتی اخراجات بھی گزشتہ سال کے 228.55 ملین روپے سے کم ہو کر 191.84 ملین روپے رہ گئے، جس نے کمپنی کے مجموعی منافع میں مثبت کردار ادا کیا۔ مزید برآں، لیویز کے اخراجات ملین روپے سے کم ہو کر 30.02 ملین روپے رہ گئے، جبکہ ٹیکس کی مد میں مختص رقم بھی گزشتہ سال کے 52.09 ملین روپے کے مقابلے میں کم ہو کر 72.15 ملین روپے ہو گئی۔ ان عوامل نے انتظامی اور دیگر عملیاتی اخراجات 112.44 میں اضافے کے باوجود خالص منافع میں بہتری لانے میں معاونت کی۔ مجموعی طور پر، کمپنی نے زیر جائزہ مدت کے دوران گزشتہ سال کی اسی مدت کے مقابلے میں منافع بخش کارکردگی میں بہتری حاصل کی۔

ستمبر 2026 تک کمپنی کے پراپرٹی، پلانٹ اور آلات کی مالیت 18.09 ارب روپے رہی، جبکہ 30 جون 2026 کو یہ 30 مالیت 18.39 ارب روپے تھی۔ اس کمی کی بنیادی وجوہات میں زیر جائزہ مدت کے دوران فرسودگی کے اخراجات اور دیگر تبدیلیاں شامل ہیں۔ تجارتی اور دیگر واجبات 30 جون 2026 کے 4.20 ارب روپے کے مقابلے میں بڑھ کر 4.59 ارب روپے ہو گئے۔ طویل مدتی قرضہ جات، بشمول ان کے موجودہ حصے، 1.18 ارب روپے سے کم ہو کر 1.11 ارب روپے رہ گئے، جو زیر جائزہ مدت کے دوران قرضوں کی ادائیگیوں کی عکاسی کرتا ہے۔

تاہم، واجب الادا سود / مارک آپ 92.73 ملین روپے سے بڑھ کر 134.32 ملین روپے ہو گیا، جبکہ قلیل مدتی قرضہ جات ارب روپے سے بڑھ کر 6.16 ارب روپے ہو گئے۔ نقدی اور بینک بیلنس 5.06 ارب روپے سے بڑھ کر 5.70 ارب روپے ہو 5.05 گئے، جس سے کمپنی کی نقدی دستیابی اور مالیاتی ضروریات پوری کرنے کی صلاحیت کو تقویت ملی۔ مجموعی طور پر، 30 ستمبر 2026 تک کمپنی کی خالص مالیت 23.33 ارب روپے ہو گئی، جبکہ 30 جون 2026 کو یہ 22.73 ارب روپے تھی جو زیر جائزہ مدت کے دوران کمپنی کے ایکویٹی میں بہتری کو ظاہر کرتی ہے۔

مستقبل کے امکانات

مشکل کاروباری اور معاشی حالات کے باوجود، کمپنی اپنی مارکیٹ پوزیشن کو مزید مستحکم بنانے کے لیے لاگت کو بہتر انداز میں کنٹرول کرنے اور فروخت میں پائیدار اضافے کو ترجیح دیتے ہوئے اپنی کاروباری صلاحیت اور استحکام کو مضبوط بنانے کے لیے پُر عزم ہے۔ جدت، پائیداری اور مؤثر و بروقت انتظامی حکمت عملیوں پر مسلسل توجہ کے ذریعے کمپنی معاشی اتار چڑھاؤ کا سامنا کرنے اور بدلے ہوئے کاروباری حالات سے مؤثر طور پر نمٹنے کے لیے پُر اعتماد ہے۔ اس کے ساتھ ساتھ، کمپنی پاکستان کی معاشی ترقی میں اپنا مثبت کردار ادا کرنے کے لیے بھی پُر عزم ہے۔

اظہارِ تشکر

ہم اپنے معزز صارفین کے تعاون اور حصص یافتگان کے کمپنی کی انتظامیہ پر اعتماد اور بھروسے کے لیے تہہ دل سے شکر گزار ہیں۔ ہم کمپنی کے تمام ملازمین کے بھی ممنون ہیں جنہوں نے اپنی محنت، لگن اور وابستگی کے ذریعے کمپنی کی ترقی اور بہتری میں اہم کردار ادا کیا۔

کی جانب سے اور ان کی طرف سے



محمد زاہد

چیف ایگزیکٹو آفیسر



احمد زاہد

ڈائریکٹر

ستمبر، 29 2026

ZAHIDJEE TEXTILE MILLS LIMITED
STATEMENT OF FINANCIAL POSITION
As at September 30, 2026

		Un-Audited September 30, 2026 Rupees	Audited June 30, 2026 Rupees
	Note		
NON - CURRENT ASSETS			
Property, plant and equipment	3	18,093,011,555	18,394,279,467
Investment in subsidiary		-	800,000
Long term security deposits	4	4,975,784	4,975,784
		18,097,987,339	18,400,055,251
CURRENT ASSETS			
Stores, spares and loose tools		357,006,080	376,317,396
Stock in trade		7,442,344,427	6,028,266,789
Trade debts		4,041,220,184	3,799,083,417
Loans, advances and deposit		457,231,455	457,945,576
Prepayments		349,384,351	227,367,124
Other receivables		361,623,361	237,766,851
Short term investment	5	271,830,892	281,830,892
Tax refunds due from Government		736,102,434	985,620,134
Cash and bank balances		5,695,009,737	5,063,541,262
		19,711,752,921	17,457,739,441
Non-Current Assets			
Held for sale	6	800,000	-
		19,712,552,921	17,457,739,441
CURRENT LIABILITIES			
Trade and other payables		4,594,247,351	4,203,391,175
Interest / mark up payable		134,317,342	92,731,245
Short term borrowings		6,155,964,533	5,047,903,140
Unclaimed dividend		12,873,679	12,873,679
Current portion of long term finance		638,116,192	561,615,239
Provision for taxation - income tax		51,040,226	179,653,143
		11,586,559,323	10,098,167,621
		26,223,980,937	25,759,627,071
NON - CURRENT LIABILITIES			
Long term finance		468,071,183	621,073,089
Deferred liability			
Staff retirement gratuity		-	-
Deferred taxation		2,429,472,840	2,406,781,231
		2,897,544,023	3,027,854,320
CONTINGENCIES AND COMMITMENTS			
	7	-	-
Net worth		23,326,436,914	22,731,772,751
Represented by :			
Share capital		1,914,210,990	1,914,210,990
Capital reserves			
Merger reserve		366,258,513	366,258,513
Surplus on revaluation of			
property, plant and equipment		6,445,112,531	6,600,233,543
Revenue reserves		14,600,854,880	13,851,069,705
		23,326,436,914	22,731,772,751
		23,326,436,914	22,731,772,751

