



**CONDENSED INTERIM FINANCIAL STATEMENTS OF
ELAHI COTTON MILLS LIMITED (UN-AUDITED)
FOR THE SIX MONTHS PERIOD ENDED
DECEMBER 31, 2025**

BDO Ebrahim & Co. Chartered Accountants

BDO Ebrahim & Co., a Pakistan registered partnership firm, is a member of BDO International Limited, a UK company limited by guarantee, and forms part of the international BDO network of independent member firms.

COMPANY'S INFORMATION

BOARD OF DIRECTORS

MAHBOOB ELAHI
MAHFOOZ ELAHI
MAHMOOD ELAHI
AHMED SHAFFI
FARRUKH AHMED
M. AZEEM AFZAL HASHMI
SAMINA BEGUM

CHAIRMAN

MAHBOOB ELAHI

CHIEF EXECUTIVE

MAHFOOZ ELAHI

AUDIT COMMITTEE

AHMED SHAFFI
FARRUKH AHMED
MAHBOOB ELAHI

HRR COMMITTEE

M. AZEEM AFZAL HASHMI
MAHMOOD ELAHI
FARRUKH AHMED

CHIEF FINANCIAL OFFICER

MUHAMMAD IMTIAZ

COMPANY SECRETARY

SALEEM AHMED

AUDITORS

BDO EBRAHIM & CO.
CHARTERED ACCOUNTANTS
23, EAST SAEED PLAZA
BLUE AREA, ISLAMABAD

REGISTRAR OFFICE

CORPLINK (PVT) LIMITED
WINGS ARCADE,
1-K, COMMERCIAL,
MODEL TOWN, LAHORE

LEGAL ADVISER

KHAN & PIRACHA
NO.1, 2ND FLOOR, 6-B,
MARKAZ F-6, ISLAMABAD

REGISTERED OFFICE

270-SECTOR I-9,
INDUSTRIAL AREA,
ISLAMABAD.

MILLS

JURIAN, MANDRA,
TEHSIL GUJAR KHAN,
DISTRICT RAWALPINDI.

WEBSITE

www.elahicotton.com

ELAHI COTTON MILLS LIMITED

DIRECTORS' REVIEW TO THE MEMBERS

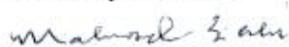
The Directors of the Company are pleased to present financial information for the half year ended December 31, 2025 duly reviewed by the external auditors.

The principal business activity of the Company is to manufacture and sale of Pure Polyester Yarn. Aggregate sales revenue of the Company decreased from Rs. 544.167 million to Rs. 494.540 million showing decrease of Rs. 49.627 million (9.12%) whereas cost of sales decreased from Rs. 511.199 million to Rs. 494.911 million showing decrease of Rs. 16.288 million (3.18%). The Company incurred loss before taxation of Rs. 12.592 million for the six months from July 01, 2025 to December 31, 2025 as compared to profit of Rs. 22.942 million for the corresponding period of last six months and loss after taxation of Rs. 18.774 million as compared to profit of Rs. 15.846 million. The company incurred loss due to decrease in rates of finished goods because of low demand in market. The Management expects the next quarter to be favorable as the prices of raw material and electricity are coming down. The Government has announced a reduction in electricity prices.

The auditors have drawn attention to Note 1.3 in the financial statements that the Company's current liabilities exceeded its current assets by Rs. 60.641 million. The Company has accumulated loss of Rs. 76.291 million that exceeds the issued, subscribed and paid up capital by Rs. 63.291 million. These conditions indicate the existence of a material uncertainty that cast doubt about the Company's ability to continue as a going concern. The Management is making every effort to minimize the impact through improve efficiency, reduces costs and better marketing. The Sponsor Directors are continuously supporting in the form of funds as and when required by the Company. During the period, the Sponsor Directors provided interest free loan to the Company amounting to Rs. 8.450 million. Furthermore, the Management has neither intention nor the necessity of liquidation or ceasing manufacturing operation in foreseeable future. So, with the successful efforts of the Management, the Company will continue as a going concern.

Loss per share for the half year ended December 31, 2025 is Rs. 14.44 and for the quarter ended December 31, 2025 is Rs. 11.70. The Directors of the Company do not recommend payment of any cash dividend/bonus shares to the shareholders of the Company as the Company has incurred net loss and also has accumulated loss.

