

**FIRST QUARTER REPORT
FOR THE PERIOD ENDED
SEPTEMBER 30, 2026
(Un-Audited)**



NAGINA COTTON MILLS LTD.



NAGINA COTTON MILLS LTD.

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NAGINA COTTON MILLS LTD.

COMPANY INFORMATION

BOARD OF DIRECTORS

Mr. Shahzada Ellahi Shaikh	Non-Executive Director / Chairman
Mr. Naweed Akhter Sharif	Independent Non-Executive Director
Miss. Zoe Khurshid Khan	Independent Non-Executive Director
Ms. Tosheeba Sarwar	Independent Non-Executive Director
Mr. Hasan Ahmad	Non-Executive Director
Mr. Shafqat Ellahi Shaikh	Non-Executive Director
Mr. Raza Ellahi Shaikh	Non-Executive Director
Mr. Haroon Shahzada Ellahi Shaikh	Non-Executive Director
Mr. Shaukat Ellahi Shaikh	Executive Director
Mr. Amin Ellahi Shaikh	Executive Director

CHIEF EXECUTIVE OFFICER

Mr. Amin Ellahi Shaikh

AUDIT COMMITTEE

Miss. Zoe Khurshid Khan	Chairperson
Mr. Raza Ellahi Shaikh	Member
Mr. Haroon Shahzada Ellahi Shaikh	Member
Mr. Syed Mohsin Gilani	Secretary

HUMAN RESOURCE & REMUNERATION (HR & R) COMMITTEE

Miss. Zoe Khurshid Khan	Chairperson
Mr. Amin Ellahi Shaikh	Member
Mr. Haroon Shahzada Ellahi Shaikh	Member
Mr. Muhammad Azam	Secretary

EXECUTIVE COMMITTEE

Mr. Amin Ellahi Shaikh	Chairman
Mr. Shaukat Ellahi Shaikh	Member
Mr. Raza Ellahi Shaikh	Member
Mr. Haroon Shahzada Ellahi Shaikh	Member
Mr. Muhammad Azam	Secretary

CORPORATE SECRETARY

Mr. Syed Mohsin Gilani

CHIEF FINANCIAL OFFICER (CFO)

Mr. Tariq Zafar Bajwa

HEAD OF INTERNAL AUDIT

Mrs. Saira Saman

AUDITORS

Messrs Yousuf Adil
Chartered Accountants

LEGAL ADVISOR

Makhdoom & Makhdoom Advocates

LEAD BANKERS

Allied Bank Ltd.
Askari Bank Ltd.
Bank Alfalah Ltd.
Faysal Bank Ltd.
Habib Bank Ltd.
Meezan Bank Ltd.
MCB Bank Ltd.
National Bank of Pakistan
Pakistan Kuwait Investment Company (Pvt) Ltd.
The Bank of Punjab
United Bank Ltd.

REGISTERED OFFICE

2nd Floor, Shaikh Sultan Trust Bldg. No.2
26, Civil Lines, Beaumont Road,
Karachi - 75530

REGIONAL OFFICE

Nagina House, 91-B-1, M.M. Alam Road,
Gulberg-III, Lahore-54660.

WEB REFERENCE

www.nagina.com

SHARE REGISTRAR

M/s Hameed Majeed Associates (Pvt.) Ltd.
5th Floor, Karachi Chambers,
Hasrat Mohani Road, Karachi.
Phone # 021-32412754, 32424826
Fax # 021-32424835

MILLS

Aminabad, A-16, S.I.T.E., National Highway, Kotri



DIRECTORS' REVIEW

The Directors are pleased to present the un-audited condensed interim financial statements of the Company for the 1st quarter ended September 30, 2026. The comparative figures for the corresponding quarter ended September 30, 2025 are included for comparison, except in the statement of financial position, where the comparative figures are as at June 30, 2026.

Company Performance

The Company's profitability improved significantly during the quarter under review. Your Company has earned after tax profit of Rs. 223,505,297 compared to Rs. 26,161,311 during the same period last year (SPLY). Earnings per share (EPS) for the quarter is Rs. 11.95 compared to Rs. 1.40 for the SPLY.

Sales revenue for the quarter under review increased by 20.33% over the SPLY and stood at Rs. 6,184,356,450 compared to Rs. 5,139,682,726. The increase in revenue is mainly due to better selling rates and volume increase. Cost of sales decreased to 88.70% of sales as compared to 91.89% of sales during the SPLY. The decrease in cost of sales resulted in an improvement in Gross Profit (GP) margin to 11.30% of sales compared to 8.11% of sales during the SPLY.

Overall operating expenses increased to 3.74% of sales during the quarter under review compared to 2.87% of sales during the SPLY. The increase is mainly due to higher distribution cost, in line with the higher sales volume, and higher provisions for Workers' Profit Participation Fund (WPPF) and Workers' Welfare Fund (WWF) on account of improved profit. Finance cost decreased to 2.39% of sales compared to 3.55% of sales during the SPLY, supported by scheduled repayments of long-term loans and better cash management.

According to the figures issued by the Pakistan Cotton Ginners Association, for the crop year 2026-27, Kapas (seed cotton) arrivals at the ginneries up to October 15, 2026 totalled 4.081 million bales compared to 3.796 million bales for the SPLY, showing an increase in arrivals of 7.53%.

Future Outlook

The global economic outlook remains uncertain. Continuing conflict in the Middle East is disrupting supply chains and adding to inflationary pressure, particularly through higher energy costs. Transport costs and increased transit times are also a matter of concern. The prospect of further interest rate increases across global markets raises concerns over financing costs, investment and economic activity. Heavy effective tax rates continue to eat away net margins. Against this backdrop, the outlook for the textile industry remains challenging, and the Company will continue to take a cautious and conservative approach to managing its operations and financial position.



