

**1ST QUARTERLY ACCOUNTS
FOR THREE MONTHS ENDED
SEPTEMBER 30,2026
(UN AUDITED)**

GULISTAN TEXTILE MILLS LIMITED

GULISTAN TEXTILE MILLS LIMITED
COMPANY INFORMATION

BOARD OF DIRECTORS

Mr. Waqar Ahmed (Chairman)
Mr. Naseer Ahmed (Chief Executive)
Mrs Samina Khawar
Mr. Javed Hussain Shah
Mr. Mian Muhammad Khalid Nasim
Mr. Bashrat Mahmood Khalid
Mrs. Nazia Waqar

AUDIT COMMITTEE

Mr. Javed Hussain Shah (chairman)
Mr. Waqar Ahmed
Mr. Bashrat Mahmood Khalid

HR & REMUNERATION COMMITTEE

Mrs. Nazia Waqar (chairman)
Mr. Waqar Ahmed
Mr. Bashrat Mahmood Khalid

CHIEF FINANCIAL OFFICER

Mr. Akhtar Aziz

COMPANY SECRETARY

Mr. Asmar Tariq

AUDITORS

M/s Malik Haroon Ahmad & Co
Chartered Accountants
Lahore.

LEGAL ADVISOR

M/s. A.K. Brohi & Company-Advocate

SHARE REGISTRAR OFFICE

M/s. Hameed Majeed Associates (Pvt) Ltd.
Karachi Chamber
Hasrat Mohani Road Karachi
Ph. 32424826, 32412754, Fax. 32424835

REGISTERED OFFICE

2nd Floor, Finlay House,
I.I. Chundrigar Road,
Karachi.

REGIONAL OFFICE

2nd Floor, Garden Heights,
8Aibak Block, New Garden Town,
Lahore.

WEB PRESENCE

www.gulistan.com.pk/corporate/gulistan.html



Gulistan Textile Mills Limited

2nd Floor Finlay House I.I. Chundrigar Road ,
Karachi (Pakistan)

Director's Report to Shareholders

The Director of your company pleased to present audited financial statements of the Company for Nine months ended September 30,2026.

Operating & Financial Performance

Operating indicators	Three Months Ended September 30,2026	Three Months Ended September 30,2025
	(Rupees)	(Rupees)
Sales	-	-
Gross loss	-	-
Pre tax Profit/ (Loss)	(5,123,550)	(13,652,448)
Provision for taxation	-	-
Profit / (Loss) after taxation	(5,123,550)	(13,652,448)

Over View:

The Company has initiated the debt restructuring process with the help of the key lending financial institutions. In this regard a Scheme of Arrangement under section 279 to 283 & 285 of the Companies Act 2017 (Scheme of Arrangement) has already been sanctioned by the Hon'ble Sindh High Court at Karachi (the "Court") vide order dated 24.11.2021. The Scheme will be implemented in letter and spirit as sanctioned by the Court. As per the Scheme of Arrangement all the litigation with Banks will be withdrawn both by and against the company.

Future Outlook

The restructuring process is expected to be completed soon, once the ongoing restructuring process is completed, we would be in better position to structure the way forward.

Acknowledgement

The Board wishes to place on record its appreciation for the employees, members of management team for their efforts, commitment and hard work during this tough time.