Islamabad
February 25, 2026



(Mahmood Elahi)
Director

On behalf of Board of Directors



(Mahfooz Elahi)
Chief Executive

کمپنی کے ڈائریکٹرز ششماہی مالیاتی رپورٹ تختہ ۳۱ دسمبر ۲۰۲۵ء جو کہ بیرونی محاسب سے جائزہ شدہ ہے، پیش کرتے ہیں۔ کمپنی کا بنیادی کام خالص پولیسٹر دھاگہ بنانا اور فروخت کرنا ہے۔ کمپنی کی مجموعی فروخت 544.167 ملین روپے سے کم ہو کر 494.540 ملین روپے ہو گئی ہے جو کہ -/49.627 ملین روپے (9.12%) کی کمی ظاہر کر رہی ہے جبکہ فروخت کے اخراجات -/511.199 ملین روپے سے کم ہو کر -/494.911 ملین روپے ہو گئے ہیں جو کہ -/16.288 ملین روپے (3.18%) کی کمی ظاہر کر رہے ہیں۔ اس ششماہی تختہ ۳۱ دسمبر ۲۰۲۵ء میں کمپنی کو قبل از ٹیکس -/12.592 ملین روپے کا نقصان ہوا ہے جبکہ گزشتہ سال اسی دورانیہ میں -/22.942 ملین روپے کا منافع ہوا تھا اور بعد از ٹیکس -/18.774 ملین روپے کا نقصان ہوا جبکہ گزشتہ سال اسی دورانیہ میں -/15.846 ملین روپے کا منافع ہوا تھا۔ کمپنی کو نقصان ہونے کی وجہ تیار شدہ مال کی قیمتوں میں کمی اور مارکیٹ میں طلب کی کمی ہے۔ انتظامیہ کو توقع ہے کہ اگلی سہ ماہی کمپنی کے لئے سازگار ہوگی کیونکہ خام مال اور بجلی کی قیمتوں میں کمی کا امکان ہے۔ حکومت نے بجلی کی قیمتوں میں کمی کا اعلان بھی کیا ہے۔

بیرونی محاسب نے نوٹ نمبر 1.3 کی طرف توجہ دلائی ہے کہ مالیاتی رپورٹ میں موجودہ واجب الادا قرضوں میں موجودہ اثاثوں کی نسبت اضافہ ہوا ہے جو کہ 60.641 ملین روپے ہے۔ کمپنی کا مجموعی خسارہ 76.291 ملین روپے ہے جو کہ جاری شدہ، ادا شدہ سرمایے سے 63.291 ملین روپے زیادہ ہے۔ یہ حالات خاصے غیر یقینی کی صورت حال ظاہر کر رہے ہیں جن کی وجہ سے کمپنی کے چلنے کی صلاحیت میں شک پیدا ہو سکتا ہے۔ انتظامیہ پوری کوشش کر رہی ہے کہ وہ ان اثرات کو اپنی کارکردگی، قیمتوں میں کمی اور بہتر مارکیٹنگ سے کم از کم کرے۔ سپانسر ڈائریکٹرز کمپنی سے مسلسل مالی تعاون کر رہے ہیں اور انہوں نے کمپنی کو اس دورانیہ میں بلا سود 8.450 ملین روپے کا قرض دیا ہے۔ مستقبل قریب میں انتظامیہ کا نہ تو ارادہ کمپنی کو ختم کرنے کا ہے اور نہ ہی پیداواری سرگرمیاں بند کرنے کا ہے لہذا وہ پر عزم ہیں کہ کمپنی انتظامیہ کی بھرپور کوشش سے جاری و ساری رہے گی۔

اس ششماہی تختہ ۳۱ دسمبر ۲۰۲۵ء میں کمپنی کو -/14.44 روپے فی حصص نقصان ہوا جبکہ دوسری سہ ماہی تختہ ۳۱ دسمبر ۲۰۲۵ء کو فی حصص -/11.70 روپے کا نقصان ہوا۔ کمپنی کے ڈائریکٹرز حصہ داران کے لئے کسی حصص پر منافع دینے کی سفارش نہیں کرتے ہیں کیونکہ کمپنی کو خالص اور جمع شدہ نقصان ہوا ہے۔

اسلام آباد

۲۵ فروری ۲۰۲۶

بورڈ آف ڈائریکٹرز کی جانب سے

Malwala J. Ahi

محمود الہی
ڈائریکٹر

M. A. Ahi

محفوظ الہی
چیف ایگزیکٹو

INDEPENDENT AUDITORS REVIEW REPORT TO THE MEMBERS OF ELAHI COTTON MILLS LIMITED

Report on review of Interim Financial Statements

Introduction

We have reviewed the accompanying condensed interim statement of financial position of Elahi Cotton Mills Limited ("the Company") as at December 31, 2025 and the related condensed interim statement of profit or loss, condensed interim statement of comprehensive income, condensed interim statement of changes in equity and condensed interim statement of cash flows and notes to the interim financial statements for the six months period then ended (herein after referred to as the "interim financial statements"). Management is responsible for the preparation and presentation of these interim financial statements in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on these interim financial statements based on our review.

Scope of Review

We conducted our review in accordance with the International Standards on Review Engagements 2410, "Review of Interim Financial Information performed by the Independent Auditor of the Entity." A review of interim financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim financial statements are not prepared, in all material respects, in accordance with the accounting and financial reporting standards as applicable in Pakistan for interim financial reporting.

Material Uncertainty Related to Going Concern

Without qualifying to our conclusion, we draw attention to Note 1.3 in the condensed interim financial information which indicates that the Company's current liabilities exceeded its current assets by Rs. 60.641 million. The Company has accumulated losses of Rs. 76.291 million. The Company's accumulated losses exceeded the issued, subscribed and paid-up capital by Rs. 63.291 million and also during the period, the company incurred a gross loss of Rs. 0.371 million. These conditions, along with other matters as set forth in Note 1.3, indicate the existence of material uncertainty which may cast doubt about the Company's ability to continue as going concern. The financial statements have been prepared on going concern basis without any adjustments to assets



and liabilities based upon future projections and commitment of the Directors for financial support in case of any liquidity challenges.