The annexed notes from 1 to 10 form an integral part of these financial statements.


CHIEF EXECUTIVE OFFICER


DIRECTOR


CHIEF FINANCIAL OFFICER

ZAHIDJEE TEXTILE MILLS LIMITED
STATEMENT OF PROFIT OR LOSS
For the quarter ended September 30, 2026

	Note	Un-Audited September 30, 2026 Rupees	Un-Audited September 30, 2025 Rupees
Sales		10,781,503,326	9,395,745,760
Cost of sales	8	9,965,362,094	8,606,575,347
Gross profit		816,141,232	789,170,413
Trading profit		8,133,711	-
Other income		287,697,113	267,198,733
		1,111,972,056	1,056,369,146
Distribution cost		87,695,394	84,839,338
Administrative expenses		76,295,753	59,425,378
Other operating expenses		59,919,119	34,177,748
Finance cost		191,836,652	228,549,477
		415,746,918	406,991,941
Profit for the period before levies and income tax		696,225,138	649,377,205
Levies		30,022,827	52,086,968
Profit for the period before taxation		666,202,311	597,290,237
Provision for taxation		72,153,448	112,444,592
Profit for the period		594,048,863	484,845,645
Earnings per share - Basic and diluted		3.10	2.53

The annexed notes from 1 to 10 form an integral part of these financial statements.


CHIEF EXECUTIVE OFFICER


DIRECTOR


CHIEF FINANCIAL OFFICER

ZAHIDJEE TEXTILE MILLS LIMITED
STATEMENT OF COMPREHENSIVE INCOME
For the quarter ended September 30, 2026

	Un-Audited September 30, 2026 Rupees	Un-Audited September 30, 2025 Rupees
Profit for the period	594,048,863	484,845,645
Other comprehensive income		
Items that will not be subsequently reclassified to profit or loss :		
Surplus on revaluation of property, plant and equipment arisen during the period	-	-
Related deferred tax	-	-
	-	-
Total comprehensive income for the period	<u>594,048,863</u>	<u>484,845,645</u>

The annexed notes from 1 to 10 form an integral part of these financial statements.



CHIEF EXECUTIVE OFFICER



DIRECTOR



CHIEF FINANCIAL OFFICER

ZAHIDJEE TEXTILE MILLS LIMITED
STATEMENT OF CHANGES IN EQUITY
For the quarter ended September 30, 2026

	ISSUED, SUBSCRIBED AND PAID-UP CAPITAL	CAPITAL RESERVES			REVENUE RESERVES			Total
		Merger reserve	Surplus on revaluation of property, plant and equipment	Sub total	General reserve	Unappropriated profit	Sub total	
----- R u p e e s -----								
Balance as at July 01, 2025	1,914,210,990	366,258,513	6,574,220,175	6,940,478,688	300,000,000	11,710,834,017	12,010,834,017	20,865,523,695
Total comprehensive income for the year								
Profit for the year	-	-	-	-	-	1,338,263,461	1,338,263,461	1,338,263,461
Other comprehensive income								
Surplus on revaluation of property, plant and equipment arisen during the year	-	-	-	-	-	-	-	-
Related deferred tax	-	-	-	-	-	-	-	-
	-	-	-	-	-	1,338,263,461	1,338,263,461	1,338,263,461
Incremental depreciation on revalued assets for the year-net of deferred tax	-	-	(465,385,947)	(465,385,947)	-	465,385,947	465,385,947	-
Surplus realised on disposal of property, plant and equipment - net of deferred tax	-	-	(36,586,280)	(36,586,280)	-	36,586,280	36,586,280	-
Adjustment of deferred tax for the year	-	-	527,985,595	527,985,595	-	-	-	527,985,595
Balance as at June 30, 2026	1,914,210,990	366,258,513	6,600,233,543	6,966,492,056	300,000,000	13,551,069,705	13,851,069,705	22,731,772,751
Total comprehensive income for the Period								
Profit for the Period	-	-	-	-	-	594,048,863	594,048,863	594,048,863
Other comprehensive income	-	-	-	-	-	-	-	-
	-	-	-	-	-	594,048,863	594,048,863	594,048,863
Incremental depreciation on revalued assets for the period - net of deferred tax	-	-	(106,078,045)	(106,078,045)	-	106,078,045	106,078,045	-
Surplus realised on disposal of property, plant and equipment - net of deferred tax	-	-	(49,658,267)	(49,658,267)	-	49,658,267	49,658,267	-
Adjustment of deferred tax for the period	-	-	615,300	615,300	-	-	-	615,300
Balance as at September 30, 2026	1,914,210,990	366,258,513	6,445,112,531	6,811,371,044	300,000,000	14,300,854,880	14,600,854,880	23,326,436,914

The annexed notes from 1 to 10 form an integral part of these financial statements.