On behalf of the Board

NASEER AHMED
CHIEF EXECUTIVE
Lahore:-29.10.2026

GULISTAN TEXTILE MILLS LIMITED
CONDENSED INTERIM BALANCE SHEET (UN-AUDITED)
AS AT SEPTEMBER 30, 2026

		(UN-AUDITED)	(AUDITED)
	NOTE	September 30, 2026	June 30, 2026
		-----Rupees-----	
ASSETS			
Disposal group under scheme of arrangement	5	52,801,235	52,801,235
Advances deposits and prepayments		744,073	744,073
Trade deposits and other receivables	6	342,500,000	342,500,000
Tax refunds due from Government	7	7,916,394	7,916,394
Cash and bank balances	8	24,411,583	23,769,970
TOTAL ASSETS		428,373,285	427,731,672
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorised capital			
30,000,000 (June 30, 2026 : 30,000,000) Ordinary shares of Rs. 10 each		300,000,000	300,000,000
Issued, subscribed and paid up share capital		189,838,990	189,838,990
Reserves		576,748,715	576,748,715
Surplus on revaluation of property, plant and equipment		29,596,402	29,596,402
Sub-Ordinated Loan		423,800,000	423,800,000
(Accumulated loss)		(9,673,026,382)	(9,667,902,832)
Total equity		(8,453,042,275)	(8,447,918,725)
LIABILITIES			
Payable to banking companies under scheme of arrangements	9	5,640,188,000	5,640,188,000
Loan from associates and others		337,561,932	331,726,932
Post employment benefits payables		79,105,487	79,105,487
Trade and other payables	10	247,613,199	247,683,036
Accrued mark up / interest	11	2,576,646,000	2,576,646,000
Unclaimed dividend		300,942	300,942
		8,881,415,560	8,875,650,397
CONTINGENCIES AND COMMITMENTS			
	12		
TOTAL EQUITY & LIABILITIES		428,373,285	427,731,672

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


CHIEF EXECUTIVE


CHIEF FINANCIAL OFFICER


DIRECTOR

GULISTAN TEXTILE MILLS LIMITED
CONDENSED INTERIM PROFIT AND LOSS ACCOUNT (UN-AUDITED)
FOR THE 1st QUARTER ENDED SEPTEMBER 30, 2026

NOTE	Quarter Ended	Quarter Ended
	September 30, 2026	September 30, 2025
	-----Rupees-----	
Sales and processing income	-	-
Cost of sales	-	-
Gross loss	-	-
Administrative expenses	(2,313,020)	(2,541,811)
Other operating expenses	(2,800,000)	(11,085,500)
Loss from operations	(5,113,020)	(13,627,311)
Finance cost	(10,530)	(25,137)
Profit / (loss) before taxation	(5,123,550)	(13,652,448)
Taxation	-	-
Loss after taxation	(5,123,550)	(13,652,448)
loss per share - basic and diluted	(0.27)	(0.72)

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


CHIEF EXECUTIVE

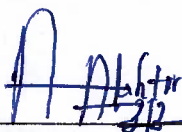

CHIEF FINANCIAL OFFICER


DIRECTOR

GULISTAN TEXTILE MILLS LIMITED**CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)****FOR THE 1st QUARTER ENDED SEPTEMBER 30, 2026**

NOTE	Quarter Ended	Quarter Ended
	September 30, 2026	September 30, 2025
	-----Rupees-----	
Profit/(Loss) for the quarter	(5,123,550)	(13,652,448)
Other comprehensive income for the quarter	-	-
Total comprehensive loss for the quarter	(5,123,550)	(13,652,448)

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

**CHIEF EXECUTIVE****CHIEF FINANCIAL OFFICER****DIRECTOR**

GULISTAN TEXTILE MILLS LIMITED
CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED)
FOR THE 1st QUARTER ENDED SEPTEMBER 30, 2026

CASH FLOWS FROM OPERATING ACTIVITIES:

Profit / (loss) before taxation

(5,123,550)

(13,652,448)

Adjustments for :

Finance cost

10,530

25,137

(Profit) before working capital changes

(5,113,020)

(13,627,311)

Change in working capital

Trade and other payables

(69,837)

(610,000)

Cash generated from operating activities

(5,182,857)

(14,237,311)

Payments for:

Finance cost paid

(10,531)

(25,137)

Net cash generated from (used in) operating activities

(5,193,388)

(14,262,448)

Receipts against loan from associates and other parties

5,835,000

14,583,000

Net cash used in financing activities

5,835,000

14,583,000

Net decrease in cash and cash equivalents

641,612

320,552

Cash and cash equivalents at beginning of the period

23,769,971

25,714,412

Cash and cash equivalents at end of the period

24,411,583

26,034,964

Cash and cash equivalents comprise of the following :-

Cash and bank balances

24,411,583

26,034,964

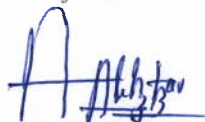
24,411,583

26,034,964

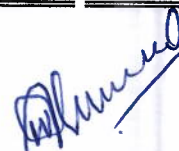
The annexed notes form an integral part of this condensed interim financial information.