Other Matter

Pursuant to the requirement of Section 237 (1) (b) of the Companies Act 2017, only cumulative for the half year, presented in the second quarter accounts are subject to a limited scope review by the statutory auditor of the company. Accordingly, the figures for the "condensed interim profit and loss account and condensed interim statement of comprehensive income for the three months period ended December 31, 2025 have not been reviewed by us.

The engagement partner on the review audit resulting in this independent auditors' review report is Atif Riaz.

ISLAMABAD

DATED: February 25, 2026
UDIN: RR202510060F0fNjoyd5

BDO EBRAHIM & CO.
CHARTERED ACCOUNTANTS

ELAHI COTTON MILLS LIMITED
CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION
AS AT DECEMBER 31, 2025

	Note	December 31, 2025 Rupees (Un-audited)	June 30, 2025 Rupees (Audited)
ASSETS			
NON CURRENT ASSETS			
Property, plant and equipment	4	171,926,142	174,896,304
Long term security deposits		918,810	918,810
Loans and advances	5	4,555,750	4,929,750
		<u>177,400,702</u>	<u>180,744,864</u>
CURRENT ASSETS			
Stores, spares and loose tools	6	3,011,881	3,880,337
Stock in trade	7	29,795,944	38,739,116
Trade debts	8	57,772,053	35,114,638
Short terms prepayments		99,101	364,605
Short terms investments		675,405	663,890
Prepaid levy	9	4,029,974	4,345,417
Sales tax refundable		-	421,083
Loan and advances	10	882,241	2,099,918
Cash and bank balances	11	17,737,918	10,159,419
		<u>114,004,517</u>	<u>95,788,423</u>
		<u>291,405,219</u>	<u>276,533,287</u>
TOTAL ASSETS			
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Share capital	12	13,000,000	13,000,000
Revaluation surplus on property, plant and equipment		137,193,050	138,408,462
Accumulated loss		(76,291,496)	(58,732,763)
		<u>73,901,554</u>	<u>92,675,699</u>
NON-CURRENT LIABILITIES			
Staff retirement benefits - Gratuity		42,858,348	38,635,595
CURRENT LIABILITIES			
Short term loan from directors	13	117,129,471	108,929,471
Trade and other payables	14	55,689,504	32,370,884
Lease liabilities	15	1,200,000	1,200,000
Financial liabilities	16	358,671	2,453,967
Unclaimed dividend		267,671	267,671
		<u>174,645,317</u>	<u>145,221,993</u>
		<u>291,405,219</u>	<u>276,533,287</u>
TOTAL EQUITY AND LIABILITIES			
CONTINGENCIES AND COMMITMENTS	17	-	-

The annexed notes from 1 to 27 form an integral part of these condensed interim financial statements.



CHIEF EXECUTIVE



DIRECTOR



CHIEF FINANCIAL OFFICER

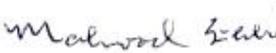


ELAHI COTTON MILLS LIMITED
CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS (UNAUDITED)
FOR THE SIX MONTHS PERIOD ENDED DECEMBER 31, 2025

	Six months ended December 31,		Three months ended December 31,		
	2025	2024	2025	2024	
Note -----Rupees-----					
Sales	18	494,540,425	544,166,814	241,414,891	277,867,125
Cost of sales	19	(494,911,327)	(511,199,397)	(246,161,087)	(264,181,761)
Gross (loss) / profit		(370,902)	32,967,417	(4,746,196)	13,685,364
Operating expenses					
Administrative expenses		(10,190,182)	(8,592,985)	(6,038,245)	(4,377,104)
Selling and distribution expenses		(1,842,300)	(1,230,500)	(1,275,300)	(731,500)
Other operating charges		(170,834)	(171,341)	(128,518)	(110,724)
Operating (loss) / profit		(12,574,218)	22,972,591	(12,188,259)	8,466,036
Other income		21,049	78,477	18,049	48,927
Financial charges		(39,221)	(108,522)	(22,399)	(93,631)
(Loss) / profit before income tax and minimum tax		(12,592,390)	22,942,546	(12,192,609)	8,421,332
Minimum Tax	9	(6,181,755)	(6,802,085)	(3,017,686)	(2,331,220)
(Loss) / profit before income tax		(18,774,145)	16,140,461	(15,210,295)	6,090,112
Income tax		-	(293,507)	-	(293,507)
(Loss) / profit after taxation		(18,774,145)	15,846,954	(15,210,295)	5,796,605
(Loss) / earnings per shares - Basic and diluted (Rupees)	20	(14.44)	12.19	(11.70)	4.46

The annexed notes from 1 to 27 form an integral part of these condensed interim financial statements.


CHIEF EXECUTIVE


DIRECTOR


CHIEF FINANCIAL OFFICER

BDS & Co

ELAHI COTTON MILLS LIMITED
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)
FOR THE SIX MONTHS PERIOD ENDED DECEMBER 31, 2025

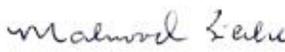
Six months ended December 31,		Three months ended December 31,	
2025	2024	2025	2024
-----Rupees-----			

(Loss) / profit for the period	(18,774,145)	15,846,954	(15,210,295)	5,796,605
Items that will not be subsequently reclassified into profit and loss				
Other comprehensive income	-	-	-	-
Related deferred tax impact	-	-	-	-
	-	-	-	-
Total comprehensive (Loss) / income for the period	(18,774,145)	15,846,954	(15,210,295)	5,796,605

The annexed notes from 1 to 27 form an integral part of these condensed interim financial statements.


