



*Condensed Interim
Financial Statements
for the quarter ended
September 30 2026*

Shahtaj Textile Limited

Shahtaj Textile Limited

COMPANY INFORMATION

BOARD OF DIRECTORS

Mr. Muneer Nawaz
Mr. Taqi Mohammad
Mr. M. Naeem
Mr. Abid Nawaz
Mr. Aamir Amin (NIT)
Mr. Farooq Hassan
Mr. Syed Nadeem Ali Kazmi
Mr. Toqueer Nawaz
Mrs. Sadia Muhammad
Mr. Muhammad Usman Khalid

Chairman
Chief Executive

COMPANY SECRETARY

Mr. Jamil Ahmad Butt, FCMA

AUDIT COMMITTEE OF THE BOARD

Mr. Aamir Amin
Mr. Muneer Nawaz
Mr. Toqueer Nawaz
Mr. Muhammad Usman Khalid
Mrs. Sadia Muhammad
Mr. Jamil Ahmad Butt, FCMA

Chairman
Member
Member
Member
Member
Secretary

HUMAN RESOURCE AND REMUNERATION COMMITTEE OF THE BOARD

Mr. Farooq Hassan
Mr. Muneer Nawaz
Mr. M. Naeem
Mr. Mohammad Taqi
Mr. Abid Nawaz
Mr. Jamil Ahmad Butt, FCMA

Chairman
Member
Member
Member
Member
Secretary

AUDITORS

Yousuf Adil.
Chartered Accountants.
Cavish Court, A-35, Block 7 & 8 KCHS,
Shahrah-e-Faisal, Karachi 75350.

BANKS

Bank Alfalah Limited
United Bank Limited
Meezan Bank Ltd.
The Bank of Punjab
MCB Bank Limited
Faysal Bank Limited

LEGAL ADVISOR

Syed Ali Ahmad Tariq
Advocate Supreme Court of Pakistan.
Office No. 58-Chamber of Commerce &
Industry Building (Aiwan-e-Tijarat)
Nicol Road, Karachi-74000.

HEAD OFFICE

Shahnawaz Building, 19-Dockyard Road,
West Wharf, Karachi-74000
Ph: 32313934-8, 32312834, 32310973
Fax: 32205723, 32310623
Website: www.shahtaj.com

REGISTERED OFFICE

27-C Abdalian Cooperative
Hosing Society, Lahore,
Ph: (042) 35313891-92, 35301596-99
Fax: (042) 35301594

MARKETING OFFICE

27-C Abdalian Cooperative
Hosing Society, Lahore,
Ph: (042) 35313891-92, 35301596-99
Fax: (042) 35301594

FACTORY

46 K.M. Lahore/Multan Road
Chunian Industrial Estate
Bhai Pheru, Distt. Kasur, Punjab.
Ph: (049) 4540430-32, 4540133, 4540234
Fax: (049) 4540031

SHARE REGISTRAR

Jwaffs Registrar Services (Pvt.) Ltd.
Office # 20, 5th Floor, Arkay Square Extension,
New Chali, Shahrah-e-Liaquat, Karachi
Ph: (+92-21) 32440974-75
Email: jwaffsregistrar@gmail.com

Shahtaj Textile Limited

DIRECTORS' REPORT TO THE SHAREHOLDERS

Directors are pleased to present un-audited Condensed Interim Financial Statements of the Company for the First Quarter ended on September 30, 2026.

By the grace of Allah, in spite of difficult market conditions, operating results of the Company have been positive and Company has earned an after-tax profit of Rs. 43.713 million with an EPS of Rs 4.53 in comparison to Rs 5.93 reported during the same period last year.

Net sales decreased by approximately 9.6%, mainly due to lower quantities sold on account of delayed lifting by buyers and a slowdown in market demand, along with an increased proportion of weaving orders, under which customers provide the yarn. Delayed lifting of finished goods also resulted in profits remaining unrealized on unsold inventory. The GP rate improved to 11.89% during the current period compared to 11.74% in the corresponding period of the previous year.

Administrative expenses increased during the period mainly due to inflationary pressures. Finance costs also decreased due to prudent financial management.

Profit margins remained under pressure due to market slowdown, inflation and geopolitical uncertainty. However, substantial savings in electricity costs from the Company's 4.49 MW solar power capacity helped mitigate these adverse impacts and support profitability.

