



of Companies

FIRST QUARTERLY ACCOUNTS
2026-2027
(UN - AUDITED)

UMER GROUP OF COMPANIES

BHANERO TEXTILE MILLS LIMITED



Vision

A premier quality company providing quality products by maintaining an excellent level of ethical & professional standards.



Mission Statement

To become a leading manufacturer of textile products globally and explore the new era to achieve the highest level of success.

Directors' Review

On behalf of the board of directors of Bhanero Textile Mills Limited, I am pleased to present the unaudited condensed interim financial statements for the first quarter ended September 30, 2026.

Significant Financial Performance for the First Quarter Ended September 30, 2026

Profit after tax for the first quarter ended September 30, 2026 is PKR 1,019.842 million as compared to PKR 27.608 million in the corresponding period ending September 30, 2025.

Earnings per share for the first quarter ended September 30, 2026 is PKR 335.37 (September 30, 2025: PKR 9.08).

Break-up value of the share as on September 30, 2026 is PKR 4,173.27 (June 30, 2026: PKR 3,837.90).

The current ratio as on September 30, 2026 is PKR 1.83 (June 30, 2026: PKR 1.88).

Outlook of Textile Sector

The textile sector continued to face a challenging operating environment during the year, characterized by persistent inflationary pressures, elevated energy costs, rising freight rates and volatile demand across key export markets. Economic slowdown in major Western economies, coupled with high inflation and tighter monetary policies, adversely affected consumer spending and resulted in subdued order volumes. Domestically, weak demand and escalating production costs further constrained the industry's operating margins.

Notwithstanding these challenges, Pakistan's external sector demonstrated resilience during the first quarter of FY 2026-27. According to the Pakistan Bureau of Statistics, the country exports increased by 10.80 percent to US\$ 8.423 billion during July-September 2026, compared to US\$ 7.599 billion in the corresponding period last year. Imports also rose by 13.20 percent, reaching US\$ 19.215 billion against US\$ 16.973 billion during the corresponding period of FY 2025-26.

The textile sector remained the backbone of Pakistan's export economy, contributing over 60 percent of the country's total exports. Textile exports grew to US\$ 5.14 billion during July-September 2026 from US\$ 4.83 billion in the corresponding period showing a modest growth of 0.34 percent during FY 2025-26, reflecting its resilience despite significant macroeconomic and industry-specific challenges.

The sustainability of export growth will largely depend on the recovery of demand in key markets, the availability of competitively priced energy, stability in freight costs and improvement in domestic cotton production. The cotton production for the 2026-27 season is projected to reach 118 million bales, supported by larger crops in major producing countries, particularly Brazil and the United States, which is expected to improve cotton availability and moderate supply-side pressures. On the domestic front, encouraging signs have emerged from the current cotton season. According to data released by the Pakistan Cotton Ginners Association (PCGA), as of 30th September 2026, cumulative cotton arrivals in Pakistan stood at 3.21 million

bales compared to 3.04 million bales during the corresponding period last year, representing an increase of 5.39 percent.

Besides, the industry also remains vulnerable to geopolitical developments, particularly the ongoing tensions in the Middle East, which have disrupted global shipping routes resulting in an increased freight, additional insurance premiums and heightened supply chain uncertainties. Any prolonged escalation in the region could adversely affect export lead times, logistics efficiency, and input costs for textile manufacturers. In this environment, continued investment in value-added products, technological modernization, energy efficiency and operational excellence will be essential to strengthen the international competitiveness of Pakistan's textile industry and maintain its position in global export markets.

Acknowledgement

The board extends its sincere appreciation to employees and financial institutions for their continued support.