CHIEF EXECUTIVE

BDOZ & Co.


DIRECTOR


CHIEF FINANCIAL OFFICER

ELAHI COTTON MILLS LIMITED
CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY
FOR THE SIX MONTHS PERIOD ENDED DECEMBER 31, 2025

	Reserves			Total
	Share capital	Capital	Revenue	
	Issued, subscribed and paid-up capital	Revaluation surplus on property, plant and equipment	Accumulated loss	
	Rupees			
Balance as at July 01, 2024 (audited)	13,000,000	141,098,316	(69,609,891)	84,488,425
Total comprehensive loss for the period				
Profit for the period	-	-	15,846,954	15,846,954
Transfer from revaluation surplus on property, plant and equipment on account of incremental depreciation-net of deferred tax	-	(1,344,928)	1,344,928	-
Balance as at December 31, 2024 (un-audited)	13,000,000	139,753,388	(52,418,009)	100,335,379
Total comprehensive loss for the period				
Loss for the period	-	-	(5,254,931)	(5,254,931)
Other comprehensive loss for the year	-	-	(2,404,749)	(2,404,749)
Transfer from revaluation surplus on property, plant and equipment on account of incremental depreciation-net of deferred tax	-	(1,344,926)	1,344,926	-
Balance as at July 01, 2025 (audited)	13,000,000	138,408,462	(58,732,763)	92,675,699
Total comprehensive loss for the period				
Loss for the period	-	-	(18,774,145)	(18,774,145)
Transfer from revaluation surplus on property, plant and equipment on account of incremental depreciation-net of deferred tax	-	(1,215,412)	1,215,412	-
Balance as at December 31, 2025 (un-audited)	13,000,000	137,193,050	(76,291,496)	73,901,554

The annexed notes from 1 to 27 form an integral part of these condensed interim financial statements.



CHIEF EXECUTIVE



DIRECTOR



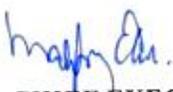
CHIEF FINANCIAL OFFICER

BDOE & Co.

ELAHI COTTON MILLS LIMITED
CONDENSED INTERIM STATEMENT OF CASH FLOWS (UNAUDITED)
FOR THE SIX MONTHS PERIOD ENDED DECEMBER 31, 2025

	Six months ended December 31,	
	2025 Rupees	2024 Rupees
CASH FLOWS FROM OPERATING ACTIVITIES		
(Loss) / profit before income tax and minimum tax	(12,592,390)	22,942,546
Adjustment for non-cash items:		
Depreciation	3,021,162	3,630,457
Financial charges / cost	39,221	108,522
Profit on investment in HBL fund	21,049	(78,477)
Provision for gratuity	6,773,303	5,913,072
	9,854,735	9,573,574
(Loss) / profit before working capital changes	(2,737,655)	32,516,120
Changes in working capital:		
(Increase) / decrease in current assets		
Stores, spares and loose tools	868,456	(464,863)
Stock in trade	8,943,172	(8,328,609)
Trade debts	(22,657,415)	(17,718,878)
Loans and advances	1,117,677	(2,615,143)
Short term prepayments	265,504	290,192
Short terms investments	(11,515)	-
Sales tax refundable	421,083	-
Increase in current liabilities		
Trade and other payables	23,318,620	19,863,821
Financial liabilities	(2,095,296)	(2,651,829)
	10,170,286	(11,625,309)
Cash generated from operations	7,432,631	20,890,811
Financial charges paid	(39,221)	(35,545)
Income tax paid	(5,866,312)	(6,840,699)
Gratuity paid	(2,550,550)	(5,608,000)
	(8,456,083)	(12,484,244)
Net cash (used in) / generated from operating activities	(1,023,452)	8,406,567
CASH FLOWS FROM INVESTING ACTIVITIES		
Loans given to employees	474,000	(154,000)
Bank Profits received	(21,049)	26,190
Purchase of property, plant and equipment	(51,000)	(1,150,000)
Net cash generated from / (used in) from investing activities	401,951	(1,277,810)
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayment of long term loan from directors	(250,000)	(200,000)
Short term loan from directors	8,450,000	8,750,000
Net cash generated from financing activities	8,200,000	8,550,000
Net increase in cash and cash equivalents	7,578,499	15,678,757
Cash and cash equivalents at the beginning of the period	10,159,419	13,835,204
Cash and cash equivalents at the end of the period	17,737,918	29,513,961

The annexed notes from 1 to 27 form an integral part of these condensed interim financial statements.



CHIEF EXECUTIVE



DIRECTOR



CHIEF FINANCIAL OFFICER



ELAHI COTTON MILLS LIMITED

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UNAUDITED) FOR THE SIX MONTHS PERIOD ENDED DECEMBER 31, 2025

1 STATUS AND NATURE OF BUSINESS

- 1.1 The Company was incorporated as a public limited company on June 22, 1970 under the repealed Companies Act, 1913 (now the Companies Act, 2017) and is listed on Pakistan Stock Exchange Limited. The principal business of the Company is manufacture and sale of yarn.
- 1.2 The registered office of the Company is situated at 270, sector I-9, Industrial Area, Islamabad. The mill (plant) of the Company is located at Mandra - Chakwal road, Tehsil Gujar Khan, District Rawalpindi, Pakistan.
- 1.3 The Company's current liabilities exceeded its current assets by Rs. 60.641 million (June 30, 2025: Rs. 49.434 million). The Company has accumulated losses of Rs. 76.291 million (June 30, 2025: Rs. 58.733 million). The Company's accumulated losses exceeded the issued, subscribed and paid up capital by Rs. 63.291 million (June 30, 2025: Rs. 45.723 million) . These conditions indicate the existence of material uncertainty which may cast doubt about the Company's ability to continue as going concern.