CHIEF EXECUTIVE OFFICER


DIRECTOR


CHIEF FINANCIAL OFFICER

ZAHIDJEE TEXTILE MILLS LIMITED
STATEMENT OF CASH FLOWS
For the quarter ended September 30, 2026

	Note	Un-Audited September 30, 2026 Rupees	Un-Audited September 30, 2025 Rupees
a) CASH FLOWS FROM OPERATING ACTIVITIES			
Profit for the period before levies and income tax		696,225,138	649,377,205
Adjustment for:			
Depreciation of property, plant and equipment	3.2	393,956,089	360,246,989
Provision for staff retirement gratuity	12.2	-	26,666,660
Profit on deposits	10	(137,411,740)	(56,490,669)
Dividend income	10	(6,149,135)	-
Loss on disposal of operating assets - net	13	8,618,319	2,487,469
Provision for doubtful debts	29	-	-
Plot cancellation charges	30	-	-
Loss / (gain) on disposal of short term investment	10	-	-
Balances written (back) - net	10	(37,106,624)	(653,075)
Fair value (gain) on short term investments	10	(35,859,354)	(34,077,034)
Finance cost	14	191,836,652	228,549,477
Operating cash flows before working capital changes		1,074,109,345	1,176,107,023
Changes in working capital			
Decrease / (increase) in current assets			
Stores, spares and loose tools		19,311,316	(12,247,841)
Stock in trade		(1,312,180,112)	297,550,530
Trade debts		(242,136,767)	132,189,210
Loans, advances and deposit		714,121	(305,287,712)
Prepayments		(122,017,227)	(72,816,273)
Other receivables		(123,856,510)	(19,868,713)
Tax refunds due from Government- sales tax		249,517,700	74,785,201
Increase in current liabilities			
Trade and other payables		390,856,176	(228,849,462)
		(1,139,791,303)	(134,545,059)
Cash generated from operating activities		(65,681,958)	1,041,561,964
Finance cost paid		(150,250,555)	(248,412,333)
Gratuity paid		-	-
Income tax paid		(24,317,798)	(16,620,520)
Net cash generated from / (used in) operating activities		(240,250,311)	776,529,111

	Note	Un-Audited September 30, 2026 Rupees	Un-Audited September 30, 2025 Rupees
b) CASH FLOWS FROM INVESTING ACTIVITIES			
Additions in property, plant and equipment		(145,820,416)	(9,305,851)
Capital work in progress	3.3	(49,192,834)	-
Proceeds from disposal of operating assets		6,011,666	22,200,157
Long term security deposits refunded		-	(58,892,246)
Proceeds from disposal of short term investment		-	66,946,823
Profit on deposits		23,010,795	56,490,669
Dividend received		6,149,135	-
Net cash (used in) / generated from investing activities		<u>(159,841,654)</u>	<u>77,439,551</u>
c) CASH FLOWS FROM FINANCING ACTIVITIES			
Repayment of long term finance	11.1	(76,500,953)	(254,285,945)
(Decrease) / increase in short term borrowings - net		1,108,061,393	(782,979,777)
Dividend paid		-	-
Net cash (used in) / generated from financing activities		<u>1,031,560,440</u>	<u>(1,037,265,722)</u>
Net increase / (decrease) in cash and cash equivalents (a+b+c)		631,468,475	(183,297,059)
Cash and cash equivalents at the beginning of the year		5,063,541,262	4,070,690,472
Cash and cash equivalents at the end of the year		<u><u>5,695,009,737</u></u>	<u><u>3,887,393,413</u></u>

The annexed notes from 1 to 10 form an integral part of these financial statements.



CHIEF EXECUTIVE OFFICER



DIRECTOR



CHIEF FINANCIAL OFFICER

ZAHIDJEE TEXTILE MILLS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED SEPTEMBER 30, 2026

1. GENERAL INFORMATION

- 1.1** Zahidjee Textile Mills Limited (the Company) is incorporated in Pakistan on July 17, 1990 as a public limited company under the repealed Companies Ordinance, 1984 (Repealed with the enactment of Companies Act 2017 on May 30, 2017). The registered office of the Company is situated at 131-A, Street-P, Scotch Corner, Upper Mall Scheme, Lahore in the province of Punjab. The Company is listed on Pakistan Stock Exchange Limited. The principal business of the Company is export of all kinds of value added fabrics and textile made-ups. The Company is also engaged in the business of manufacturing and sale of yarn. The weaving unit is located at 32-KM, Tandlianwala Road, Satyana, District Faisalabad and spinning units are located at 32-KM, Sheikhpura Road, Faisalabad and M-3 Industrial Estate, Faisalabad, in the province of Punjab.
- 1.2** Pursuant to scheme of arrangement approved by the Honorable Lahore High Court, Lahore, assets, liabilities and reserves of Zahidjee Fabrics Limited were merged with the assets, liabilities and reserves of Zahidjee Textile Mills Limited with effect from July 01, 2006.
- 1.3** The financial statements are presented in Pakistani Rupee, which is the Company's functional and presentation currency.

2. SIGNIFICANT ACCOUNTING POLICIES

2.1 Statement of compliance

These financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan. The accounting and reporting standards applicable in Pakistan comprise of IFRS Accounting Standards issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017 and provisions of, directives and notifications issued under the Companies Act, 2017. Where provisions of, directives and notifications issued under the Companies Act, 2017 differ from the IFRS Accounting Standards, the provisions of, directives and notifications issued under the Companies Act, 2017 have been followed.

2.2 Application of new and revised International Financial Reporting Standards (IFRSs)

2.2.1 Standards, amendments to standards and interpretations becoming effective in current year

The following standards, amendments to standards and interpretations have been effective and are mandatory for financial statements of the Company for the periods beginning on or after July 01, 2025 and therefore, have been applied in preparing these financial statements.

- Amendments to IAS 21 - Lack of exchangeability

The amendment to IAS 21 specifies how an entity should assess whether a currency is exchangeable and how it should determine a spot exchange rate when exchangeability is lacking.

A currency is considered to be exchangeable into another currency when an entity is able to obtain the other currency within a time frame that allows for a normal administrative delay and through a market or exchange mechanism in which an exchange transaction would create enforceable rights and obligations.

If a currency is not exchangeable into another currency, an entity is required to estimate the spot exchange rate at the measurement date.