NAGINA COTTON MILLS LTD.

Global cotton prices have recently strengthened, lending some support to yarn prices. The outlook for raw material prices nevertheless remains mixed: global cotton production for 2026–27 is forecast to fall below last year's level, while domestic arrivals are slightly higher. Price volatility and the availability of quality cotton at commercially viable prices will continue to influence the Company's margins. Adequate raw material inventory provides near-term support, but sustained profitability will depend on market conditions, input costs and demand for yarn.

Domestically, persistent inflation and the possibility of further increases in the policy rate remain key concerns, as higher interest rates would raise borrowing costs and put additional pressure on working capital and profitability. High energy costs continue to weigh on the sector. The Company is focused on controlling costs, improving operational efficiency and expanding its solar capacity to reduce its energy expenditure.

A supportive policy environment will be essential for the sustainable growth of the textile industry. Key priorities include reliable, competitively priced energy; timely refund of outstanding taxes; a lower corporate tax burden; effective control of inflation; and lower financing costs. Policies that help complete the textile value chain and encourage investment in value-added manufacturing would also strengthen export competitiveness and support long-term industrial growth. The Company will continue to prioritise prudent financial management and cost discipline amid these uncertainties.

Acknowledgement

Continued diligence and devotion of the staff and workers of the Company and good human relations at all levels deserve acknowledgement. The Directors also wish to place on record their thanks to the bankers and other stakeholders for their continued support to the Company.

On behalf of the Board.

Amin Ellahi Shaikh
Chief Executive Officer

Raza Ellahi Shaikh
Director

October 29, 2026

ممبران کے لئے ڈائریکٹرز کی رپورٹ

مجلس نظامہ 30 ستمبر 2026ء کو مختتمہ پہلی سہ ماہی کے لئے کمپنی کی غیر نظر ثانی شدہ منجمد عبوری مالیاتی معلومات پیش کرتے ہوئے خوش محسوس کر رہے ہیں۔ 30 ستمبر 2025ء کو ختم ہونے والی سہ ماہی کے تقابلی اعداد و شمار بھی موازنہ کے لئے شامل کئے گئے ہیں، ماسوائے سٹیٹمنٹ آف فنانشل پوزیشن کے جہاں تقابلی اعداد و شمار 30 جون 2026ء کو مختتمہ سال کے لئے ہیں۔

کمپنی کی کارکردگی

زیر جائزہ سہ ماہی کے دوران کمپنی کے منافع میں نمایاں بہتری آئی ہے۔ آپ کی کمپنی نے گزشتہ سال کی اسی مدت کے دوران حاصل کردہ 26,161,311 روپے کے بعد از ٹیکس منافع کے مقابلے میں 223,505,297 روپے کا بعد از ٹیکس منافع حاصل کیا ہے۔ زیر جائزہ سہ ماہی کے لیے فی حصص آمدنی (EPS) گزشتہ سال کی اسی مدت کے 1.40 روپے کے مقابلے میں 11.95 روپے رہی۔

زیر جائزہ سہ ماہی کے دوران فروخت سے حاصل ہونے والی آمدنی میں گزشتہ سال کی اسی مدت کے مقابلے میں 20.33 فیصد اضافہ ہوا اور یہ 5,139,682,726 روپے کے مقابلے میں 6,184,356,450 روپے رہی۔ آمدنی میں یہ اضافہ بنیادی طور پر فروخت کی بہتر قیمتوں اور فروخت کے حجم میں اضافے کی وجہ سے ہوا۔ فروخت کی لاگت گزشتہ سال کی اسی مدت کے دوران فروخت کے 91.89 فیصد کے مقابلے میں کم ہو کر 88.70 فیصد رہ گئی۔ فروخت کی لاگت میں کمی کے نتیجے میں مجموعی منافع (GP) کی شرح میں بہتری آئی، جو گزشتہ سال کی اسی مدت کے دوران فروخت کے 8.11 فیصد کے مقابلے میں 11.30 فیصد رہی۔

زیر جائزہ سہ ماہی کے دوران مجموعی آپریٹنگ اخراجات گزشتہ سال کی اسی مدت کے دوران فروخت کے 2.87 فیصد کے مقابلے میں بڑھ کر 3.74 فیصد ہو گئے۔ اس اضافے کی بنیادی وجہ فروخت کے حجم میں اضافے کے تناسب سے تقسیم کے اخراجات میں اضافہ اور منافع میں بہتری کے باعث ورکرز پرافٹ پارٹیشن فنڈ (WPPF) اور ورکرز ویلفیئر فنڈ (WWF) کے لیے زیادہ پروویڈنٹس مختص کرنا ہے۔ طویل مدتی قرضوں کی مقررہ ادائیگیوں اور نقد رقوم کے بہتر انتظام کی بدولت مالیاتی اخراجات گزشتہ سال کی اسی مدت کے دوران فروخت کے 3.55 فیصد کے مقابلے میں کم ہو کر 2.39 فیصد رہ گئے۔

پاکستان کاٹن جزیرہ ایسوسی ایشن کے جاری کردہ اعداد و شمار کے مطابق، فصل سال 2026-27ء کے لیے، 15 اکتوبر 2026ء تک جزیروں میں کپاس (سید کاٹن) کی آمد 3.796 ملین گانٹھوں کے مقابلے میں 4.081 ملین گانٹھیں رہی، جس میں 7.53 فیصد کا اضافہ دکھائی دیتا ہے۔