CHIEF EXECUTIVE



CHIEF FINANCIAL OFFICER



DIRECTOR

GULISTAN TEXTILE MILLS LIMITED
STATEMENT OF CHANGES IN EQUITY
FOR THE 1st QUARTER ENDED SEPTEMBER 30, 2026

	CAPITAL RESERVE				REVENUE RESERVE		Subordinated loan from directors	TOTAL
	Share premium	Other reserves	Revaluation surplus	General reserve	Accumulated losses			
----- Rupees -----								
Balance as at July 01, 2025	189,838,990	379,080,000	(6,252,679)	29,596,402	203,921,394	(9,626,952,075)	423,800,000	(8,406,967,968)
Loss for the qtr ended sep 25	-	-	-	-	-	(13,652,448)	-	(13,652,448)
Balance as at September 30, 2025	189,838,990	379,080,000	(6,252,679)	29,596,402	203,921,394	(9,640,604,523)	423,800,000	(8,420,620,416)
Balance as at July 01, 2026	189,838,990	379,080,000	(6,252,679)	29,596,402	203,921,394	(9,667,902,832)	423,800,000	(8,447,918,725)
Loss for the qtr ended sep 26	-	-	-	-	-	(5,123,550)	-	(5,123,550)
Balance as at September 30, 2026	189,838,990	379,080,000	(6,252,679)	29,596,402	203,921,394	(9,673,026,382)	423,800,000	(8,453,042,275)

The annexed notes form an integral part of these financial statements.


Naveed Ahmed

CHIEF EXECUTIVE



CHIEF FINANCIAL OFFICER



DIRECTOR

GULISTAN TEXTILE MILLS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE 1st QUARTER ENDED SEPTEMBER 30, 2026

1 LEGAL STATUS AND NATURE OF BUSINESS

1.1 Gulistan Textile Mills Limited ("the Company") was incorporated on February 02, 1966 in Pakistan as a private company limited by shares and was converted into public limited company on April 11, 1966. The shares of the Company are listed on Pakistan Stock Exchange Limited (PSX). The Company was principally engaged in the manufacturing and sale of yarn, fabrics and other ancillary products.

1.2 Scheme of arrangement with secured creditors

The Company along with its restructuring agent - United Bank Limited and majority of the lending financial institutions had signed a "Scheme of Arrangement" dated March 13, 2019 under sections 279 to 283 read with section 285 of the Companies Act, 2017 ("the Act"). The Scheme of Arrangement was sanctioned by the Honourable High Court of Sindh at Karachi vide order dated October 25, 2019, passed in J. C. M. Petition No. 5 of 2019. The Scheme of Arrangement, after its sanctioning by the Court became binding on the Company, along with all the shareholders, creditors, stakeholders and any other regulatory / statutory bodies of/ or with respects to the Company. Under the Scheme of Arrangement, the existing financial obligations / liabilities of the Company towards the secured creditors had to be settled by way of sale of moveable and immovable charged assets of the Company, distribution of the sale proceeds among the secured creditors and withdrawal of all pending litigations. Asset sale committee, pursuant to the terms of scheme of arrangement has sold all charged assets and proceeds thereof is being distributed among the secured creditors. The realization and distribution of entire sale proceeds shall constitute full and final settlement of all liabilities of the company towards its secured creditors as contemplated under the Scheme. The pending litigations filed by and against the Company are now being withdrawn in accordance with terms of the scheme of arrangement.

2. BASIS OF PREPARATION

This condensed interim financial information is un-audited and is being submitted to the members in accordance with section 237 of the Companies Act, 2017. It has been prepared in accordance with the requirements of the International Accounting Standard 34 - 'Interim Financial Reporting' and provisions of and directives issued under the Companies Act, 2017. In case where requirements differ, the provisions of or directives issued under the Companies Act, 2017 have been followed. This condensed interim financial information does not include all the information required for annual financial statements and therefore, should be read in conjunction with the audited annual financial statements of the Company for the year ended June 30, 2026.