The amendments have no material impact on the company's financial statements.

- **IFRS S1 and IFRS S2**

IFRS S1 – General Requirements for Disclosure of Sustainability-related Financial Information and IFRS S2 – Climate-related Disclosures require entities to disclose material sustainability-related and climate-related risks and opportunities that could reasonably be expected to affect the entity's cash flows, access to finance or cost of capital over the short, medium or long term. The standards provide requirements relating to governance, strategy, risk management, and metrics and targets, with IFRS S2 specifically addressing climate-related disclosures, including greenhouse gas emissions and climate-related risks and opportunities.

The Standards are effective for annual periods beginning on or after January 1, 2024; however, their applicability in Pakistan has been phased in accordance with the order issued by the Securities and Exchange Commission of Pakistan (SECP) on December 31, 2024.

Companies falling under Phase I of the Sustainability Disclosure Standards are permitted, under the SECP Order dated December 31, 2024, to issue their Sustainability Report within nine months from the close of the financial year. The company has opted to issue report within this time period.

The amendments have no material impact on the company's financial statements except requirement to add some additional disclosures.

2.2.2 Standards, amendments to standards and interpretations becoming effective in current year but not relevant

There are certain amendments to standards that became effective during the year and are mandatory for accounting periods of the Company beginning on or after July 01, 2025 but are considered not to be relevant to the Company's operations and are, therefore, not disclosed in these financial statements.

2.2.3 Standards, amendments to standards and interpretations becoming effective in future periods

There are certain standards, amendments to the IFRS and interpretations that are mandatory for companies having accounting periods beginning on or after July 1, 2026 but are considered not to be relevant or to have any significant effect on the Company's operations and are, therefore, not detailed in these financial statements, except for the following:

- **Amendments to IFRS 9 and IFRS 7 - Classification and Measurement of Financial Instruments**

The amendments clarifies that a financial liability is derecognised on the 'settlement date', i.e., when the related obligation is discharged, cancelled, expires or the liability otherwise qualifies for derecognition. It also introduces an accounting policy option to derecognise financial liabilities that are settled through an electronic payment system before settlement date if certain conditions are met.

The amendments clarifies how to assess the contractual cash flow characteristics of financial assets that include environmental, social and governance (ESG)-linked features and other similar contingent features

The amendments clarifies the treatment of non-recourse assets and contractually linked instruments

The amendments requires additional disclosures in IFRS 7 for financial assets and liabilities with contractual terms that reference a contingent event (including those that are ESG-linked), and equity instruments classified at fair value through other comprehensive income.

The amendments are effective for the annual periods beginning on or after January 01, 2026.

The amendments are not expected to have any material impact on the company's financial statements.

- **Annual Improvements to IFRS accounting standards Volume - II**

The amendments to IFRS – 1, 7, 9, 10 and IAS 7 are introduced to remove obsolete cross references, replacements, make the working consistent, clarifications and certain additions.

The amendments are effective for the annual reporting periods beginning on or after January 01, 2026.

The amendments are not expected to have any material impact on the company's financial statements.

- **IFRS 18 – Presentation and Disclosure in Financial Statements**

IFRS 18 Presentation and Disclosure in Financial Statements replaces IAS 1 Presentation in Financial Statements. IFRS 18 introduces new categories and subtotals in the statement of profit or loss. It also requires disclosure of management-defined performance measures (as defined) and includes new requirements for the location, aggregation and disaggregation of financial

An entity will be required to classify all income and expenses within its statement of profit or loss into one of five categories: operating; investing; financing; income taxes; and discontinued operations.

IFRS 18 introduces the concept of a management-defined performance measure (MPM) which it defines as a subtotal of income and expenses that an entity uses in public communications outside financial statements, to communicate management's view of an aspect of the financial performance of the entity as a whole to users. IFRS 18 requires disclosure of information about all of an entity's MPMs within a single note to the financial statements and requires several disclosures to be made about each MPM.

IFRS 18 differentiates between 'presenting' information in the primary financial statements and 'disclosing' it in the notes.

IFRS 18 requires aggregation and disaggregation of information to be performed with reference to similar and dissimilar characteristics.

The amendments are effective for the annual periods beginning on or after January 01, 2027.

The amendments may have a material impact on the company's financial statements in future periods.

- **IFRS 19 - Subsidiaries without Public Accountability: Disclosures**

IFRS 19, allows eligible entities to elect to apply reduced disclosure requirements while still applying the recognition, measurement and presentation requirements in other IFRS accounting standards. Unless otherwise specified, eligible entities that elect to apply IFRS 19 will not need to apply the disclosure requirements in other IFRS accounting standards.

The amendments are effective for the annual periods beginning on or after January 01, 2027.

The amendments are not expected to have any material impact on the company's financial statements.

- **Amendments to IFRS 10 and IAS 28 - Sale or Contribution of Assets between an Investor and its Associate or Joint Venture**

The amendments deal with situation where there is a sale or contribution of assets between investor and its associate or joint venture.

The amendments states that a full gain or loss is recognized when a transfer to an associate or joint venture involves a business as defined in IFRS 3. Any gain or loss resulting from the sale or contribution of assets that does not constitute a business, however, is recognized only to the extent of unrelated investors' interests in the associate or joint venture.

The effective date of the amendments have yet to be set by the Board, however earlier application of the amendments is permitted. The amendments are not expected to have any material impact on the company's financial statements.

2.2.4 Standards, amendments to standards and interpretations becoming effective in future period but not relevant

There are certain new standards, amendments to standards and interpretations that are effective from different future periods but are considered not to be relevant to the Company's operations, therefore, not disclosed in these financial statements.

2.3 Basis of preparation

The financial statements have been prepared under the historical cost convention except: -

- Certain property, plant and equipment carried at valuation.
- Short term investments measured at fair value.

MATERIAL ACCOUNTING POLICY INFORMATION

2.4 Property, plant and equipment

Property, plant and equipment except freehold land and capital work-in-progress are stated at cost / valuation less accumulated depreciation and impairment in value, if any. Freehold land and capital work in progress are stated at valuation, cost less accumulated impairment in value, if any.