مستقبل کا نقطہ نظر

عالمی اقتصادی منظر نامہ بدستور غیر یقینی صورتحال کا شکار ہے۔ مشرق وسطیٰ میں جاری تنازعات سپلائی چینز میں خلل ڈال رہے ہیں اور بالخصوص توانائی کی بلند قیمتوں کے باعث افراط زر کے دباؤ میں اضافہ کر رہے ہیں۔ نقل و حمل کے اخراجات اور ترسیل کے دورانیے میں اضافے کے امکانات بھی تشویش کا باعث ہیں۔ عالمی منڈیوں میں شرح سود میں مزید اضافے کے امکانات مالیاتی اخراجات، سرمایہ کاری اور اقتصادی سرگرمیوں کے حوالے سے خدشات کو بڑھا رہے ہیں۔ بلند منڈی ٹیکس کی شرحیں بدستور خالص منافع کی شرح کو متاثر کر رہی ہیں۔ ان حالات کے پیش نظر ٹیکسٹائل کی صنعت کے لیے مستقبل کا منظر نامہ بدستور چیلنجز سے بھرپور ہے، اور کمپنی اپنی کاروباری سرگرمیوں اور مالیاتی پوزیشن کے انتظام کے لیے محتاط اور قدامت پسندانہ حکمت عملی اختیار کرنا جاری رکھے گی۔

عالمی منڈی میں کپاس کی قیمتوں میں حالیہ عرصے کے دوران اضافہ دیکھنے میں آیا ہے، جس سے دھاگے کی قیمتوں کو کسی حد تک سہارا ملا ہے۔ تاہم، خام مال کی قیمتوں کے مستقبل کے امکانات ملے جلے ہیں؛ سال 2026-27ء کے لیے عالمی کپاس کی پیداوار گزشتہ سال کی سطح سے کم رہنے کی پیش گوئی کی گئی ہے، جبکہ مقامی سطح پر کپاس کی آمد گزشتہ سال کے مقابلے میں قدرے زیادہ ہے۔ قیمتوں میں اتار چڑھاؤ اور تجارتی لحاظ سے قابل عمل قیمتوں پر معیاری کپاس کی دستیابی بدستور کمپنی کے منافع کی شرح کو متاثر کرتی رہے گی۔ خام مال کا مناسب ذخیرہ قریبی مدت میں کسی حد تک معاونت فراہم کرتا ہے، تاہم منافع کو برقرار رکھنا منڈی کے حالات، خام مال کی لاگت اور دھاگے کی طلب پر منحصر ہوگا۔



NAGINA COTTON MILLS LTD.

ملکی سطح پر مسلسل افراط زر اور شرح پالیسی میں مزید اضافے کے امکانات بدستور، ہم تشویش کا باعث ہیں، کیونکہ شرح سود میں اضافے سے قرض لینے کی لاگت بڑھ جائے گی اور ورکنگ کپیٹل اور منافع پر اضافی دباؤ پڑے گا۔ توانائی کی بلند قیمتیں بدستور اس شعبے کو متاثر کر رہی ہیں۔ کمپنی توانائی کے اخراجات میں کمی کے لیے لاگت پر قابو پانے، آپریشنل کارکردگی کو بہتر بنانے اور اپنی شمسی توانائی کی صلاحیت میں توسیع پر توجہ مرکوز کیے ہوئے ہے۔

ٹیکسٹائل کی صنعت کی پائیدار ترقی کے لیے معاون پالیسی ماحول بنیادی اہمیت کا حامل ہوگا۔ اہم ترجیحات میں توانائی کی قابل اعتماد اور مسابقتی قیمتوں پر فراہمی، واجب الادا ٹیکسوں کی بروقت واپسی، کارپوریٹ ٹیکس کے بوجھ میں کمی، افراط زر پر مؤثر قابو پانا اور مالیاتی اخراجات میں کمی شامل ہیں۔ ایسی پالیسیاں جو ٹیکسٹائل و پلیو چین کی تکمیل میں معاون فراہم کریں اور پلیو ایڈ ڈ مصنوعات کی تیاری میں سرمایہ کاری کی حوصلہ افزائی کریں، برآمدی مسابقت کو مضبوط بنانے اور طویل مدتی صنعتی ترقی میں معاون ثابت ہوں گی۔ کمپنی ان غیر یقینی حالات کے دوران محتاط مالیاتی انتظام اور اخراجات پر نظم و ضبط کو ترجیح دینا جاری رکھے گی۔

اظہار تشکر

کمپنی کے عملے اور کارکنوں کی مسلسل محنت اور جذبہ اور تمام سطحوں پر اچھے انسانی تعلقات کا اعتراف کرتے ہیں۔ ڈائریکٹرز کمپنی کی مسلسل حمایت پر بینکرز اور دیگر اسٹیک ہولڈرز کا بھی شکریہ ادا کرتے ہیں۔

منجانب بورڈ

محمد علی شاہ

رضا الہی شیخ

ڈائریکٹر

امین الہی شیخ

چیف ایگزیکٹو آفیسر

29 اکتوبر 2026ء



NAGINA COTTON MILLS LTD.

CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION AS AT SEPTEMBER 30, 2026

	(Un-Audited) September 30, 2026	(Audited) June 30, 2026
Note	-----Rupees-----	
EQUITY AND LIABILITIES		
SHARE CAPITAL AND RESERVES		
Authorized share capital 50,000,000 (June 30, 2026: 50,000,000) ordinary shares of Rs. 10/- each	500,000,000	500,000,000
Issued, subscribed and paid up capital	187,000,000	187,000,000
Capital reserves	264,868,334	266,914,334
Revenue reserve - Unappropriated profit	4,789,694,902	4,566,189,605
TOTAL EQUITY	5,241,563,236	5,020,103,939
LIABILITIES		
NON-CURRENT LIABILITIES		
Long term finances	3,676,701,740	3,836,156,853
Deferred tax	143,638,227	143,638,227
Employee retirement benefits	395,209,487	375,260,881
	4,215,549,454	4,355,055,961
CURRENT LIABILITIES		
Current portion of long-term finances	802,750,732	803,113,782
Trade and other payables	2,338,558,246	1,826,260,566
Contract liability - advance from customers	31,452,834	17,752,362
Unclaimed dividend	12,202,062	12,213,318
Accrued interest/mark-up	120,909,810	89,234,539
Short-term borrowings	4,794,266,283	1,438,043,940
6	8,100,139,967	4,186,618,507
TOTAL LIABILITIES	12,315,689,421	8,541,674,468
CONTINGENCIES AND COMMITMENTS		
7		
TOTAL EQUITY AND LIABILITIES	17,557,252,657	13,561,778,407

The annexed explanatory notes from 1 to 19 form an integral part of these condensed interim financial statements.

October 29, 2026


Raza Ellahi Shaikh
Director


Tariq Zafar Bajwa
Chief Financial Officer



NAGINA COTTON MILLS LTD.

		(Un-Audited) September 30, 2026	(Audited) June 30, 2026
	Note	-----Rupees-----	
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	8	5,646,728,037	5,746,720,894
Investment properties		12,451,212	12,494,240
Long-term deposits		1,229,858	1,229,858
		5,660,409,107	5,760,444,992
CURRENT ASSETS			
Stores and spares		204,880,323	201,158,308
Stock-in-trade		5,974,530,022	1,932,776,681
Trade receivables		2,816,650,104	3,042,526,851
Advances		1,055,264,797	1,061,083,290
Prepayments		33,739,881	2,542,082
Other receivables		158,036,662	97,498,219
Tax refundable		1,364,096,883	527,685,453
Other financial assets	9	83,643,632	401,015,636
Cash and bank balances		206,001,246	535,046,895
		11,896,843,550	7,801,333,415
TOTAL ASSETS		17,557,252,657	13,561,778,407

The annexed explanatory notes from 1 to 19 form an integral part of these condensed interim financial statements.


Amin Ellahi Shaikh
 Chief Executive Officer



NAGINA COTTON MILLS LTD.

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

	Note	Quarter Ended	
		September 30, 2026	September 30, 2025
		Rupees.....	
Revenue from contracts with customers		6,184,356,450	5,139,682,726
Cost of goods sold	10	(5,485,243,889)	(4,722,850,619)
Gross profit		699,112,561	416,832,107
Distribution cost		(127,582,681)	(77,629,215)
Administrative expenses		(76,764,714)	(61,707,903)
Other expenses		(27,097,026)	(8,268,394)
		(231,444,421)	(147,605,512)
		467,668,140	269,226,595
Other income		10,686,982	20,148,774
Operating profit		478,355,122	289,375,369
Finance cost		(147,972,450)	(182,640,267)
Profit before levies and taxation		330,382,672	106,735,102
Levies	11	(137,731)	(28,525,148)
Profit before taxation		330,244,941	78,209,954
Taxation	12	(106,739,644)	(52,048,643)
Profit for the period		223,505,297	26,161,311
Other comprehensive income			
Items that will not be reclassified subsequently to profit or loss			
Fair value (loss) / gain on investment in equity instruments designated at FVTOCI	9.2	(2,046,000)	5,526,000
Other comprehensive income for the period		(2,046,000)	5,526,000
Total comprehensive income for the period		221,459,297	31,687,311
Earnings per share - basic and diluted		11.95	1.40

The annexed explanatory notes from 1 to 19 form an integral part of these condensed interim financial statements.


Raza Ellahi Shaikh
Director


Tariq Zafar Bajwa
Chief Financial Officer


Amin Ellahi Shaikh
Chief Executive Officer

October 29, 2026



NAGINA COTTON MILLS LTD.

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

		Quarter Ended	
		September 30, 2026	September 30, 2025
		Rupees.....	
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before levies and taxation		330,382,672	106,735,102
Adjustments for:			
Depreciation on property, plant and equipment		146,485,053	140,672,382
Depreciation on investment properties		43,029	45,294
Provision for gratuity		25,323,457	21,502,895
Loss on disposal of property, plant and equipment		3,395,075	(2,978,634)
Realized (gain) / loss on investment classified as fair value through profit or loss		(498,207)	-
Unrealized loss / (gain) on investment classified as fair value through profit or loss		326,004	(18,482)
Finance cost		147,972,450	182,640,267
Rental Income		(10,379,573)	(9,556,877)
Dividend Income		(420,000)	(420,000)
Write off of trade receivables		1,801,532	-
		644,431,492	438,621,947
Changes in working capital			
(Increase) / decrease in current assets:			
Stores and spares		(3,722,015)	4,494,070
Stock-in-trade		(4,041,753,341)	(137,932,895)
Trade receivables		224,075,214	128,703,123
Advances		5,818,493	(346,945,918)
Prepayments		(31,197,799)	(31,675,114)
Other receivables		(60,538,443)	1,380,720
Sales tax refundable		(851,332,920)	(29,704,839)
		(4,758,650,811)	(411,680,853)
Increase / (decrease) in current liabilities:			
Trade and other payables		512,297,680	538,991,358
Contract liability - advance from customers		13,700,472	(657,059)
		(4,232,652,659)	126,653,446
Cash (used in) / generated from operations			
		(3,588,221,167)	565,275,393
Payments made:			
Employees retirement benefits		(5,374,851)	(4,927,049)
Finance cost		(116,297,179)	(212,305,886)
Income taxes		(91,955,885)	(59,469,853)
Long term deposits		-	(108,000)
Net cash (used in) / generated from operating activities	A	(3,801,849,082)	288,464,605
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of property, plant and equipment		(50,437,092)	(81,146,169)
Proceeds from disposal of property, plant and equipment		549,821	4,489,000
Purchase of other financial assets		(45,200,000)	(92,600,000)
Proceeds from sale of other financial assets		285,698,207	92,600,000
Rental Income received		10,379,573	9,556,877
Dividend received		420,000	420,000
Net cash generated from / (used in) investing activities	B	201,410,509	(66,680,292)