The Company continues to focus on cost control, operational efficiency and prudent working capital management to address market challenges and sustain profitability.

Board and its Committees

The total number of directors is ten as per the following:

- a) Male: 9
- b) Female: 1

Category	Names
Independent Directors	Mr. Aamir Amin (NIT)
	Mr. Farooq Hassan
	Mr. Syed Nadeem Ali Kazmi
Other Non-Executive Directors	Mr. Muneer Nawaz - Chairman
	Mr. Toqueer Nawaz
	Mr. Muhammad Usman Khalid
	Mr. Abid Nawaz
Female Non-Executive Director	Mrs. Sadia Muhammad
Executive Directors	Mr. Muhammad Naeem
	Mr. Taqi Mohammad-Chief Executive

Shahtaj Textile Limited

The Board has formed committees comprising of members as below:

a) Audit Committee

- Mr. Aamir Amin (Chairman)
- Mr. Muneer Nawaz
- Mr. Toqueer Nawaz
- Mr. Muhammad Usman Khalid
- Mrs. Sadia Muhammad

b) HR and Remuneration Committee

- Mr. Farooq Hassan (Chairman)
- Mr. Muneer Nawaz
- Mr. Muhammad Naeem
- Mr. Taqi Mohammad
- Mr. Abid Nawaz

Appreciation

Directors acknowledge with thanks the hard work put in by all employees of the Company.

for and on behalf of the Board of Directors



(Taqi Mohammad)
Chief Executive



(M. Naeem)
Director

Karachi
October 26, 2026

Shahtaj Textile Limited

ڈائریکٹرز رپورٹ برائے حصہ داران

ڈائریکٹرز مسرت کے ساتھ 30 ستمبر 2026 کو ختم ہونے والی پہلی سہ ماہی کے کمپنی کے غیر آڈٹ شدہ حسابات کی عبوری مالیاتی رپورٹ پیش کرتے ہیں۔

اللہ کے فضل سے، مشکل مارکیٹ حالات کے باوجود، کمپنی کے آپریٹنگ نتائج مثبت رہے اور کمپنی نے 43.713 ملین روپے کا بعد از ٹیکس منافع حاصل کیا ہے جس کے نتیجے میں فی حصہ آمدنی (EPS) 4.53 روپے رہی، جو کہ گزشتہ سال کی اسی مدت کے لیے فی حصہ آمدنی (EPS) 5.93 روپے رپورٹ کی گئی تھی۔

خالص فروخت میں تقریباً 9.6% تک کمی واقع ہوئی ہے، جس کی وجہ کم مقدار میں فروخت، خریداروں کا دیر سے مال اٹھانا، مارکیٹ میں طلب کی کمی اور بنائی کے آرڈرز میں اضافہ بھی شامل ہے جس میں گاہک اپنا دھاگہ خود مہیا کرتے ہیں۔ تیار مال اٹھانے میں تاخیر سے غیر فروخت شدہ مال پر منافع غیر حاصل شدہ رہا۔ مجموعی منافع (GP) کی شرح گزشتہ مدت کے 11.74% کے مقابلے میں بڑھ کر موجودہ مدت میں 11.89% ہو گئی ہے۔

انتظامی اخراجات میں مہنگائی کے باعث اضافہ ہوا۔ محتاط مالی انتظام کی وجہ سے مالیاتی لاگت میں نمایاں کمی واقع ہوئی۔

مارکیٹ کی سست روی، مہنگائی اور غیر متوقع عالمی سیاست کے باعث منافع کی شرح میں دباؤ کا سامنا رہا جبکہ کمپنی کے 4.49 میگاواٹ کے سولر سسٹم کی بدولت بجلی کے اخراجات میں نمایاں کمی ان منفی اثرات کو کم کرنے اور منافع کو برقرار رکھنے میں مددگار رہی۔

کمپنی مارکیٹ کے چیلنجز سے نمٹنے اور منافع کو برقرار رکھنے کے لیے لاگت پر کنٹرول (اخراجات میں کمی)، آپریشنل کارکردگی، اور ورکنگ کیپیٹل کے محتاط انتظام پر اپنی توجہ مرکوز رکھے ہوئے ہے۔