Depreciation is charged to income applying the reducing balance method at the rates specified in property, plant and equipment note 3.

Assets' residual values, if significant and their useful lives are reviewed and adjusted, if appropriate, at each statement of financial position date. In respect of additions and disposals during the year, depreciation is charged from the month of acquisition or capitalisation and upto the month preceding the disposal respectively.

When parts of an item of property, plant and equipment have different useful lives, they are recognised as a separate item of property, plant and equipment.

Normal repair and maintenance costs are charged to income during the period in which they are incurred. Major renewals and improvements are capitalised.

Gains or losses on disposal of assets, if any, are recognised as and when incurred.

All expenditure connected with specific assets incurred during installation and construction period are carried under capital work-in-progress. These are transferred to specific assets as and when these assets are available for use.

Any revaluation increase arising on freehold land, building on freehold land and plant and machinery is recognised in other comprehensive income and presented as a separate component of equity as "Revaluation surplus on property, plant and equipment", except to the extent that it reverses a revaluation decrease for the same asset previously recognised in profit or loss, in which case the increase is credited to profit or loss to the extent of the decrease previously charged. Any decrease in carrying amount arising on the revaluation of freehold land, building on freehold land and plant and machinery improvements is charged to profit or loss to the extent that it exceeds the balance, if any, held in the revaluation surplus on property, plant and equipment relating to a previous revaluation of that asset. The revaluation reserve is not available for distribution to the Company's shareholders. The surplus on revaluation of building on freehold land and plant and machinery improvements to the extent of incremental depreciation charged is transferred to unappropriated profit.

2.5 Intangible assets

These are stated at cost less accumulated amortisation and impairment in value, if any. Intangible assets are amortised over a period of five years using straight line method.

Amortisation on additions during the year is charged from the month in which an asset is acquired or capitalised.

All costs / expenditure connected with software implementation are collected in computer softwares under implementation. These are carried at cost less impairment in value, if any and are transferred to specific assets as and when assets are available for intended use.

2.6 Investments

Investments are initially recognised / derecognised on trade date at cost being the fair value of consideration given including cash transaction. Trade date is the date that the Company commits to purchase or sell the investment. After initial recognition these are recognised and accounted for as follows:

Investments at fair value through profit or loss

These are the investments which are classified as held for trading and are acquired principally for the purpose of generating profit from short term fluctuation in price. Investments designated at fair value through profit or loss upon initial recognition also include those group of investments which are managed and their performance evaluated on fair value basis in accordance with the Company's documented investment strategy.

After initial recognition, such investments are remeasured at fair value determined with reference to the year end quoted rates (equity shares and investments in units of closed end funds at respective stock exchange rates, while the units of open end funds at their declared net asset value per unit). Gains or losses on remeasurments of these investments are recognised in the statement of profit or loss.

Derecognition

All investments are de-recognised when the rights to receive cash flows from the investments have expired or have been transferred and the Company has transferred substantially all risks and rewards of ownership.

Gain / loss on sale of investments is taken to income in the period in which it arises.

2.7 Impairment

The Company assesses at each statement of financial position date whether there is any indication that assets except deferred tax assets may be impaired. If such indications exist, the carrying amounts of such assets are reviewed to assess whether they are recorded in excess of their recoverable amounts. Where carrying values exceed the respective recoverable amounts, assets are written down to their recoverable amounts and the resulting impairment loss is recognised in statement of profit or loss, unless the relevant assets are carried at revalued amounts, in which case the impairment loss is treated as a revaluation decrease. The recoverable amount is the higher of an asset's fair value less cost to sell and value in use.

Where impairment loss subsequently reverses, the carrying amounts of the assets are increased to the revised recoverable amounts but limited to the carrying amounts that would have been determined had no impairment loss been recognised for the assets in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant assets are carried at revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

2.8 Borrowing costs

Borrowing costs directly attributable to the acquisition or construction of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

2.9 Stores, spares and loose tools

These are valued at moving average cost less allowance for obsolete and slow moving items. Items in transit are valued at invoice value plus other charges incurred thereon.

2.10 Stock in trade

Stock in trade except wastes are valued at the lower of cost and net realisable value. Cost is determined as follows:

Raw material	Weighted average cost except items in transit which are valued at cost accumulated upto the statement of financial position date.
Work in process	Average manufacturing cost.
Finished goods	Average manufacturing cost.

Wastes are valued at net realisable value.

Net realisable value represents the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sales. Average manufacturing cost represents cost of direct materials, labour and appropriate manufacturing overheads.

2.11 Trade debts and other receivables

Trade debts are carried at original invoice amount less an estimate made for doubtful receivables based on review of outstanding amounts at the year end. Balances considered bad and irrecoverable are written off when identified. Other receivables are carried at nominal amount which is the fair value of the consideration to be received in future.

2.12 Cash and cash equivalents

Cash and cash equivalents are carried in the statement of financial position at cost. For the purpose of cash flow statement, cash and cash equivalents consist of cash in hand, balances with banks, highly liquid short-term investments that are convertible to known amounts of cash and are subject to insignificant risk of change in value.

2.13 Trade and other payables

Liabilities for trade and other payables are measured at cost which is the fair value of the consideration to be paid in the future for goods and services received, whether billed to the Company or not.

2.14 Staff retirement benefits

The company discontinued its defined benefit plan - unfunded gratuity scheme from April 2026 and continue to operate defined contribution plan - unrecognized provident fund scheme for all its eligible employees. Equal monthly contributions are made by the Company and the employees to the fund at the rate of 6.75% of basic salary.

2.15 Provisions

Provisions are recognised when the Company has a present, legal or constructive obligation as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the amount can be made. However, provisions are reviewed at each statement of financial position date and adjusted to reflect the current best estimate.