NAGINA COTTON MILLS LTD.

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

	Quarter Ended	
	September 30, 2026	September 30, 2025
	Rupees.....	
CASH FLOWS FROM FINANCING ACTIVITIES		
Long term finances obtained	38,104,981	37,687,613
Repayment of long term finances	(197,923,144)	(177,876,273)
Dividend paid	(11,256)	-
Net increase / (decrease) in short term borrowings excluding running finances	2,598,871,277	(645,068,436)
Net cash generated from / (used in) financing activities	2,439,041,858	(785,257,096)
Net (decrease) / increase in cash and cash equivalents	(1,161,396,715)	(563,472,783)
Cash and cash equivalents at beginning of the period	324,415,340	(994,538,743)
Cash and cash equivalents at end of the period	(836,981,375)	(1,558,011,526)
Cash and cash equivalents		
Cash and bank balances	206,001,246	133,198,822
Other financial assets - terms deposits with banks	1,903,615	76,903,615
Short-term running finances	(1,044,886,236)	(1,768,113,963)
	(836,981,375)	(1,558,011,526)

The annexed explanatory notes from 1 to 19 form an integral part of these condensed interim financial statements.


Raza Ellahi Shaikh
Director


Tariq Zafar Bajwa
Chief Financial Officer


Amin Ellahi Shaikh
Chief Executive Officer

October 29, 2026



NAGINA COTTON MILLS LTD.

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

Issued, subscribed and paid up capital	Capital reserves				Revenue reserve	Total	
	Capital Redemption reserve	Amalgamation reserve	Fair value reserve	Total capital reserves	Unappropriated profit		
-----Rupees-----							
Balance as at June 30, 2025 (Audited)	187,000,000	241,860,000	12,104,417	11,740,197	265,704,614	4,306,826,606	4,759,531,220
Comprehensive income							
Profit after taxation	-	-	-	-	-	26,161,311	26,161,311
Other comprehensive Income							
Fair value gain on investment in equity instruments designated at FVTOCI	-	-	-	5,526,000	5,526,000	-	5,526,000
Total comprehensive income for the period	-	-	-	5,526,000	5,526,000	26,161,311	31,687,311
Balance as at September 30, 2025 (Un-Audited)	187,000,000	241,860,000	12,104,417	17,266,197	271,230,614	4,332,987,917	4,791,218,531
Comprehensive income							
Profit after taxation	-	-	-	-	-	255,423,743	255,423,743
Other comprehensive Income							
Remeasurement of defined benefit liability	-	-	-	-	-	(4,960,641)	(4,960,641)
Deferred tax recognized	-	-	-	-	-	1,438,586	1,438,586
Fair value loss on investment in equity instruments designated at FVTOCI	-	-	-	(4,102,800)	(4,102,800)	-	(4,102,800)
Deferred tax recognized	-	-	-	(213,480)	(213,480)	-	(213,480)
Transfer of realized gain on sale of investments	-	-	-	-	-	-	-
Total comprehensive income for the period	-	-	-	(4,316,280)	(4,316,280)	251,901,688	247,585,408
Transactions with owners							
Final dividend for the year ended June 30, 2025 @ 10% i.e. Rs. 1 per ordinary share	-	-	-	-	-	(18,700,000)	(18,700,000)
Balance as at June 30, 2026 (Audited)	187,000,000	241,860,000	12,104,417	12,949,917	266,914,334	4,566,189,605	5,020,103,939
Comprehensive income							
Profit after taxation	-	-	-	-	-	223,505,297	223,505,297
Other comprehensive Income							
Fair value loss on investment in equity instruments designated at FVTOCI	-	-	-	(2,046,000)	(2,046,000)	-	(2,046,000)
Total comprehensive income for the period	-	-	-	(2,046,000)	(2,046,000)	223,505,297	221,459,297
Balance as at September 30, 2026 (Un-Audited)	187,000,000	241,860,000	12,104,417	10,903,917	264,868,334	4,789,694,902	5,241,563,236

The annexed explanatory notes from 1 to 19 form an integral part of these condensed interim financial statements.


Raza Ellahi Shaikh
Director


Tariq Zafar Bajwa
Chief Financial Officer


Amin Ellahi Shaikh
Chief Executive Officer

October 29, 2026



NAGINA COTTON MILLS LTD.

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

1 LEGAL STATUS AND OPERATIONS

Nagina Cotton Mills Limited (the Company) was incorporated in Pakistan on May 16, 1967 as a public limited company under the Companies Act, 1913 (repealed) now The Companies' Act, 2017 and is listed on Pakistan Stock Exchange Limited. The principal business of the Company is to manufacture and sale of yarn.

Following is the geographical location and address of all business units of the Company:

Head Office:

2nd floor, Shaikh Sultan Trust Building No.2, 26-Civil Lines, Beaumont Road, Karachi-75530, Sindh.