These interim financial statements have been prepared on going concern basis without any adjustment to assets and liabilities in view of profitable future projections and financial support from associated undertaking and sponsors. The management is confident of improving profitability through streamlining the operations of the Company.

2 BASIS OF PREPARATION

2.1 Statement of compliance

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

- International Accounting Standard (IAS) 34: 'Interim Financial Reporting' issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017;
- Islamic Financial Accounting Standards (IFAS) issued by Institute of Chartered Accountants of Pakistan as are notified under the Companies Act, 2017; and
- Provisions of, directives and notifications issued under the Companies Act, 2017.

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

BDOE/Co.

2.2 The disclosures in these condensed interim financial statements do not include all the information and disclosures reported in annual audited financial statements and should therefore be read in conjunction with the audited financial statements for the year ended June 30, 2025.

2.2 Basis of measurement

These financial statements have been prepared under the historical cost convention except for certain fixed assets which have been stated at revalued amount and recognition of certain staff retirement benefits at present value while short term investments are carried at fair value.

These interim financial statements have been prepared following accrual basis of accounting except for cash flow information.

2.3 Functional and presentation currency

These condensed interim financial statements have been presented in Pak Rupees, which is the functional and presentation currency of the Company.

3 MATERIAL ACCOUNTING POLICY INFORMATION

3.1 The accounting policies adopted and methods of computation followed in the preparation of these interim financial statements are same as those applied in the preparation of financial statements for the year ended June 30, 2025.

3.2 The preparation of these condensed interim financial statements in conformity with approved accounting standards require management to make estimates, assumptions and use judgements that affect the application of accounting 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. Revisions to accounting estimates are recognised prospectively commencing from the period of revision.

3.3 The significant estimates, judgments and assumptions made by the management in applying the accounting policies and the key sources of estimation uncertainty are the same as those applied to the annual audited financial statements as at and for the year ended June 30, 2025.

3.4 There are certain standards, interpretations and amendments to approved accounting standards which have been published and are mandatory for the Company's accounting period beginning on or after July 01, 2025. These standards, interpretations and amendments are either not relevant to the Company's operations or are not expected to have a significant effect on these interim financial statements.

3.5 Taxation

The provision for taxation for the half year and quarter ended December 31, 2025 has been made using the estimated effective tax rate applicable to expected total annual earnings.

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	Note	December 31, 2025 Rupees (Un-audited)	June 30, 2025 Rupees (Audited)
4 PROPERTY, PLANT AND EQUIPMENT			
Operating fixed assets - owned	4.1	171,926,142	174,896,304
Right of use assets	4.2	-	-
		<u>171,926,142</u>	<u>174,896,304</u>
4.1 Operating fixed assets - owned			
Opening net book value		174,896,304	176,950,935
Additions during the period / year (at cost)	4.1.1	51,000	4,301,000
Depreciation charged during the period / year		(3,021,162)	(6,355,631)
Closing net book value		<u>171,926,142</u>	<u>174,896,304</u>
4.1.1 Detail of additions (at cost) during the period / year are as follows:			
Computer equipment		51,000	-
Power and other installations		-	4,301,000
		<u>51,000</u>	<u>4,301,000</u>
4.2 Right of use asset			
Buildings:			
Cost			
Opening balance		2,823,381	2,823,381
Disposal on lease completion		(2,823,381)	-
Closing balance		-	2,823,381
Accumulated depreciation			
Opening balance		2,823,381	1,882,254
Depreciation charge during the period / year		-	941,127
Disposal on lease completion		(2,823,381)	-
Closing balance		-	2,823,381
Net book value		<u>-</u>	<u>-</u>
Useful life (years)		3	3

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		December 31, 2025	June 30, 2025
	Note	Rupees (Un-audited)	Rupees (Audited)
5 LOANS AND ADVANCES			
Unsecured - considered good			
Opening balance		5,743,750	5,441,750
Disbursements		1,010,000	9,585,700
Receipts		(1,484,000)	(9,283,700)
Closing balance		<u>5,269,750</u>	<u>5,743,750</u>
Current portion of loans and advances	10	<u>(714,000)</u>	<u>(814,000)</u>
		<u><u>4,555,750</u></u>	<u><u>4,929,750</u></u>

5.1 These balances represent interest free loans and advances given to employees. The Chief Executive Officer and Directors have not taken any loans and advances from the Company. These balances are carried at cost as the impact of amortization is not material in respect of these interim financial statements.