2.16 Provision for taxation

Tax Liability is based on taxable income at the current rates of taxation after taking into account tax credits and rebates available, if any, or minimum tax on turnover or Alternate Corporate Tax whichever is higher in accordance with the provisions of Income Tax Ordinance 2001.

Current tax

The charge for current taxation is calculated on taxable income using the notified rate of taxation after taking into account tax credits and rebates available, if any is recognized as "current income tax expense".

Levies

Tax charged under Income Tax Ordinance, 2001 which is not based on taxable income and based on revenue or basis other than taxable income is classified as levy. Minimum taxes in excess of the amount designated as income tax is recognized as levy falling under the scope of IFRIC 21/IAS 37.

Deferred taxation

Deferred tax is provided using the liability method for all temporary differences at the statement of financial position date between tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax asset is recognized for all deductible temporary differences and carry forward of unused tax losses, if any, to the extent that it is probable that taxable profit will be available against which such temporary differences and tax losses can be utilized.

Deferred tax assets and liabilities are measured at the tax rate that are expected to apply to the period when the asset is realized or the liability is settled, based on tax rates that have been enacted or substantively enacted at the statement of financial position date.

Deferred tax is charged or credited in the income statement, except in case of items charged or credited to equity in which case it is included in equity.

2.17 Dividend and other appropriations

Dividend is recognised as a liability in the period in which it is approved. Appropriations of profits are reflected in the statement of changes in equity in the period in which such appropriations are made.

2.18 Foreign currency translation

Transactions in currencies other than Pakistani Rupee are recorded at the rates of exchange prevailing on the dates of the transactions. At each statement of financial position date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the statement of financial position date except where forward exchange contracts have been entered into for repayment of liabilities, in that case, the rates contracted for are used.

Gains and losses arising on retranslation are included in net profit or loss for the period.

2.19 Financial Instruments

2.19.1 Financial assets

The Company classifies its financial assets at amortised cost, fair value through other comprehensive income or fair value through profit or loss on the basis of the Company's business model for managing the financial assets and the contractual cash flow characteristics of the financial asset.

- Financial assets at amortised cost

Financial assets at amortised cost are held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Interest income from these financial assets, impairment losses, foreign exchange gains and losses, and gain or loss arising on derecognition are recognised directly in profit or loss.

- Financial assets at fair value through other comprehensive income

Financial assets at fair value through other comprehensive income are held within a business model whose objective is both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

- Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss are those financial assets which are either designated in this category or not classified in any of the other categories. A gain or loss on debt investment that is subsequently measured at fair value through profit or loss is recognised in profit or loss in the period in which it arises.

Financial assets and liabilities are initially measured at cost, which is the fair value of the consideration given and received respectively. These financial assets and liabilities are subsequently remeasured to fair value, amortized cost or cost as the case may be. Any gain or loss on the recognition and de-recognition of the financial assets and liabilities is included in the profit or loss for the period in which it arises.

Equity instrument financial assets are measured at fair value at initial recognition and subsequent to initial recognition. Changes in fair value of these financial assets are normally recognised in profit or loss. Dividends from such investments continue to be recognised in profit or loss when the Company's right to receive payment is established. Where an election is made to present fair value gains and losses on equity instruments in other comprehensive income there is no subsequent reclassification of fair value gains and losses to profit or loss following the derecognition of the investment.

Financial assets are derecognised when the rights to receive cash flows from the assets have expired or have been transferred and the Company has transferred substantially all risks and rewards of ownership. Assets or liabilities that are not contractual in nature and that are created as a result of statutory requirements imposed by the Government are not the financial instruments of the Company.

The Company assesses on a forward looking basis the expected credit losses associated with its financial assets carried at amortised cost and fair value through other comprehensive income. The impairment methodology applied depends on whether there has been a significant increase in credit risk. For trade receivables, the Company applies the simplified approach, which requires expected lifetime losses to be recognised from initial recognition of the receivables. The Company recognises in profit or loss, as an impairment gain or loss, the amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date.

2.19.2 Financial liabilities

All financial liabilities are recognised at the time when the Company becomes a party to the contractual provisions of the instrument. Financial liabilities at amortised costs are initially measured at fair value minus transaction costs. Financial liabilities at fair value through profit or loss are initially recognised at fair value and transaction costs are expensed in the profit or loss.

Financial liabilities, other than those at fair value through profit or loss, are subsequently measured at amortised cost using the effective yield method.

A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expired. Where an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange and modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in respective carrying amounts is recognised in the profit or loss.

2.20 Offsetting of financial asset and financial liability

A financial asset and a financial liability is offset and the net amount reported in the statement of financial position, if the Company has a legal enforceable right to offset the transaction and also intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

2.21 Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods and services provided in the normal course of business. For this purpose, the Company:

- identifies the contract with a customer;
 - identifies the performance obligations in the contract;
 - determines the transaction price which takes into account estimates of variable consideration, if any, and the time value of money;
 - allocates the transaction price to the separate performance obligations, if applicable, on the basis of the relative stand-alone selling price of each distinct good or service to be delivered; and
 - recognizes revenue when or as each performance obligation is satisfied in a manner that depicts the transfer of control of the goods or services promised to the customer.
 - Determining the timing of the transfer of control – at a point in time or over time – requires judgment.
- Revenue is recognized by the Company on the following basis:

Sale of goods is recognised at a point in time when control of goods is transferred to customers.

Revenue from conversion receipts is recognised when services are rendered.

Interest income is recognized on time proportionate basis.

Dividend income from investments is recognised when the Company's right to receive payment has been established except dividend from associate accounted for using equity method which is recognised as a reduction of the carrying value of investment when the Company's right to receive payment has been established.

2.22 Related party transactions

Transactions with related parties are priced on arm's length basis. Prices for these transactions are determined on the basis of comparable uncontrolled price method, which sets the price by reference to comparable goods and services sold in an economically comparable market to a buyer unrelated to the seller.

2.23 Critical accounting estimates and judgments

The preparation of financial statements in conformity with IASs / IFRSs requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, incomes and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised.