Manufacturing facility:

A-16, National Highway, Aminabad, S.I.T.E Kotri, Sindh.

Regional Office:

Nagina House 91 – B-1, M.M. Alam Road, Gulberg-III, Lahore, Punjab.

2 BASIS OF PREPARATION

2.1 STATEMENT OF COMPLIANCE

- 2.1.1** These un-audited condensed interim financial statements of the Company for the Quarter ended September 30, 2026 have been prepared in accordance with the requirements of the International Accounting Standard (IAS) 34, Interim Financial Reporting, issued by the International Accounting Standard Board (IASB) as notified under the Companies Act, 2017; and provisions of directives and notifications issued under the Companies Act, 2017. Where the provisions of or directives issued under the Companies Act, 2017 differ with the requirements of IAS 34, the provisions of or directives issued under the Companies Act, 2017 have been followed.

These condensed interim financial statements do not include all of the notes required for the full financial statements and, therefore, these should be read in conjunction with the annual audited financial statements of the Company for the year ended June 30, 2026.

- 2.1.2** These condensed interim financial statements have been prepared under 'Historical cost convention' except employees retirement benefits and financial instruments at fair value through other comprehensive income (FVTOCI).
- 2.1.3** These condensed interim financial statements are presented in Pak Rupees, which is also the Company's functional and presentation currency. Figures presented in these condensed interim financial statements have been rounded off to the nearest Rupee.
- 2.1.4** The comparative condensed interim statement of financial position presented has been extracted from annual audited financial statements for the year ended June 30, 2026; whereas comparative condensed interim statement of profit or loss and statement of other comprehensive income, condensed interim statement of cash flows and condensed interim statement of changes in equity of the Company have been extracted from the un-audited condensed interim financial statements for the First Quarter ended September 30, 2025.

3 SIGNIFICANT ACCOUNTING POLICIES AND ESTIMATES

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 ACCOUNTING ESTIMATES AND JUDGMENTS

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 management objectives and policies are consistent with those disclosed in the annual audited financial statements of the Company for the year ended June 30, 2026.



NAGINA COTTON MILLS LTD.

		(Un-Audited) September 30, 2026	(Audited) June 30, 2026
	Note	Rupees	
6 SHORT-TERM BORROWINGS			
- Banking companies - secured			
Foreign currency finance			
- conventional		2,236,716,628	1,150,508,770
- shariah compliant		732,663,419	-
Short term finance			
- conventional		780,000,000	-
- shariah compliant		-	-
Running finance			
- conventional		526,353,667	220,048,784
- shariah compliant		518,532,569	67,486,386
		<u>4,794,266,283</u>	<u>1,438,043,940</u>
6.1	The Company has availed foreign currency finance facility from various banks which carries mark-up / profit ranging from 3% to 5% (June 30, 2026: 3% to 6.6%) per annum.		
6.2	The Company has obtained the short term finance facility from various banks which carries mark-up ranging from 1 to 3 months KIBOR plus 0.15% (June 30, 2026: 1 to 3 months KIBOR plus 0.05% to plus 0.15%) per annum payable on quarterly basis.		
6.3	Running finance facilities are subject to variable markup / profit ranging from 1 to 3 month KIBOR plus 0.10% to 1.5% (June 30, 2026 : 1 to 3 month KIBOR plus 0.10% to 1.5%) per annum payable on quarterly basis.		
6.4	The Company can avail foreign currency, short term finance and running finance facilities from various banks aggregating to Rs. 9,165 million (June 30, 2026: Rs. 8,115 million). These borrowings are secured against hypothecation of stocks and book debts / receivables of the Company and pari passu charge on present and future current assets, demand promissory notes and lien on export orders / contracts.		
6.5	The aggregate unavailed short-term borrowing facilities available amounted to Rs. 4,371 million (June 30, 2026 : Rs. 6,677 million).		
7 CONTINGENCIES AND COMMITMENTS			
7.1 Contingencies			
Bank guarantees issued on behalf of the Company	7.1.1	26,350,000	28,253,615
Bank guarantee in favor of Excise and Taxation department		570,788,448	570,788,448
Revolving Letter of credit Favoring SSGC		260,592,990	260,592,990
7.1.1	It includes guarantee issued in favor of Hyderabad Electric Supply Corporation (HESCO) amounting Rs. 22.350 million (June 2026: Rs 24.253 million). There is no further change in contingencies as disclosed in note 14.1 to the annual audited financial statements for the year ended June 30, 2026.		
7.2 Commitments			
Capital work			
Machinery		271,365,216	268,649,874
Electrical installations		15,858,080	31,940,794
Raw material		2,559,820,870	3,704,532,165
Stores and spares		23,666,166	7,226,442
Bills discounted		2,068,810,385	1,475,945,495
Commitments for rentals of assets under short term lease as at:			
- Not later than one year		2,740,998	4,638,609
8 PROPERTY, PLANT AND EQUIPMENT			
Operating fixed assets	8.1	5,564,402,614	5,713,554,991
Capital work in progress	8.2	82,325,423	33,165,903
		<u>5,646,728,037</u>	<u>5,746,720,894</u>
8.1 Operating fixed assets			
Opening written down value		5,713,554,991	5,557,511,567
Additions during the period / year			
Machinery and equipment		-	298,829,819
Mills building on leasehold land		-	80,247,806
Electric installation and equipment		-	241,370,277
Furniture and fixtures		-	2,635,464
Office equipment		826,071	1,650,230
Vehicles		451,500	118,871,659
		1,277,571	743,605,255
Written down value of property, plant and equipment disposed off		(3,944,895)	(9,378,890)
Depreciation charged during the period/year		(146,485,053)	(578,182,941)
Written down value at end of the period/year		<u>5,564,402,614</u>	<u>5,713,554,991</u>



NAGINA COTTON MILLS LTD.