بورڈ آف ڈائریکٹرز اور اس کی کمیٹیاں:-

ڈائریکٹرز کی کل تعداد 10 ہے جن کی تفصیل درج ذیل ہے:

(ا) مرد: 9 (ب) خواتین: 1

Shahtaj Textile Limited

بورڈ کی ساخت درج ذیل ہے:

نام	اقسام / کیٹگری
جناب عامر امین (این آئی ٹی)	انڈیپنڈینٹ ڈائریکٹر / آزاد ڈائریکٹر
جناب فاروق حسن	
جناب سید ندیم علی کاظمی	
جناب منیر نواز	دیگر غیر انتظامی ڈائریکٹر
جناب توقیر نواز	
جناب محمد عثمان خالد	
جناب عابد نواز	
محترمہ سعدیہ محمد	خاتون غیر انتظامی ڈائریکٹر
جناب محمد نعیم	ایگزیکٹو ڈائریکٹر / انتظامی ڈائریکٹر
جناب تقی محمد	

بورڈ نے درج ذیل کمیٹیاں تشکیل دیں جن کے ممبران درج ذیل ہیں:

الف) آڈٹ کمیٹی

- جناب عامر امین (چیرمین)
- جناب منیر نواز
- جناب توقیر نواز
- جناب محمد عثمان خالد
- محترمہ سعدیہ محمد

ب) ایچ آر اینڈ ریویریشن کمیٹی

- جناب فاروق حسن (چیرمین)
- جناب منیر نواز
- جناب محمد نعیم
- جناب تقی محمد
- جناب عابد نواز

حوصلہ افزائی

ڈائریکٹر کھیتی کے تمام ملازمین کی انتھک محنت کا شکر گزاری کے ساتھ اعتراف کرتے ہیں۔

برائے اور از طرف بورڈ آف ڈائریکٹرز

/ Name Signature

(محمد نعیم)

(تقی محمد)

کراچی

ڈائریکٹر

چیف ایگزیکٹو

26 اکتوبر 2026

Shahtaj Textile Limited

CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION AS AT SEPTEMBER 30 2026

Un-audited Audited
September 30, June 30,
2026 2026
Note ----- (Rupees in 000) -----

EQUITY AND LIABILITIES

Share capital and reserves

Authorized share capital 10,000,000 ordinary shares of Rs. 10 each	100,000	100,000
Issued, subscribed and paid-up capital	96,600	96,600
Revenue reserves	1,879,225	1,820,548
Surplus on revaluation of plant and machinery	578,704	593,668
Total equity	2,554,529	2,510,816

LIABILITIES

Non-current liabilities

Long-term finance	416,933	425,518
Deferred liabilities	143,214	136,921
	560,147	562,439

Current liabilities

Trade and other payables	656,681	884,367
Advance from customers - contract liabilities	45,950	27,851
Unclaimed dividend	42,618	42,618
Interest accrued	22,244	13,359
Short-term borrowings	549,775	407,264
Current portion of long-term finance	143,710	143,710
	1,460,978	1,519,169

Contingencies and Commitments

Total equity and liabilities	4,575,654	4,592,424
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ASSETS

Non-current assets

Property, plant and equipment	2,210,170	2,266,990
Long-term loans	275	-
Long-term deposits	35,762	35,762
	2,246,207	2,302,752

Current assets

Stores, spares and loose tools	72,428	70,179
Stock-in-trade	1,188,038	1,265,148
Trade debts	794,848	618,033
Loans and advance	12,317	9,614
Trade deposits and prepayments	9,044	3,275
Taxation - net	100,012	94,789
Other receivables	4,474	6,196
Short term investment	51,013	51,013
Sales tax refundable	83,623	104,159
Cash and bank balances	13,650	67,266
	2,329,447	2,289,672

Total assets	4,575,654	4,592,424
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The annexed notes from 1 to 15 form an integral part of these condensed interim financial statements.