Significant areas requiring the use of management estimates in these financial statements relate to the useful life of depreciable assets, provision for doubtful receivables and slow moving inventory, staff retirement gratuity, fair value of short term investment, revaluation and taxation. However, assumptions and judgments made by management in the application of accounting policies that have significant effect on the financial statements are not expected to result in material adjustment to the carrying amounts of assets and liabilities in the next year.

3. Property, plant and equipment

	Note	Sep-26 Rupees	Jun-26 Rupees
Property, plant and equipment			
Operating assets	3.1	17,911,720,531	18,237,969,404
Capital work in progress	3.3	164,971,947	115,779,113
Non operating lands	3.4	16,203,950	16,203,950
Advances for capital expenditure		24,022,499	24,327,000
		<u>18,093,011,555</u>	<u>18,394,279,467</u>

3.1 Operating assets

	Freehold land	Building on freehold land	Plant and machinery	Electric installations	Factory equipment	Office equipment	Electric appliances	Furniture and fittings	Vehicles	Total
-----Rupees-----										
At July 01, 2025										
Cost \ valuation	2,626,968,125	3,755,032,867	12,933,857,972	383,480,767	74,317,412	32,097,862	20,875,792	11,527,496	125,675,193	19,963,833,486
Accumulated depreciation	-	(130,279,744)	(456,590,022)	(170,337,981)	(42,462,230)	(17,699,583)	(10,269,375)	(7,197,116)	(78,363,311)	(913,199,362)
Net book value	2,626,968,125	3,624,753,123	12,477,267,950	213,142,786	31,855,182	14,398,279	10,606,417	4,330,380	47,311,882	19,050,634,124
Year ended June 30, 2025										
Opening net book value	2,626,968,125	3,624,753,123	12,477,267,950	213,142,786	31,855,182	14,398,279	10,606,417	4,330,380	47,311,882	19,050,634,124
Additions	-	1,936,778	306,176,182	352,618,390	458,200	2,373,800	295,500	2,982,886	11,187,013	678,028,749
Transfer from capital work in progress	-	-	123,558,351	114,433,382	-	-	-	-	-	237,991,733
Revaluation surplus arisen during the year	-	-	-	-	-	-	-	-	-	-
Disposals:										
Cost	-	-	(63,656,024)	(2,102,318)	-	(16,500)	-	-	(1,267,000)	(67,041,842)
Accumulated depreciation	-	-	2,262,828	1,649,299	-	10,090	-	-	1,244,176	5,166,393
	-	-	(61,393,196)	(453,019)	-	(6,410)	-	-	(22,824)	(61,875,449)
Depreciation charge	-	(362,652,850)	(1,262,994,297)	(25,245,106)	(3,176,140)	(1,555,637)	(1,073,007)	(463,889)	(9,648,827)	(1,666,809,753)
Closing net book value	2,626,968,125	3,264,037,051	11,582,614,990	654,496,433	29,137,242	15,210,032	9,828,910	6,849,377	48,827,244	18,237,969,404
At June 30, 2026										
Cost \ valuation	2,626,968,125	3,756,969,645	13,299,936,481	848,430,221	74,775,612	34,455,162	21,171,292	14,510,382	135,595,206	20,812,812,126
Accumulated depreciation	-	(492,932,594)	(1,717,321,491)	(193,933,788)	(45,638,370)	(19,245,130)	(11,342,382)	(7,661,005)	(86,767,962)	(2,574,842,722)
Net book value	2,626,968,125	3,264,037,051	11,582,614,990	654,496,433	29,137,242	15,210,032	9,828,910	6,849,377	48,827,244	18,237,969,404
Quarter ended September 30, 2026										
Opening net book value	2,626,968,125	3,264,037,051	11,582,614,990	654,496,433	29,137,242	15,210,032	9,828,910	6,849,377	48,827,244	18,237,969,404
Additions	-	-	140,795,088	-	-	-	-	-	5,025,328	145,820,416
Transfer from capital work in progress (Note-3.7)	-	-	-	-	-	-	-	-	-	-
Disposals:										
Cost \ valuation	-	-	(81,772,684)	-	-	-	-	-	(847,691)	(82,620,375)
Accumulated depreciation	-	-	3,674,756	-	-	-	-	-	832,420	4,507,176
	-	-	(78,097,929)	-	-	-	-	-	(15,271)	(78,113,199)
Depreciation charge	-	(81,600,926)	(292,021,933)	(16,321,178)	(769,664)	(381,039)	(245,723)	(171,234)	(2,444,392)	(393,956,089)
Closing net book value	2,626,968,125	3,182,436,125	11,353,290,216	638,175,255	28,367,578	14,828,993	9,583,187	6,678,143	51,392,909	17,911,720,531
At Septemeber 30, 2026										
Cost \ valuation	2,626,968,125	3,756,969,645	13,358,958,885	848,430,221	74,775,612	34,455,162	21,171,292	14,510,382	139,772,843	20,876,012,167
Accumulated depreciation	-	(574,533,520)	(2,005,668,668)	(210,254,966)	(46,408,034)	(19,626,169)	(11,588,105)	(7,832,239)	(88,379,934)	(2,964,291,635)
Net book value	2,626,968,125	3,182,436,125	11,353,290,217	638,175,255	28,367,578	14,828,993	9,583,187	6,678,143	51,392,909	17,911,720,532
Annual rate of depreciation (%)	-	10	10	10	10	10	10	10	20	

3.2 Had there been no revaluation, the carrying values of freehold land, building on freehold land and plant and machinery at June 30, 2026 and 2025 would have been as follows:

	Carrying value	
	Un-Audited September 30, 2026	Audited June 30, 2026
	Rupees	Rupees
Freehold land	205,079,486	205,079,486
Building on freehold land	1,736,756,319	1,781,288,532
Plant and machinery	7,138,871,777	7,183,796,621
	<u>9,080,707,581</u>	<u>9,170,164,640</u>