		(Un-Audited) September 30, 2026	(Audited) June 30, 2026
	Note	Rupees	
8.2 Capital work in progress			
Opening Balance		33,165,903	17,793,861
Additions during the period / year		49,159,520	635,376,195
Transfers during the period / year		-	(620,004,153)
Closing Balance		<u>82,325,423</u>	<u>33,165,903</u>
9 OTHER FINANCIAL ASSETS			
Designated at amortized cost			
Terms deposits with banks having maturity of			
- More than three months		62,600,000	62,600,000
- Three months or less		<u>1,903,615</u>	<u>76,903,615</u>
		64,503,615	139,503,615
Designated at fair value through Other Comprehensive Income			
Investment in listed equity securities		<u>18,310,800</u>	<u>20,356,800</u>
	9.1	18,310,800	20,356,800
Designated at fair value through profit or loss			
Investment in mutual funds	9.3	<u>829,217</u>	<u>241,155,221</u>
		<u>83,643,632</u>	<u>401,015,636</u>
9.1 Reconciliation between fair value and cost of investments classified as 'equity instrument' Through other comprehensive income			
Fair value of investments			
- in listed equity securities		<u>18,310,800</u>	<u>20,356,800</u>
		18,310,800	20,356,800
Less: Unrealized gain on remeasurement of investments		<u>(13,123,129)</u>	<u>(15,169,129)</u>
Cost of investments		<u>5,187,671</u>	<u>5,187,671</u>
9.2 Unrealized gain on remeasurement of equity instruments Through Other Comprehensive Income			
Opening balance		15,169,129	13,745,929
Fair value (loss)/gain arises for the period / year		<u>(2,046,000)</u>	<u>1,423,200</u>
Closing balance		<u>13,123,129</u>	<u>15,169,129</u>
9.3 Unrealized gain on remeasurement of mutual funds Through profit or loss			
Fair value of investments in mutual funds		829,217	241,155,221
Unrealized loss/(gain) on remeasurement of investments		<u>326,004</u>	<u>(348,295)</u>
Cost of investments		<u>1,155,221</u>	<u>240,806,926</u>



NAGINA COTTON MILLS LTD.

		(Un-Audited) September 30, 2026	(Un-Audited) September 30, 2025
		-----Rupees-----	
10 COST OF GOODS SOLD			
Opening stock - finished goods and waste		245,760,594	666,893,498
Cost of goods manufactured	10.1	5,553,266,088	4,563,763,837
Purchase of waste		6,988,098	11,993,278
		5,806,014,780	5,242,650,613
Closing stock - finished goods and waste		(320,770,891)	(528,667,094)
Cotton yarn loss claim		-	(36,300)
Cost of sales of waste and raw material		-	8,903,400
		5,485,243,889	4,722,850,619
10.1 Cost of goods manufactured			
Raw material consumed		4,728,857,823	3,710,350,042
Packing material consumed		71,778,586	59,525,246
Stores and spares consumed		52,923,795	44,922,805
Salaries, wages and benefits		232,007,260	214,086,243
Fuel		353,782,997	394,714,885
Rates and taxes		15,627	15,627
Insurance		10,230,309	10,090,919
Repairs and maintenance		7,245,850	5,702,506
Depreciation on property, plant and equipment		138,575,908	137,242,235
Other manufacturing overheads		12,379,872	9,006,073
		5,607,798,027	4,585,656,581
Work-in-process:			
Opening stock		172,546,466	201,629,334
Closing stock		(227,078,405)	(223,522,078)
		(54,531,939)	(21,892,744)
		5,553,266,088	4,563,763,837
		(Un-Audited) September 30, 2026	(Un-Audited) September 30, 2025
		-----Rupees-----	
11 LEVIES			
Levies		137,731	28,525,148
		137,731	28,525,148
12 TAXATION			
Current tax		106,739,644	52,048,643
		106,739,644	52,048,643



NAGINA COTTON MILLS LTD.

13 TRANSACTIONS WITH RELATED PARTIES

The related parties comprise of associated undertakings, directors of the company and key management personnel including chief executive & directors, their close family members and post retirement benefit plans. Transactions with related parties are carried out as per agreed terms. The transactions with related parties during the period generally consist of sales, purchases and dividend. Nature and description of related party transactions during the period along with monetary values are as follows:

Nature of Relationship	Nature of Transactions	Quarter Ended (Un-Audited)	
		September 30,	September 30,
		2026	2025
		Rupees.....	
Associated companies	Purchase of goods	137,097	-
	Sale of goods and services	479,701,914	523,652,612
	Rental Income	775,200	738,270
Key management personnel	Remuneration and other benefits	10,800,000	9,600,000

There is no balance outstanding with or from associated undertakings, as at reporting date.

14 FAIR VALUE OF FINANCIAL INSTRUMENTS

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The carrying value of all the financial instruments reported in the financial statements approximates their fair value as the items are short term in nature.

The table below analyses financial instrument carried at fair value, by valuation method. The different levels have been defined as follows:

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 (i.e., unobservable inputs).

The valuation techniques used are as follows:

Level 1: Quoted prices (unadjusted) in active markets

The fair value of financial instruments traded in active markets is based on Net Asset Values (NAVs) of the units of the mutual funds and quoted market price of the equity instrument at the reporting date. A market is regarded as active when it is a market in which transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis.