On behalf of the Board



Khurram Salim - CEO



Mohammad Salim - Director

October 29, 2026

Bhanero Textile Mills Limited

Condensed Interim Statement of Financial Position

As at September 30, 2026

		September 30, 2026	Jun 30, 2026			September 30, 2026	Jun 30, 2026
	Note	Un-Audited Rupees	Audited Rupees		Note	Un-Audited Rupees	Audited Rupees
EQUITY AND LIABILITIES				ASSETS			
SHARE CAPITAL AND RESERVES				NON CURRENT ASSETS			
Authorized capital				Property, plant and equipment			
6,000,000 (June 30, 2026: 6,000,000)				Long term deposits			
ordinary shares of Rs.10 each							
		60,000,000	60,000,000			8,419,911,591	8,671,549,537
Issued, subscribed and paid up capital		30,409,640	30,409,640			51,551,392	51,436,392
Share premium		108,598,461	108,598,461			8,471,462,983	8,722,985,929
Reserves		9,000,000,000	9,000,000,000				
Loan from directors and sponsors	4	183,118,200	183,118,200				
Unappropriated profit		3,368,636,058	2,348,793,594				
		12,690,762,359	11,670,919,895				
NON CURRENT LIABILITIES				CURRENT ASSETS			
Long term financing - secured		2,845,426,489	3,001,008,680	Stores, spares and loose tools			
Long term payables		374,126,392	363,043,266	Stock in trade			
Staff retirement benefits		450,699,786	441,726,819	Trade debts			
Deferred taxation		46,776,238	46,776,238	Short term investments			
Deferred government grant		372,758,538	407,068,247	Loans and advances			
		4,089,787,443	4,259,623,250	Trade deposits and prepayments			
CURRENT LIABILITIES				Other receivables			
Trade and other payables		2,720,806,346	2,517,246,340	Advance income tax			
Unclaimed dividend		1,831,650	1,831,650	Sales tax refundable			
Accrued interest/markup		97,401,014	123,763,711	Cash and bank balances			
Short term borrowings - secured		6,140,783,618	4,377,044,433				
Current portion of non current liabilities		1,069,135,418	1,134,541,677				
		10,029,958,046	8,154,427,811				
CONTINGENCIES AND COMMITMENTS							
	5						
TOTAL EQUITY AND LIABILITIES				TOTAL ASSETS			
		26,810,507,848	24,084,970,956			26,810,507,848	24,084,970,956

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


CHIEF EXECUTIVE


DIRECTOR


CHIEF FINANCIAL OFFICER

Bhanero Textile Mills Limited

Condensed Interim Statement of Profit or Loss (Un-Audited) For The Three Months Period ended September 30, 2026

	Note	Three Months ended	
		September 30, 2026	September 30, 2025
		Rupees	Rupees
Sales		9,476,325,161	8,260,461,975
Cost of sales		(8,323,757,428)	(7,522,681,665)
Gross profit		1,152,567,733	737,780,310
Distribution cost		(199,504,059)	(185,344,924)
Administrative expenses		(101,550,649)	(97,732,255)
		(301,054,708)	(283,077,179)
Other income		553,419,028	24,057,331
		1,404,932,053	478,760,462
Other operating expenses		(32,240,383)	(6,859,970)
Finance cost		(226,444,995)	(341,561,057)
		(258,685,378)	(348,421,027)
Profit before levies and taxation		1,146,246,675	130,339,435
Levies	8	(126,404,211)	(102,731,880)
Profit before taxation		1,019,842,464	27,607,555
Taxation		-	-
Profit after taxation		1,019,842,464	27,607,555
Earning per share - basic & diluted		335.37	9.08

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


CHIEF EXECUTIVE


DIRECTOR


CHIEF FINANCIAL OFFICER

Bhanero Textile Mills Limited

Condensed Interim Statement of Comprehensive Income (Un-Audited) For The Three Months Period ended September 30, 2026

	Three Months Ended	
	September 30, 2026	September 30, 2025
	Rupees	Rupees
Profit for the period after taxation	1,019,842,464	27,607,555
Other comprehensive income	-	-
Total comprehensive income for the period	1,019,842,464	27,607,555

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



CHIEF EXECUTIVE



DIRECTOR



CHIEF FINANCIAL OFFICER

Bhanero Textile Mills Limited

Condensed Interim Statement of Changes in Equity (Un-Audited) For The Three Months Period ended September 30, 2026

	Share capital	Share premium	Revenue Reserves		Loan from directors and sponsors	Total
			General reserve	Unappropriated profits		
	Rupees					
Balance as at July 01, 2025 - Audited	30,409,640	108,598,461	9,000,000,000	1,640,029,176	183,118,200	10,962,155,477
Comprehensive income						
Profit after taxation	-	-	-	27,607,555	-	27,607,555
Other comprehensive income	-	-	-	-	-	-
	-		-	27,607,555	-	27,607,555
Loan proceeds from directors and sponsors	-	-	-	-	-	-
Balance as at September 30, 2025-(Un-Audited)	30,409,640	108,598,461	9,000,000,000	1,667,636,731	183,118,200	10,989,763,032
Balance as at July 01, 2026 - Audited	30,409,640	108,598,461	9,000,000,000	2,348,793,594	183,118,200	11,670,919,895
Comprehensive income						
Profit after taxation	-	-	-	1,019,842,464	-	1,019,842,464
Other comprehensive income	-	-	-	-	-	-
	-	-	-	1,019,842,464	-	1,019,842,464
Loan proceeds from directors and sponsors	-	-	-	-	-	-
Balance as at September 30, 2026-(Un-Audited)	30,409,640	108,598,461	9,000,000,000	3,368,636,058	183,118,200	12,690,762,359