		December 31, 2025	June 30, 2025
	Note	Rupees (Un-audited)	Rupees (Audited)
6 STORES, SPARES & LOOSE TOOLS			
Stores		3,011,881	3,803,268
Spares		-	77,069
	6.1	<u>3,011,881</u>	<u>3,880,337</u>

6.1 Stores and spares also include items which may result in capital expenditure but are not distinguishable at the time of purchase. However, the stores and spares consumption resulting in capital expenditure are capitalized in cost of respective assets.

		December 31, 2025	June 30, 2025
		Rupees (Un-audited)	Rupees (Audited)
7 STOCK IN TRADE			
Raw material		13,462,740	7,655,425
Work in progress		5,470,193	5,339,207
Finished goods		10,629,336	25,599,514
Waste		233,675	144,970
		<u>29,795,944</u>	<u>38,739,116</u>

8 TRADE DEBTS			
Unsecured - considered good		<u>57,772,053</u>	<u>35,114,638</u>

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	Note	December 31, 2025 Rupees (Un-audited)	June 30, 2025 Rupees (Audited)
9 PREPAID LEVY			
Opening balance		4,345,417	3,001,431
Paid / adjusted the period / year		5,866,312	13,805,902
Minimum tax for the period / year		(6,181,755)	(12,461,916)
Closing balance		<u>4,029,974</u>	<u>4,345,417</u>
10 LOANS AND ADVANCES			
Current portion of long-term loans	5	714,000	814,000
Advances to suppliers		168,241	1,285,918
		<u>882,241</u>	<u>2,099,918</u>
11 CASH AND BANK BALANCES			
Cash in hand		301,181	103,165
Cash at banks: (local currency)			
Current accounts			
- Conventional		2,573,515	622,244
- Shari'ah compliant		980,602	61,324
		3,554,117	683,568
Saving account			
- Shari'ah compliant	11.1	13,882,620	9,372,686
		<u>17,737,918</u>	<u>10,159,419</u>

11.1 Saving account carries mark up at the rates ranging from 3.82% to 3.33% (June 30, 2025: 1.57% to 3.04%) per annum.

12 SHARE CAPITAL

12.1 Authorized share capital

This represents 5,000,000 (December 31, 2025: 5,000,000) ordinary shares of Rs. 10 each amounting to Rs. 50,000,000 (June 30, 2025: Rs. 50,000,000).

		December 31, 2025 Rupees (Un-audited)	June 30, 2025 Rupees (Audited)
12.2 Issued, subscribed and paid up capital			
	Number of ordinary shares of Rs. 10/- each		
	December 31, 2025	June 30, 2025	
	<u>1,300,000</u>	<u>1,300,000</u>	Fully paid in cash
		<u>13,000,000</u>	<u>13,000,000</u>

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	Note	December 31, 2025 Rupees (Un-audited)	June 30, 2025 Rupees (Audited)
13			
SHORT TERM LOAN FROM DIRECTORS			
Opening balance	13.1	108,929,471	100,679,471
Additions	13.2	8,450,000	8,750,000
Repayments		(250,000)	(500,000)
Closing balance		<u>117,129,471</u>	<u>108,929,471</u>

13.1 This represents unsecured interest free loan from two directors and Chief Executive of the Company to meet the working capital requirements. The loan was payable on July 01, 2015. As these are now payable on demand, therefore all amounts have been transferred to current liabilities in the financial statements.

13.2 This represents unsecured interest free loan from two directors and Chief Executive of the Company to meet the working capital requirements. These are payable on demand.

	Note	December 31, 2025 Rupees (Un-audited)	June 30, 2025 Rupees (Audited)
14			
TRADE AND OTHER PAYABLES			
Creditors		823,782	2,775,895
Accrued expenses		26,408,397	24,119,620
Advances from customers		24,476,556	2,191,667
Sales tax payable		2,204,216	-
Workers' Profit Participation Fund		1,239,546	1,239,546
Workers' Welfare Fund		504,940	504,940
Income tax payable		28,276	283,048
Zakat payable		3,791	3,791
Government dues		-	1,252,377
		<u>55,689,504</u>	<u>32,370,884</u>

15 LEASE LIABILITIES

Lease liabilities	15.1	<u>1,200,000</u>	<u>1,200,000</u>
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15.1 It represents lease payable against building rent which term expired on June 30, 2025.

	Note	December 31, 2025 Rupees (Un-audited)	June 30, 2025 Rupees (Audited)
16			
FINANCIAL LIABILITIES			
Payable to IESCO		<u>358,671</u>	<u>2,453,967</u>

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17 CONTINGENCIES AND COMMITMENTS

17.1 Contingencies

The Company has no contingencies as at December 31, 2025. (June 30, 2025: nil)

17.2 Commitments

The Company has no commitments as at December 31, 2025. (June 30, 2025: nil)