The following table presents the Company's financial assets which are carried at fair value:

	September 30, 2026			Total
	Level 1	Level 2	Level 3	
	 Rupees			
Financial assets				
- measured at fair value through other comprehensive income				
Investment in listed equity securities	18,310,800	-	-	18,310,800
- measured at fair value through profit or loss				
Investment in mutual funds	829,217	-	-	829,217
	19,140,017	-	-	19,140,017
	June 30, 2026			
	Level 1	Level 2	Level 3	Total
	 Rupees			
Financial assets				
- measured at fair value through other comprehensive income				
Investment in listed equity securities	20,356,800	-	-	20,356,800
- measured at fair value through profit or loss				
Investment in mutual funds	241,155,221	-	-	241,155,221
	261,512,021	-	-	261,512,021



NAGINA COTTON MILLS LTD.

15 SHARIAH DISCLOSURES UNDER CLAUSE VII OF PART I OF SCHEDULE IV OF THE COMPANIES ACT, 2017

Following information has been disclosed as required under amended part I clause VII of Fourth Schedule to the Companies Act, 2017 as amended via S.R.O.1278(I)/2024 dated August 15, 2024:

	(Un-Audited) September 30, 2026 Rupees	(Audited) June 30, 2026 Rupees
Disclosures required in relations to the Statement of Financial Position - liability side		
Financing as per Islamic Mode		
- Long-term finances (including current portion)	361,546,220	361,546,220
- Short-term borrowings	1,251,195,988	67,486,386
- Lease Liabilities	-	-
Interest accrued on conventional loans		
- Long-term finances	66,711,486	68,650,699
- Short-term borrowings	27,576,870	6,451,164
Disclosures required in relation to the Statement of Financial Position - asset side:		
Shariah compliant investments		
- Long-term Investments	-	-
- Short term Investments	-	-
Shariah Compliant bank balances		
- Bank balances	118,405,627	200,195,929
- Bank deposits	-	-
- Term deposit receipt	45,000,000	45,000,000
Non - shariah compliant investment in other financial assets		
- Investment in ordinary shares of listed companies	18,310,800	20,356,800
- Term deposit receipts	19,503,615	94,503,615
- Mutual Fund	829,217	241,155,221
	(Un-Audited) September 30, 2026 Rupees	(Un-Audited) September 30, 2025 Rupees
Disclosures required in relation to the Statement of Comprehensive Income:		
Shariah compliant revenue		
- Revenue from contracts with customers	6,184,356,450	5,139,682,726
Breakup of late payments or liquidated damages	-	-
Dividend earned on shariah compliant Investments / share of profit from shariah compliant associates	-	-
Profit earned from shariah compliant		
- Term deposit receipts	756,331	1,162,239
- Bank balances	-	-
- Bank deposits	-	-
Exchange gain earned from actual currency		
- Unrealized gain on foreign currency loan	-	2,493,503
- Unrealized loss on foreign currency loan	2,267,712	-
- Unrealized loss on revaluation of foreign currency account	-	-
- Unrealized gain on revaluation of foreign currency account	-	-
Exchange gains earned using conventional derivative financial instruments		
- Realized gain on forward contracts	-	-



NAGINA COTTON MILLS LTD.

	(Un-Audited) September 30, 2026 Rupees	(Un-Audited) September 30, 2025 Rupees
Profit paid on Islamic mode of financing		
- Long-term finances	12,828,756	14,326,004
- Short-term borrowings	2,623,403	55,903,532
 Total Interest earned on any conventional loan or advance	-	-
Source and detailed breakup of other income		
Non-Shariah Compliant		
- Dividend Income	420,000	420,000
- Realized gain on redemption of mutual fund	498,207	-
- Unrealized (loss) / gain on mutual fund	(326,004)	18,482
- Interest income on term deposit receipt	830,455	2,366,118
- Unrealized gain / (loss) on revaluation of foreign currency account	-	-
- Unrealized gain on foreign currency loan	-	2,493,503
Shariah Compliant		
- Interest income on Term deposit receipt	756,331	960,596
- Scrap sales	1,523,495	1,354,564
- (Loss)/Gain on disposal of property, plant and equipment - net	(3,395,075)	2,978,634
- Rental Income from investment properties	10,379,573	9,556,877

Relationship with Shariah-compliant financial institutions

Name	Relationship
Meezan Bank Limited	Funded Facility & Bank Balance
Bank Islami Pakistan Limited	Funded Facility & Bank Balance
Faysal Bank Limited	Funded Facility & Bank Balance
Dubai Islamic Bank Limited	Funded Facility & Bank Balance
United Bank limited (Ameen)	Funded Facility & Bank Balance



NAGINA COTTON MILLS LTD.

16 CORRESPONDING FIGURES

Corresponding figures have been rearranged and reclassified, wherever necessary for the purpose of comparison and for better presentation.

17 OPERATING SEGMENTS

Chief Executive considers the business as a single operating segment as the Company's assets allocation decisions are based on a single, integrated business strategy, and the Company's performance is evaluated on an overall basis. Sales of the Company related to export customers is 28.94 percent (September 30, 2025: 22.69 percent). As at period end, all non-current assets of the Company are located within Pakistan.

18 DATE OF AUTHORIZATION FOR ISSUE

These condensed interim financial statements (unaudited) have been approved by the Board of Directors of the Company and authorized for issue on October 29, 2026.

19 GENERAL

Figures have been rounded off to the nearest Rupee.

Raza Ellahi Shaikh
Director

Tariq Zafar Bajwa
Chief Financial Officer

Amin Ellahi Shaikh
Chief Executive Officer

October 29, 2026



NAGINA COTTON MILLS LTD.

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