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


CHIEF EXECUTIVE


DIRECTOR


CHIEF FINANCIAL OFFICER

Bhanero Textile Mills Limited

Condensed Interim Statement of Cash Flows (Un-Audited) For The Three Months Period ended September 30, 2026

	September 30, 2026	September 30, 2025
	Rupees	Rupees
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before levies and taxation	1,146,246,675	130,339,435
Adjustments for:		
Depreciation on property, plant and equipment	213,098,375	210,905,000
Provision for employees' benefits	35,850,000	37,020,000
Gain on disposal of property, plant and equipment	(522,179,185)	-
Changes in fair value of short term investments	(92,100)	-
Finance cost	226,444,995	341,561,057
Operating cash flows before changes in working capital	1,099,368,760	719,825,492
Working capital changes		
Inventories	(2,638,877,238)	(206,702,470)
Trade debts	120,888,423	139,025,815
Loans and advances	(33,939,245)	(10,760,782)
Trade deposits & prepayments	(57,547,138)	(122,379,086)
Other receivables	115,038,698	(4,498,562)
Sales tax refundable	(850,051,138)	(424,525,893)
Trade and other payables	203,560,006	143,073,478
	(3,140,927,632)	(486,767,500)
Cash (used in) / generated from operations	(2,041,558,872)	233,057,992
Finance cost paid	(241,724,566)	(297,781,816)
Employees' benefits paid	(26,877,033)	(24,600,156)
Income taxes paid	(182,425,857)	(158,559,179)
Long term deposits	(115,000)	-
	(451,142,456)	(480,941,151)
Net cash used in operating activities	A (2,492,701,328)	(247,883,159)
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from disposal of property, plant and equipment	573,925,000	-
Additions in property, plant and equipment	(13,206,244)	(318,308,506)
Net cash generated from / (used in) investing activities	B 560,718,756	(318,308,506)
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayment of long term financing	(255,298,159)	(176,542,999)
Proceeds from long term loans	-	194,843,022
Short term borrowings- net	1,763,739,185	892,386,792
Net cash generated from financing activities	C 1,508,441,026	910,686,815
Net (decrease) / increase in cash and cash equivalent	A+B+C (423,541,546)	344,495,150
Cash and cash equivalents at the beginning of the period	907,540,440	171,836,812
Cash and cash equivalents at the end of the period	483,998,894	516,331,962

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


CHIEF EXECUTIVE


Bhanero Textile Mills Ltd


CHIEF FINANCIAL OFFICER

Bhanero Textile Mills Limited**Notes to the Condensed Interim Financial Information (Un-audited)****For The Three Months Period ended September 30, 2026****1 THE COMPANY AND ITS OPERATIONS**

Bhanero Textile Mills Limited (the Company) was incorporated on 30th March 1980 as a public limited company in Pakistan under repealed Companies Ordinance, 1984 now the Companies Act, 2017 and is quoted on Pakistan Stock Exchanges Limited. The registered office of the Company is located at Umer House, 23/1, Sector 23, S. M. Farooq Road, Korangi Industrial Area Karachi. The company is principally engaged in manufacturing and sales of yarn and fabric. The production facilities are located at Kotri, District Dadu in the province of Sindh and Feroze Wattwan, District Sheikhupura in the province of Punjab.

2 BASIS OF PREPARATION**2.1 Statement of compliance**

This condensed interim financial information is un-audited and has been prepared in accordance with the requirements of the IAS 34 Interim Financial Reporting and provisions of and directives issued under the Companies Act, 2017 as applicable in Pakistan. This condensed interim financial information does not include all of the information and disclosures required for annual financial statements and should be read in conjunction with the financial statements of the Company as at and for the year ended June 30, 2026.

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

2.2 Basis of measurement

This condensed interim financial information has been prepared under the historical cost convention except for certain financial instruments at fair value, certain financial liabilities at amortized cost and employees retirement benefits at present value. In this financial information, except for the amounts reflected in the statement of cash flows, all transactions have been accounted for on accrual basis.