	Note	Six months ended		Three months ended	
		December 31,		December 31,	
		2025	2024	2025	2024
		Rupees	Rupees	Rupees	Rupees
		(Un-audited)	(Un-audited)	(Un-audited)	(Un-audited)
18 SALES					
Yarn		583,213,143	641,861,958	315,273,107	327,628,325
Waste		344,560	254,880	84,665	254,880
		<u>583,557,703</u>	<u>642,116,838</u>	<u>315,357,772</u>	<u>327,883,205</u>
Less: sales tax		<u>(89,017,278)</u>	<u>(97,950,024)</u>	<u>(73,942,881)</u>	<u>(50,016,080)</u>
		<u>494,540,425</u>	<u>544,166,814</u>	<u>241,414,891</u>	<u>277,867,125</u>
19 COST OF SALES					
Raw material consumed	19.1	328,403,015	355,918,548	160,419,821	188,064,170
Salaries, wages and other benefits		78,046,754	73,034,247	38,775,813	38,623,851
Electricity		59,750,600	68,729,822	30,144,243	33,290,124
Insurance		323,254	347,942	323,254	347,942
Repair and maintenance		203,747	168,880	123,797	103,020
Stores and spares consumed	19.2	10,543,604	9,874,906	5,452,660	5,441,818
Depreciation		2,889,866	3,027,250	1,413,526	1,473,936
		<u>480,160,840</u>	<u>511,101,595</u>	<u>236,653,114</u>	<u>267,344,861</u>
Opening work in process		5,339,207	5,851,217	5,389,978	5,576,113
Closing work in process		(5,470,193)	(5,719,099)	(5,470,193)	(5,719,099)
		<u>(130,986)</u>	<u>132,118</u>	<u>(80,215)</u>	<u>(142,986)</u>
Cost of goods manufactured		<u>480,029,854</u>	<u>511,233,713</u>	<u>236,572,899</u>	<u>267,201,875</u>
Opening stock of finished goods		25,599,514	18,920,508	20,451,199	15,978,199
Closing stock of finished goods		(10,629,336)	(18,756,375)	(10,629,336)	(18,756,375)
		<u>14,970,178</u>	<u>164,133</u>	<u>9,821,863</u>	<u>(2,778,176)</u>
Opening stock of waste material		144,970	43,489	-	-
Closing stock of waste material		(233,675)	(241,938)	(233,675)	(241,938)
		<u>(88,705)</u>	<u>(198,449)</u>	<u>(233,675)</u>	<u>(241,938)</u>
		<u>494,911,327</u>	<u>511,199,397</u>	<u>246,161,087</u>	<u>264,181,761</u>

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	Six months ended December 31,		Three months ended December 31,	
	2025 Rupees (Un-audited)	2024 Rupees (Un-audited)	2025 Rupees (Un-audited)	2024 Rupees (Un-audited)
19.1 Raw material consumed				
Opening stock	7,655,425	8,366,668	7,615,232	3,399,085
Purchases	334,210,330	364,344,959	166,267,329	201,458,164
	<u>341,865,755</u>	<u>372,711,627</u>	<u>173,882,561</u>	<u>204,857,249</u>
Closing stock	(13,462,740)	(16,793,079)	(13,462,740)	(16,793,079)
Consumed during the period	<u>328,403,015</u>	<u>355,918,548</u>	<u>160,419,821</u>	<u>188,064,170</u>

19.2 Stores and spares consumed

Opening stock	3,880,337	3,939,143	3,608,983	4,028,860
Purchases	9,675,148	10,339,769	4,855,558	5,816,964
	<u>13,555,485</u>	<u>14,278,912</u>	<u>8,464,541</u>	<u>9,845,824</u>
Closing stock	(3,011,881)	(4,404,006)	(3,011,881)	(4,404,006)
	<u>10,543,604</u>	<u>9,874,906</u>	<u>5,452,660</u>	<u>5,441,818</u>

20 (LOSS) / EARNINGS PER SHARE - BASIC AND DILUTED

There is no dilutive effect on the basic earnings per share of the Company, which is based on:

	Six months ended December 31,		Three months ended December 31,	
	2025 Rupees (Un-audited)	2024 Rupees (Un-audited)	2025 Rupees (Un-audited)	2024 Rupees (Un-audited)
(Loss) / profit after taxation	<u>(18,774,145)</u>	<u>15,846,954</u>	<u>(15,210,295)</u>	<u>5,796,605</u>
Weighted average number of ordinary shares at the end of the period (Number of shares)	<u>1,300,000</u>	<u>1,300,000</u>	<u>1,300,000</u>	<u>1,300,000</u>
(Loss) / earning per shares - Basic and diluted	<u>(14.44)</u>	<u>12.19</u>	<u>(11.70)</u>	<u>4.46</u>

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21 TRANSACTIONS WITH RELATED PARTIES

21.1 The related parties and associated undertakings of the Company comprise of associated companies, directors and key management personnel. Transactions with related parties during the period are as follows:

Name of the related party	Relationship and percentage shareholding	Transactions during the period and period end balances	Six month ended December 31,		Quarter ended December 31,	
			2025 Rupees	2024 Rupees	2025 Rupees	2024 Rupees
Taj Mills Limited	Associated company by virtue of common directorship	Office lease - rent paid / payable lease balance	660,000	600,000	330,000	300,000
			1,200,000	-	1,200,000	-
		Amount payable at period end	660,000	600,000	330,000	300,000
Mahfooz Elahi	Chief Executive	Loan paid during the period Loan received during the period Amount payable at period end	250,000 1,500,000 24,228,925	200,000 1,750,000 23,278,924	100,000 1,500,000 24,228,925	150,000 750,000 20,467,257
Mahboob Elahi	Director Director	Loan received during the period Amount payable at period end	5,950,000 80,225,546	6,000,000 74,275,547	5,950,000 80,225,546	- 63,775,546
Mahmood Elahi	Director Director	Loan received during the period Amount payable at period end	1,000,000 12,675,000	1,000,000 11,675,000	1,000,000 12,675,000	- 8,175,000

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21.2 The transactions with key management personnel includes remuneration and other benefits under the terms of their employment which are as follows:

	Six months ended		Three months ended	
	December 31,		December 31,	
	2025	2024	2025	2024
	Rupees	Rupees	Rupees	Rupees
Executives:				
Short term employment benefits	1,596,000	1,532,000	798,000	766,000
Provision towards retirement benefits	267,500	264,500	133,750	132,250
	<u>÷ 1,863,500</u>	<u>1,796,500</u>	<u>931,750</u>	<u>898,250</u>

22 FINANCIAL RISK MANAGEMENT

The Company's financial risk management objective and policies are consistent with that disclosed in the financial statements for the year ended June 30, 2025.