(Taqi Mohammad)
Chief Executive


(Amir Ahmed)
Chief Financial Officer


(M. Naeem)
Director

Shahtaj Textile Limited

CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS ACCOUNT FOR THE QUARTER ENDED SEPTEMBER 30, 2026 (UN-AUDITED)

		September 30, 2026	September 30, 2025
	Note	----- (Rupees in 000) -----	
Revenue from contract with customers - net	9	1,499,260	1,658,985
Cost of goods sold		(1,320,968)	(1,464,166)
Gross profit		178,292	194,819
Distribution expenses		(30,804)	(29,224)
Administrative expenses		(48,832)	(44,449)
Other operating expenses		(5,241)	(6,829)
Finance cost	10	(33,417)	(39,061)
		(118,294)	(119,563)
		59,998	75,256
Other income		2,672	3,035
Profit before levies & taxes		62,670	78,291
Levies	11	(18,957)	(20,978)
Profit before taxation		43,713	57,313
Taxation	11	-	-
Profit for the period		43,713	57,313
		----- (Rupees) -----	
Earnings per share - basic and diluted		4.53	5.93

The annexed notes from 1 to 15 form an integral part of these condensed interim financial statements.



(Taqi Mohammad)
Chief Executive



(Amir Ahmed)
Chief Financial Officer



(M. Naeem)
Director

CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME FOR THE QUARTER ENDED SEPTEMBER 30, 2026 (UN-AUDITED)

	September 30, 2026	September 30, 2025
	----- (Rupees in 000) -----	
Profit after taxation	43,713	57,313
Other comprehensive income	-	-
Total comprehensive income for the period	43,713	57,313

The annexed notes from 1 to 15 form an integral part of these condensed interim financial statements.



(Taqi Mohammad)
Chief Executive



(Amir Ahmed)
Chief Financial Officer



(M. Naeem)
Director

Shahtaj Textile Limited

CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY FOR THE QUARTER ENDED SEPTEMBER 30, 2026 (UN-AUDITED)

	Issued, Subscribed and Paid up Capital	Revenue reserve		Capital reserve	Total
General		Unappropriated profit	Surplus on revaluation of plant and machinery		
(Rupees in 000)					
Balance as at July 01, 2025	96,600	1,150,000	460,671	662,664	2,369,935
Total comprehensive income for the period ended September 30,2025					
Profit after taxation	-	-	57,313	-	57,313
Other comprehensive income	-	-	-	-	-
	-	-	57,313	-	57,313
Transferred from surplus on revaluation of plant and machinery on account of:					
- incremental depreciation	-	-	16,703	(16,703)	-
Transferred to general reserve	-	40,000	(40,000)	-	-
Balance as at September 30, 2025	96,600	1,190,000	494,687	645,961	2,427,248
Balance as at July 01, 2026	96,600	1,190,000	630,548	593,668	2,510,816
Total comprehensive income for the period ended September 30,2026					
Profit after taxation	-	-	43,713	-	43,713
Other comprehensive income	-	-	-	-	-
	-	-	43,713	-	43,713
Transferred from surplus on revaluation of plant and machinery on account of:					
- incremental depreciation	-	-	14,964	(14,964)	-
Transferred to general reserve	-	60,000	(60,000)	-	-
Balance as at September 30, 2026	96,600	1,250,000	629,225	578,704	2,554,529

The annexed notes from 1 to 15 form an integral part of these condensed interim financial statements.


(Taqi Mohammad)
Chief Executive


(Amir Ahmed)
Chief Financial Officer


(M. Naeem)
Director

Shahtaj Textile Limited

CONDENSED INTERIM CASH FLOW STATEMENT FOR THE QUARTER ENDED SEPTEMBER 30, 2026 (UN-AUDITED)