2.3 Judgments, estimates and assumptions

The preparation of financial information requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions and judgments are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the result of which forms 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.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised and in any future periods affected.

2.4 The Company's financial risk management objectives and policies are consistent with those disclosed in the financial statements as at and for the year ended 30 June 2026.**2.5 Functional currency**

This financial information is prepared in Pak Rupees which is the Company's functional currency.

3 MATERIAL ACCOUNTING POLICY INFORMATION

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

4 LOAN FROM DIRECTORS AND SPONSORS

Directors and sponsors entered into a contract with the Company to provide funds to the Company. As per the contract, the loans are unsecured, interest free and repayable at the discretion of the Company. The loans are presented under equity as per Technical Release-32 of The Institute of Chartered Accountants of Pakistan.

5 CONTINGENCIES AND COMMITMENTS

There is no material change in contingencies and commitments as disclosed in annual financial statements for the year ended June 30, 2026 except following:

5.1 Contingencies

Bills Discounted

**September 30,
2026**

**Rupees
(Un-Audited)**

June 30, 2026

**Rupees
(Audited)**

3,356,654,701

4,041,692,117

5.2 Commitments

Letter of credit (for store, raw material and machinery)

2,624,688,993

4,095,444,804

Bhanero Textile Mills Limited
Notes to the Condensed Interim Financial Information (Un-audited)
For The Three Months Period ended September 30, 2026

	Note	September 30, 2026	June 30, 2026
		Rupees	Rupees
		(Un-Audited)	(Audited)
5.3 Commitments under ijarah contracts			
The aggregate amount of Ijarah payments for ijarah financing and the period in which these payments will become due are as follows:			
- payments not later than one year		52,042,434	60,519,536
- payments later than one year		79,453,455	90,254,638
		131,495,889	150,774,174
6 PROPERTY, PLANT AND EQUIPMENT			
Operating fixed assets	6.1	8,413,507,347	8,671,549,537
Capital work in progress		6,404,244	-
		8,419,911,591	8,671,549,537
6.1 Operating fixed assets			
Net book value at the beginning of the period/ year		8,671,549,537	8,457,907,078
Additions / transfers during the period / year			
Factory buildings		-	74,542,182
Non factory buildings		-	23,343,018
Plant and machinery		-	542,226,733
Equipment and other assets		-	17,428,142
Electric installation		-	434,882,007
Factory Equipment		-	130,200
Office Equipment		-	9,232,781
Vehicles		-	-
		6,802,000	1,101,785,063
Net book value of assets disposed during the period/year		(51,745,815)	(2,929,664)
Depreciation for the period/year		(213,098,375)	(885,212,940)
Net book value at the end of the period / year		8,413,507,347	8,671,549,537
7 SHORT TERM INVESTMENTS			
Equity instruments	7.1	14,593,200	14,501,100
Investment in debt instrument	7.2	375,000,000	375,000,000
		389,593,200	389,501,100
7.1 Equity instruments - at FVTPL			
Quoted			
Fauji Fertilizer Company Limited			
10,000 (2025: Nil) ordinary shares of Rs 10 each - cost		5,414,900	5,414,900
Adjustment arising from re-measurement to fair value		(4,700)	319,900
		5,410,200	5,734,800
Habib Bank Limited			
30,000 (2025: Nil) ordinary shares of Rs 10 each - cost		8,820,000	8,820,000
Adjustment arising from re-measurement to fair value		363,000	(53,700)
		9,183,000	8,766,300
		14,593,200	14,501,100
7.2 Investment in debt instrument - at FVTPL			
Term finance certificates		375,000,000	375,000,000
		375,000,000	375,000,000
Cost of investment 75,000 TFCs (2025: Nil)		375,000,000	375,000,000
Adjustment arising from re-measurement to fair value		-	-
		375,000,000	375,000,000
8 LEVIES & TAXES			
8.1 The provision for minimum tax has been recognized as levies in these condensed interim financial statements as per the requirements of IFRIC 21/IAS37 and guidance on IAS 12 issued by ICAP.			
9 TRANSACTIONS AND BALANCES WITH RELATED PARTIES			
Related parties from the Company's perspective comprise associated companies and key management personnel. Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, and include the Chief Executive and Directors of the Company.			
Transactions with key management personnel are limited to payment of short term employee benefits only. The Company in the normal course of business carries out various transactions with associated companies and continues to have a policy whereby all such transactions are carried out on commercial terms and conditions which are equivalent to those prevailing in an arm's length			
Names and details of transactions and balances with related parties are as follows:			