3.3 Capital work in progress

	Civil work	Plant and machinery	Solar System	Total
	-----Rupees-----			
Balance as at July 1, 2025	-	107,541,890	-	107,541,890
Additions	-	16,016,461	230,212,495	246,228,956
Transfer to operating assets	-	(123,558,351)	- 114,433,382	(237,991,733)
Balance as at June 30, 2026	-	-	115,779,113	115,779,113
Additions	-	49,192,834	-	49,192,834
Transfer to operating assets	-	-	-	-
Balance as at September 30, 2026	-	49,192,834	115,779,113	164,971,947

		Un-Audited September 30, 2026 Rupees	Audited June 30, 2025 Rupees
4. Investment in subsidiary			
RK Fibres (Private) Limited.			
8,000 ordinary shares of Rs. 100/- each			
fully paid in cash. Ownership interest 80.00%.			
Opening Balance		800,000	-
Addition during the year		-	800,000
Transferred to Non current asset held for sale	4.3	(800,000)	-
		-	800,000

4.1 The Company exercises significant influence on investee due to common directorship.

- 4.1** RK Fibres (Private) Limited is incorporated in Pakistan on 2 July 2025 as a private limited company under the Companies Act 2017. The principal line of business of RK Fibres (Private) Limited shall be to carry on the businesses of spinning, open end spinning, sizing, pressing, doubling, packing of yarn, synthetic fibre and any fibrous material used for production of yarn and of importing, buying, selling and dealing in yarn synthetic fibre and any fibrous materials. Registered office of the subsidiary is situated at 20 Bilal Road, Civil Lines, Faisalabad in the province of Punjab.
- 4.2** No provision for impairment has been made against investment in subsidiary as diminution in value is assessed to be temporary.
- 4.2** Investment in subsidiary company has been made in accordance with the requirements under the Companies Act, 2017.
- 4.3** In order to concentrate on the core business of the company, the Board of directors in their meeting held on February 25, 2026 and subsequently, approved the sale of shares of R.K Fibers (Private) Limited to generate funds for new investment opportunities

	Note	Un-Audited September 30, 2027 Rupees	Audited June 30, 2026 Rupees
5. Short term investment			
Investment in ordinary shares	5.1	271,830,892	281,830,892
5.1 Financial assets at fair value through profit or loss			
Quoted securities			
Habib Metropolitan Bank Limited			
2,022,854 (2025: 2,022,854) Ordinary shares of Rs.10/- each		200,100,718	200,100,718
Askari Bank Limited			
(2023:1,972,000) Ordinary shares of Rs.10/- each		-	-
The Bank of Punjab			
(2023: 1,132,313) Ordinary shares of Rs.10/- each		-	-
MCB Bank Limited			
88,000 (2025: 88,000) Ordinary shares of Rs.10/- each		25,373,920	25,373,920
Bank Alfalah Limited			
200,000 Ordinary shares of Rs.5/- each		10,496,900	10,496,900
		235,971,538	235,971,538
Adjustment in fair value - net		35,859,354	45,859,354
		271,830,892	281,830,892

- 5.2** The fair value of short term investment is based on prices quoted in active markets which is level 1 of fair value hierarchy.

	Note	Un-Audited September 30, 2027 Rupees	Audited June 30, 2026 Rupees
6. Non-current assets held for sale			
Opening Balance		-	-
Transferred from investment in subsidiary		800,000	-
		800,000	-

7. CONTINGENCIES AND COMMITMENTS

-	-
-	-

	Note	Un-Audited September 30, 2026 Rupees	Un-Audited September 30, 2025 Rupees
8. Cost of sales			
Cost of goods manufactured	8.1	9,990,063,876	8,626,890,084
Finished goods			
Opening stock		520,991,796	622,311,350
Closing stock		(545,693,578)	(642,626,087)
		(24,701,782)	(20,314,738)
		<u>9,965,362,094</u>	<u>8,606,575,347</u>

8.1 Cost of goods manufactured

Raw material consumed	8.1.1	8,003,153,204	6,718,864,790
Packing material consumed		5,587,309	4,138,572
Salaries, wages and benefits		352,410,264	351,312,877
Retirement benefits		17,953,637	-
Stores and spares consumed		231,001,557	199,837,667
Fuel and power		1,009,980,060	1,139,463,675
Repairs and maintenance		22,381,127	16,005,254
Insurance		7,477,778	5,676,290
Depreciation	3.2	390,872,823	205,257,021
Others		3,857,436	4,069,638
		<u>10,044,675,195</u>	<u>8,644,625,784</u>
Work in process			
Opening stock		323,776,069	368,363,944
Closing stock		(378,387,388)	(386,099,644)
		(54,611,319)	(17,735,700)
		<u>9,990,063,876</u>	<u>8,626,890,084</u>

	Note	Un-Audited September 30, 2026 Rupees	Un-Audited September 30, 2025 Rupees
8.1.1 Raw material consumed			
Opening stock		3,981,036,308	5,171,850,795
Purchases including purchase expenses		10,531,367,414	5,300,065,735
		<u>14,512,403,722</u>	<u>10,471,916,530</u>
Closing stock		(6,509,250,518)	(3,753,051,740)
		<u>8,003,153,204</u>	<u>6,718,864,790</u>

9. DATE OF AUTHORISATION FOR ISSUE

These financial statements were authorised for issue on October 29, 2026 by the Board of Directors of the Company.

10. GENERAL

- There is no unusual item included in these interim financial statements which is effecting assets, liabilities, equity, profit or cash flows of the company.
- The provision for taxation is based on these interim financial statements and are subject to adjustments in annual financial statements.
- The figure of corresponding period have been rearranged wherever necessary to reflect more appropriate presentation in the financial statements.

11. Figures have been rounded off to nearest Rupee.


CHIEF EXECUTIVE OFFICER


DIRECTOR


CHIEF FINANCIAL OFFICER

ZAHIDJEE TEXTILE MILLS LIMITED

Zahidjee House: 131-A,P-Street,Upper Mall, Lahore. Tel: 042-35777291-5 URL: www.zahidjee.com.pk