	September 30, 2026	September 30, 2025
	----- (Rupees in 000) -----	
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	43,713	57,313
Adjustments for:		
Depreciation	57,107	54,884
Finance cost	33,417	39,061
Loss/(gain) on disposal of property, plant and equipment	30	(463)
Provision for gratuity & leave encashment	9,247	8,975
Interest income	(1,241)	(2,572)
Levies	18,957	20,978
Operating cash flows before movements in working capital	161,230	178,176
(Increase) / decrease in current assets		
Stores, spares and loose tools	(2,251)	(49,694)
Stock-in-trade	77,111	(4,559)
Trade debts	(176,814)	(129,879)
Loans and advances	(2,712)	(23,454)
Trade deposits and prepayments	(5,768)	(24,987)
Other receivables	585	138
Sales tax refundable	20,536	1,305
	(89,313)	(231,130)
Increase / (decrease) in current liabilities		
Trade and other payables	(224,229)	36,877
Advance from customers - contract liabilities	18,098	11,650
	(206,131)	48,527
Cash used in operations	(134,214)	(4,427)
Gratuity and leave encashment paid	(6,398)	(9,011)
Finance cost paid	(24,531)	(31,200)
Income taxes and Levies paid	(24,181)	(30,986)
Net cash used in operating activities	(189,324)	(75,624)
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(355)	(121,601)
Proceeds from disposal of property, plant and equipment	35	1,644
Long-term loans	(275)	(557)
Interest received during the period	2,378	3,889
Net cash generated from /(used in) investing activities	1,783	(116,625)
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayments of long-term finance	(8,588)	(8,587)
Short term borrowings obtained/ (paid) - net	13,933	(56,734)
Net cash generated from /(used in) financing activities	5,345	(65,321)
Net decrease in cash and cash equivalents	(182,196)	(257,570)
Cash and cash equivalents at the beginning of the period	(168,237)	(339,566)
Cash and cash equivalents at the end of the Period	(350,433)	(597,136)
Short-term borrowings- Running finances under markup arrangement	(364,083)	(668,396)
Cash and bank balances	13,650	71,260
	(350,433)	(597,136)

The annexed notes from 1 to 15 form an integral part of these condensed interim financial statements.



(Taqi Mohammad)
Chief Executive



(Amir Ahmed)
Chief Financial Officer



(M. Naeem)
Director

Shahtaj Textile Limited

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE QUARTER ENDED SEPTEMBER 30, 2026 (UN-AUDITED)

1. STATUS AND NATURE OF BUSINESS

Shahtaj Textile Limited (the Company) is limited by shares, incorporated in Pakistan on January 24, 1990 under the Companies Ordinance, 1984 (now Companies Act, 2017) as a public limited Company. The shares of the Company are quoted on Pakistan Stock Exchange Limited. The principal business of the Company is manufacture and sale of textile goods.

Head Office

Shahnawaz Building, 19 - Dockyard Road, West Wharf, Karachi, Sindh, Pakistan.

Manufacturing Facility

46 KM, Lahore/Multan Road, Chunian Industrial Estate, Bhai Pheru, Distt. Kasur, Punjab, Pakistan.

Registered Office

27-C, Abdalian Cooperative Housing Society Limited, Opposite Expo Center, Lahore, Pakistan.

2. BASIS OF PREPARATION

2.1 Statement of compliance

- 2.1.1 These condensed interim financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting. The accounting and reporting standards as applicable in Pakistan for interim financial reporting comprises of:

- International Accounting Standard (IAS) 34, Interim Financial Reporting, issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017; and
- Provision of, directives and notifications issued under the Companies Act, 2017; and

Where the provisions of and directives issued under the Companies Act, 2017 differ with the requirements of IAS 34, the provisions of and directives issued under the Companies Act, 2017 have been followed.

- 2.1.2 These condensed interim financial statements are unaudited. These condensed interim financial statements are submitted to the shareholders as required by section 237 of the Companies Act, 2017.
- 2.1.3 These condensed interim financial statements do not include all of the information required for annual financial statements and therefore should be read in conjunction with the annual financial statements of the Company for the year ended June 30, 2026.
- 2.1.4 The comparative statement of financial position presented has been extracted from annual financial statements for the year ended June 30, 2026, whereas comparative condensed interim statement of profit or loss and other comprehensive income, condensed interim statement of changes in equity and condensed interim statement of cash flows, presented in these condensed interim financial statements have been extracted from the condensed interim financial statements for the period ended September 30, 2025.

2.2 Basis of measurement

The condensed interim financial statements have been prepared under the historical cost basis modified by:

Shahtaj Textile Limited

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE QUARTER ENDED SEPTEMBER 30, 2026 (UN-AUDITED)

- revaluation of certain plant and machinery; and
- obligation under retirement benefit obligation at net present value.

2.3 Functional and presentation currency

These condensed interim financial statements are presented in Pak Rupees which is also the Company's functional currency and figures presented in these condensed interim financial statements have been rounded off to the nearest thousand.

3. MATERIAL ACCOUNTING POLICY AND INFORMATION

- 3.1 The accounting policies and the methods of computation adopted in the preparation of these condensed interim financial statements are the same as those applied in the preparation of the annual audited financial statements of the Company for the year ended June 30, 2026.