Bhanero Textile Mills Limited
Notes to the Condensed Interim Financial Information (Un-audited)
For The Three Months Period ended September 30, 2026

Name	Nature of relationship	Shareholding
Faisal Spinning Mills Limited	Common directorship	N/A
Blessed Textiles Limited	Common directorship	N/A
Bhanero Energy Limited	Common directorship	N/A
Admiral (Private) Limited	Directors' close family member	N/A
Yasmin Begum	Directors' close family member	1.00%
Khurram Salim	Director	2.06%
Farrukh Salim	Directors' close family member	2.02%
Yousuf Salim	Directors' close family member	1.67%
Saqib Salim	Directors' close family member	1.71%
Amna Khurram	Directors' close family member	2.44%
Muhammad Umer	Directors' close family member	0.02%
Yahvaa Farrukh	Directors' close family member	2.44%
Saba Yousaf	Director	2.72%
Saba Saqib	Directors' close family member	2.76%
Samia Bilal	Directors' close family member	11.06%

Three Months ended		
September 30, 2026		September 30, 2025
Nature of transactions	Rupees	Rupees
Purchases	205,039,469	132,073,418
Sales	668,739,621	376,169,008
Services received	154,500	154,500
Purchase of electricity	188,765	408,327
Remuneration to key management	5,400,000	5,400,000
Balance with related party	20,000	20,000

10 SEGMENT REPORTING

The Company has two reportable segments, which offer different products and are managed separately. The following summary describes the operations in each of the company's reportable segments.

Reportable segment	Principal activity
Spinning	Manufacture and sale of yarn
Weaving	Manufacture and sale of woven fabric

Information about operating segments as at September 30, 2026 is as follows:

	Three Months ended September 30, 2026		
	Spinning Rupees	Weaving Rupees	Total Rupees
Revenue from external customers	7,181,329,511	2,294,995,650	9,476,325,161
Inter-segment transfers	134,672,450	-	134,672,450
Segment results	671,186,627	180,326,398	851,513,025
Other operating income			553,419,028
Other operating expenses			(32,240,383)
Finance cost			(226,444,995)
			1,146,246,675

	Three Months ended September 30, 2025		
	Spinning Rupees	Weaving Rupees	Total Rupees
Revenue from external customers	6,203,952,501	2,056,509,474	8,260,461,975
Inter-segment transfers	357,281,419	-	357,281,419
Segment results	252,005,180	202,697,951	454,703,131
Other operating income			24,057,331
Other operating expenses			(6,859,970)
Finance cost			(341,561,057)
			130,339,435

As at September 30, 2026 - (Un-Audited)			
	Spinning Rupees	Weaving Rupees	Un-allocated Rupees
Segment assets	19,968,172,934	4,207,643,470	2,634,691,444
			26,810,507,848

As at June 30, 2026 (Audited)			
	Spinning Rupees	Weaving Rupees	Un-allocated Rupees
Segment assets	17,939,588,180	4,474,426,254	1,670,956,522
			24,084,970,956

Bhanero Textile Mills Limited**Notes to the Condensed Interim Financial Information (Un-audited)****For The Three Months Period ended September 30, 2026**

	As at September 30, 2026 - (Un-Audited)			
	Spinning Rupees	Weaving Rupees	Un-allocated Rupees	Total Rupees
Segment liabilities	10,836,730,250	2,860,280,959	422,734,280	14,119,745,489
	As at June 30, 2026 (Audited)			
	Spinning Rupees	Weaving Rupees	Un-allocated Rupees	Total Rupees
Segment liabilities	9,011,288,319	2,844,248,204	558,514,538	12,414,051,061

12 EVENTS AFTER THE REPORTING PERIOD

12.1 There are no significant events after the reporting period that may require any adjustment or disclosure in this condensed interim financial report.

13 RECOVERABLE AMOUNTS AND IMPAIRMENT

As at the reporting date, recoverable amounts of all assets/cash generating units are equal to or exceed their carrying amounts, unless stated otherwise in these financial statements.

14 DATE OF AUTHORIZATION FOR ISSUE

This condensed interim financial information has been approved by the Board of Directors of the Company and authorized for issue on October 29, 2026.

15 GENERAL

15.1 There are no other significant activities since June 30, 2026 affecting the interim financial information.

15.2 Figures have been rounded off to the nearest Rupee.


CHIEF EXECUTIVE

DIRECTOR

CHIEF FINANCIAL OFFICER