3 ACCOUNTING POLICIES

The accounting policies adopted for the preparation of this condensed interim financial information are same as those applied in the preparation of preceding audited annual financial statements of the Company for the year ended June 30, 2026.

4 ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of this condensed interim financial information in conformity with the approved accounting standards requires the use of certain critical accounting estimates and assumptions. It also requires management to exercise its judgement in the process of applying the Company's accounting policies. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectation of future events that are believed to be reasonable under the circumstances. However, actual results may differ from these estimates.

Estimation and judgements made by the management in the preparation of this condensed interim financial information were the same as those that were applied to the audited annual financial statements for the year ended June 30, 2026.

		September 30, 2026	June 30, 2026	
5	DISPOSAL GROUP UNDER SCHEME OF ARRANGEMENT	Note	Rupees	Rupees
	Owned			
	Freehold land		52,801,235	52,801,235
	Lease hold land		-	-
	Building on Freehold land		-	-
	Building on Lease hold land		-	-
	Plant and machinery		-	-
	Power houses		-	-
	Tools and equipment		-	-
	Leased			
	Plant and machinery		-	-
	Power houses		-	-
	Impairment Loss		-	-
			52,801,235	52,801,235

The Company along with its restructuring agent – United Bank Limited and majority of the lending financial institutions has signed a “Scheme of Arrangement” under sections 279 to 283 read with section 285 of the Companies Act, 2017 (“the Act”) as detailed in note 1.3. Hence, above mentioned assets has been classified and presented under disposal group under scheme of arrangement.

		September 30, 2026	June 30, 2026
		Rupees	Rupees
9	PAYABLE TO BANKING COMPANIES UNDER SCHEME OF ARRANGMENT		
		<u>5,640,188,000</u>	<u>5,640,188,000</u>

This represents payable to banking companies under scheme of arrangement as detailed below:

The Company along with its restructuring agent – United Bank Limited and majority of the lending financial institutions have signed a “Scheme of Arrangement” under sections 279 to 283 read with section 285 of the Companies Act, 2017 (“the Act”). Under this Scheme, the existing financial obligations / liabilities of the Company towards the secured creditors shall be settled by way of sale of moveable and immovable assets of the Company including land, building & plant and machinery and payment of the proceeds thereof to the secured creditors as contemplated under the Scheme of arrangement.

The said Scheme has been agreed-upon by the majority of the secured creditors and shareholders of the Company as stipulated in the Act, in their respective meeting held on August 07, 2019. The Scheme has been filed before the Honorable High Court of Sindh for an order passed in this respect. The Scheme seeks to record the terms and conditions of a legally binding compromise and arrangement between the secured creditors on one part and the Company and its directors and sponsors on the other part, for ensuring, inter alia, the settlement of the existing liabilities and ancillary measures as mentioned in note 1.2 to the annual financial statements for the year ended June 30, 2026..

	Note	September 30, 2026 Rupees	June 30, 2026 Rupees
11 ACCRUED MARK-UP / INTEREST			
Mark-up/ interest:			
- payables under scheme of arrangement		2,576,646,000	2,576,646,000
		<u>2,576,646,000</u>	<u>2,576,646,000</u>

12 CONTINGENCIES AND COMMITMENTS

Contingencies

There is no change in the matter detailed in note 18.1.1 to 18.1.11, 18.2.1 to 18.2.5 & 18.3.1 to 18.3.2 to the Company's published annual financial statements for the year ended June 30, 2026.

Commitments

There is no change in the matter detailed in note 18.4 to the Company's published annual financial statements for the year ended June 30, 2026.

RELATED PARTY TRANSACTIONS

The related parties comprises associated companies, directors and key management personnel. Transaction with related parties are carried out on arm's length basis. Aggregate transactions with associated companies during the period was Nil.

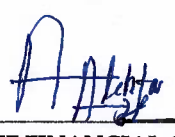
13 DATE OF AUTHORIZATION FOR ISSUE

These financial statements have been authorized for issue on 29/10/2026 by the Board of Directors of the Company.

GENERAL

All figures except June 30, 2026 figures appearing in the financial statements are un audited. Figures have been rounded off to the nearest rupee.


CHIEF EXECUTIVE


CHIEF FINANCIAL OFFICER


DIRECTOR