4. SIGNIFICANT ACCOUNTING ESTIMATES

The preparation of these condensed interim financial statements require management to make estimates, assumptions and use judgments that affect the application of policies and reported amounts of assets, liabilities, income and expenses. Estimates, assumptions and judgments are continually evaluated and are based on historical experience and other factors including reasonable expectations of future events. Revision to accounting estimates are recognized prospectively commencing from the period of revision.

In preparing these condensed interim financial statements, the significant judgments made by the management in applying the Company's accounting policies, the key source of estimation and uncertainty were the same as those that applied to the financial statements of the Company for the year ended June 30, 2026.

5. FINANCIAL RISK MANAGEMENT

The Company's financial risk objectives and policies are consistent with those disclosed in the annual audited financial statements as at and for the year ended June 30, 2026.

		(Un-audited) September 30, 2026	(Audited) June 30, 2026
	Note	(Rupees in 000)	
6. SHORT-TERM BORROWINGS			
Running finances under markup arrangement	6.1	364,083	235,505
Musharaka finance	6.2	185,692	171,759
Istisna financing	6.3	-	-
		549,775	407,264

- 6.1 The Company can avail finance facilities from various banks aggregating to Rs. 875 million (June 2026: Rs. 875 million). The unavailed facilities as at period end were Rs. 510.917 million (June 2026: Rs. 639.495 million). The facilities are secured by hypothecation of stocks and book debts. These are subject to mark-up ranging from 1 month KIBOR plus 0.75% to 1.5% per annum (June 2026: 1 month KIBOR plus 0.75% to 1.5% per annum).
- 6.2 The Company can avail finance facility under Musharaka of Rs. 200 million (June 2026: Rs. 200 million). The unavailed facility as at period end was Rs. 14.308 million (June 2026: Rs. 28.241 million). This finance facility is secured by fixed pari passu hypothecation of stocks and receivables with 25% margin. These are subject to mark-up rate of 1 month KIBOR plus 0.65% per annum (June 2026: 1 month KIBOR plus 0.65% per annum).
- 6.3 Short term Istisna Financing was obtained under shariah arrangement to finance the manufacturing of finished goods. The bank has approved a facility of Rs. 100 million (June 30, 2026: Rs 100 million). The mark-up rate on the financing is 6 months KIBOR + 1% per annum (June 30, 2026: 6 months KIBOR + 1% per annum). The facility is secured against first pari passu hypothecation of stocks / receivables with 25% margin. The maximum tenor of the Istisna

Shahtaj Textile Limited

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE QUARTER ENDED SEPTEMBER 30, 2026 (UN-AUDITED)

Financing is 180 days. The facility remained unavailed at period end.

7. CONTINGENCIES AND COMMITMENTS

7.1 Contingencies and commitments are not materially changed as disclosed in the note 12 to the annual financial statements for the year ended June 30, 2026.

		(Un-audited) September 30, 2026	(Audited) June 30, 2026
	Note	----- (Rupees in 000) -----	
8. PROPERTY, PLANT AND EQUIPMENT			
Operating fixed assets	8.1	<u>2,210,170</u>	<u>2,266,990</u>

8.1 Details of additions and disposals during the period / year pertaining to operating fixed assets are as under:

	(Un-audited) Quarter ended September 30, 2026		(Audited) Year ended June 30, 2026	
	Additions / transfers	Disposals at book value	Additions / transfers	Disposals at book value
	----- (Rupees in 000) -----			
Plant and machinery	48	-	317,864	8,541
Furniture and fixtures	-	-	70	-
Equipment and installations	122	-	1,215	156
Computer equipment	185	65	1,530	1
Vehicles	-	-	10,278	3,087
	<u>355</u>	<u>65</u>	<u>330,957</u>	<u>11,785</u>

8.2 Details of additions and transfers from capital work-in-progress during the period / year are as under:

	(Un-audited) Quarter ended September 30, 2026		(Audited) Year ended June 30, 2026	
	Additions	Transfers	Additions	Transfers
	----- (Rupees in 000) -----			
Plant and machinery	-	-	221,126	238,931

	(Un-audited) Quarter ended	
	September 30, 2026	September 30, 2025
	----- (Rupees in 000) -----	