23 FAIR VALUE MEASUREMENT

The carrying values of all financial assets and liabilities reflected in the interim financial statements approximate their fair values. Fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties, in an arm's length transaction.

The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

- quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1);
- 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 2); and
- inputs for the asset or liability that are not based on observable market data (unobservable inputs) (level 3).

The management assessed that the carrying value of cash and short term deposits, trade debts, other receivables trade and other payables and other current liabilities approximate their fair values largely due to the short term maturities of these instruments. Fair value is determined on the basis of objective evidence at each reporting date.

Transfers during the period

During the six month period ended December 31, 2025, there were no transfers into or out of Level 3 fair value measurements.

As at December 31, 2025 and June 30, 2025 the Company did not hold any financial instruments carried at fair value. Moreover, free hold land, buildings and plant and machinery are measured at fair value.

The Company has revalued its freehold land, buildings and plant and machinery on December 31, 2022 by independent valuer M/s Asrem (Private) Limited on the basis of market values of similar properties. The fair value of plant and machinery is a level 3 recurring fair value measurement.

Fair value of land and building are based on assumptions considered to be level 2 in the fair value hierarchy due to significant observable inputs used in the valuation, while fair value of plant and machinery are considered to be level 3 in the fair value hierarchy due to significant unobservable inputs used in the valuation.

Valuation techniques used to derive level 2 fair values - Land and Building

Fair value of land and building has been derived using a sales comparison approach. Sale prices of comparable land and buildings in close proximity are adjusted for differences in key attributes such as location and size of the property. Moreover value of building also depends upon the type of construction, age and quality. The most significant input in this valuation approach is price / rate per square foot in particular locality. This valuation is considered to be level 2 in fair value hierarchy due to significant observable inputs used in the valuation.

Valuation techniques used to derive level 3 fair values - Plant and Machinery

In the absence of current prices in an active market, the fair value is determined by taking into account the following factors:

- Make, model, country of origin and etc.;
- Operational capacity;
- Present physical condition;
- Resale prospects; and
- Obsolescence.

The valuation is considered to be level 3 in the fair value hierarchy due to the above unobservable inputs used in the valuation. Most significant input in this valuation is the current replacement cost which is adjusted for factors above.

A reconciliation from opening balances to closing balances of fair value measurements categorised in level 3 is provided below:

	December 31, 2025 Rupees (Un-audited)	June 30, 2025 Rupees (Audited)
Opening balance (level 3 recurring fair values)	18,245,229	20,272,477
Depreciation charge	(912,261)	(2,027,248)
Closing balance (level 3 recurring fair values)	<u>17,332,968</u>	<u>18,245,229</u>

There were no transfers between levels 2 and 3 for recurring fair value measurements during the period.

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Had there been no revaluation, the net book value of the specific classes of operating assets would have been as follows:

	December 31, 2025 Rupees (Un-audited)	June 30, 2025 Rupees (Audited)
Freehold land	299,995	299,995
Buildings on freehold land	750,320	769,559
Plant and machinery	4,223,141	4,445,411

24 DISCLOSURE REQUIREMENT FOR COMPANIES NOT ENGAGED IN SHARIAH NON-PERMISSIBLE BUSINESS ACTIVITIES

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:

	December 31, 2025 Rupees (Un-audited)	December 31, 2024 Rupees (Un-audited)
Short term shariah compliant investments		
Investment in Mutual Fund - at fair value through profit or loss*	675,405	663,890
Shariah compliant bank balances		
Bank balances*	14,863,222	9,434,010
Shariah compliant revenue		
Revenue - net	494,540,425	544,166,814
Source and detailed breakup of other income		
Profit earned from shariah compliant bank balances		
Profit on bank balances	4,181	13,367
Shariah compliant		
Un-realised gain on investments at fair value through profit or loss	11,515	22,737
Others	5,353	42,373

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Relationship with sharia compliant financial institutions

Name	Relationship
Meezan Bank Limited	Bank balance
Faysal Bank Limited	Bank balance

*Comparative figures of balances are as at June 30, 2025.

25 CORRESPONDING FIGURES

Corresponding figures have been rearranged and reclassified, wherever necessary for the purposes of comparison and for better presentation. However, no significant reclassification has been made during the period.

26 DATE OF AUTHORISATION

These interim financial statements were authorised for issue on 25 FEB 2026 by the Board of Directors of the Company.

27 GENERAL

Figures have been rounded off to the nearest rupee.


CHIEF EXECUTIVE


DIRECTOR


CHIEF FINANCIAL OFFICER