9. SALES - NET

Export	195,068	245,466
Indirect Export	-	124,278
Local	<u>1,555,281</u>	<u>1,562,596</u>
	<u>1,750,349</u>	<u>1,932,340</u>
Waste sales	3,433	3,798
	<u>1,753,782</u>	<u>1,936,138</u>
Commission		
-Export	(9,197)	(11,264)
-Local	(7,555)	(7,990)
Sales tax	(16,752)	(19,254)
	<u>(237,770)</u>	<u>(257,899)</u>
	<u>1,499,260</u>	<u>1,658,985</u>

Shahtaj Textile Limited

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE QUARTER ENDED SEPTEMBER 30, 2026 (UN-AUDITED)

(Un-audited) Quarter ended	
September 30, 2026	September 30, 2025
----- (Rupees in 000) -----	

10. FINANCE COST

Mark-up on:

Long-term finance	3,575	4,530
Running finance under markup arrangement	13,049	16,553
Musharaka finance	5,382	443
Discounting charges	9,425	15,642
Interest on Workers' Profit Participation Fund	1,316	704
Bank charges and commission	670	1,189
	<u>33,417</u>	<u>39,061</u>

(Un-audited) Quarter ended	
September 30, 2026	September 30, 2025
----- (Rupees in 000) -----	

Note

11. LEVIES & TAXATION

11.1 Levies

Revenue Tax	11.2	<u>18,957</u>	<u>20,978</u>
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11.2 This represents minimum tax provision under section 113 of the Income Tax Ordinance, 2001. The provision for minimum tax has been recognised as levies in these financial statements as per the requirement of IFRIC 21 / IAS 37 and guide on IAS 12 issued by ICAP.

12. FAIR VALUE OF FINANCIAL ASSETS AND LIABILITIES

12.1 Fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable willing parties in an arms length transaction.

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

12.2 Fair value estimation

The Company discloses the financial instruments measured in the condensed interim statement of financial position at fair value in accordance with the following fair value hierarchy:

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

There were no transfers between Level 1 and 2 during the period.

12.3 There are no assets or liabilities to classify under above levels except the Company's plant and machinery which are stated at revalued amounts, being the fair value at the date of revaluation, less any subsequent depreciation and subsequent accumulated impairment losses, if any. The fair value measurements of the Company's plant and machinery carried out as at June 2025, were performed by M/s Asif Associates (Private) Limited (valuer), an independent valuer not

Shahtaj Textile Limited

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE QUARTER ENDED SEPTEMBER 30, 2026 (UN-AUDITED)

related to the Company, using depreciated replacement cost method. The valuer is listed on panel of Pakistan Banks Association and they have appropriate qualification and experience in the fair value measurement of properties, plant and machinery Value determined by independent valuer is classified as Level 3 in the fair value hierarchy.

13. TRANSACTIONS WITH RELATED PARTIES

The related parties comprise of associated companies, directors and key management personnel of the Company. Transactions with related parties are carried out as per agreed terms. The transaction with related parties during the period generally consist of sales and purchases. Nature and description of related party transactions during the period along with monetary values are as follows:

		Quarter ended (Un-audited)	
Nature of relationship	Nature of transactions	September 30, 2026	September 30, 2025
		----- (Rupees in 000) -----	
Key management personnel	Remuneration	16,616	15,560
Associated undertakings			
- Shahnawaz (Private) Limited	Administrative services received	1,308	1,308
	Software development charges	600	600
Other related party- Close Family Member			
- Lionsmill Trading LLC	Commission on sales	3,849	1,425
		(Un-audited) September 30, 2026	(Audited) June 30, 2026
		----- (Rupees in 000) -----	
Balances due to related parties			
- Shahnawaz (Private) Limited		636	-
- Lionsmill Trading LLC		3,853	1,444

14. Corresponding figures have been reclassified / rearranged, wherever necessary.

15. DATE OF AUTHORIZATION FOR ISSUE

The condensed interim financial statements were authorized for issue on October 26, 2026 by the Board of Directors of the Company.



(Taqi Mohammad)
Chief Executive



(Amir Ahmed)
Chief Financial Officer



(M. Naeem)
Director

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*P.O. BOX NO. 4766,
SHAHNAWAZ BUILDING, 19 DOCKYARD ROAD,
WEST WHARF, KARACHI-74000.*