



ZEPHYR
TEXTILES LIMITED

Zephyr Textiles Limited

Accounts For the Half Year Ended
December 31, 2025

Contents

Company Information	02
Directors' Report	03
Independent Auditors' Review Report	05
Statement of Financial Position	06
Statement of Profit or Loss	07
Statement of Comprehensive Income	08
Statement of Cash Flow	09
Statement of Changes in Equity	10
Notes to the Financial Statements	11
Directors' Report in Urdu	29

Company Information

BOARD OF DIRECTORS:

Mr. Mussaid Hanif
Mr. Arbab Muhammad Khan
Mr. Sheikh Muhammad Iqbal
Ms. Tehniyat Mussaid
Ms. Sabah Burhan
Ms. Sarah Naviwala
Ms. Ayesha Naweed

CEO

Chairperson

AUDIT COMMITTEE:

Ms. Ayesha Naweed
Ms. Sarah Naviwala
Ms. Tehniyat Mussaid

Chairperson/Member
Member
Member

HR & REMUNERATION COMMITTEE:

Ms. Ayesha Naweed
Mr. Arbab Muhammad Khan
Ms. Sabah Burhan

Chairperson/Member
Member
Member

CHIEF FINANCIAL OFFICER:

Mr. Naveed Aleem

COMPANY SECRETARY:

Mr. Abdul Jabbar

AUDITORS:

BDO Ebrahim & Co. Chartered Accountants

LEGAL ADVISOR:

Khalid Law Associates
Office No. 42, 4th Floor
CM Center, 1- Mozang Road
Lahore-54000, Pakistan

BANKERS TO THE COMPANY:

Habib Bank Limited
United Bank Limited
Habib Metropolitan Bank Limited
Bank Al Habib Limited

National Bank of Pakistan
The Bank of Punjab
Meezan Bank Limited
Askari Bank Limited

MILLS:

1 km, Balloki Bhai Pheru Road (Weaving unit & Power plant)
Bhai Pheru.
Phone : 0494 - 512007-9, 513103-5
Fax : 0494 - 512011
63 km, Gulshan Adda, (Towel Unit)
Jumber Khurd, District Kasur.

REGISTERED & HEAD OFFICE:

3rd Floor, IEP Building,
97 B/D-I, Gulberg III, Lahore
E-mail: info@zephyr.com.pk
Website: www.zephyrtextiles.com
Phone : 042 35782905 - 15
Fax : 042 35753202

Note: Zephyr's Company Information & Financial Statements are also available at the above website.

Directors' Report to the members

The Directors of Zephyr Textiles Limited are pleased to present the Reviewed interim financial statements for the half year ended December 31, 2025. These interim financial statements are presented in accordance with the requirements of the Companies Act, 2017.

Operating Financial Results

The Company's performance during the period under review reflects a challenging economic environment, characterized by fluctuating demand and rising operational costs. A summary of the financial results is presented below:

Financial Highlights	Half year ended 31 December		Increase/ (Decrease) %	Quarter ended 31 December		Increase/ (Decrease) %
	2025 Rupees	2024 Rupees		2025 Rupees	2024 Rupees	
Sales – net	3,826,631,194	3,938,800,214	(2.85)%	1,864,703,343	1,760,541,139	5.92%
Gross profit	381,703,797	369,304,754	3.36%	148,001,528	159,483,265	(7.20)%
Profit / (loss) before tax and levy	9,991,165	(4,811,539)	(307.65)%	(21,299,228)	7,541,591	(382.57)%
Profit / (loss) after tax levy	(46,954,333)	(696,647)	6640.05%	(56,363,013)	34,676,361	(262.54)%
Gross profit (%)	9.97%	9.38%		7.94%	9.06%	
Profit / (loss) after tax (%)	(1.23)%	(0.02)%		(3.02)%	1.97%	

While net sales for the half-year saw a marginal decline of 2.85%, the second quarter showed a positive trend with a growth of 5.92% compared to the same period last year. This suggests a recovery in market demand toward the end of the calendar year. Despite lower overall revenue in the half-year, Gross Profit increased by 3.36%, with margins improving from 9.38% to 9.97%. This improvement is a testament to our cost-optimization strategies and better supply chain management. The Company successfully swung back to a Profit Before Tax of PKR 9.99 million for the half-year, compared to a loss in the previous year. However, the Loss After Tax widened significantly to PKR 46.95 million. This disparity is primarily driven by the impact of tax levies and deferred tax adjustments that heavily weighed down the net result.

The second quarter presented specific challenges. Although sales were higher, the Gross Profit margin for the quarter dipped to 7.94% (down from 9.06% in Q2 2024). Increased pressure on operating expenses and tax provisions resulted in a net loss of PKR 56.36 million for the quarter.

Current and Future Outlook

While the textile sector remains the backbone of Pakistan's economy, the outlook for the remainder of 2026 is characterized by a "transition to efficiency." The industry is moving away from a reliance on government subsidies toward a model driven by technological modernization and energy self-reliance. Further expected cuts in the policy rate should ease the interest burden on working capital as well.

The Company remains cautiously optimistic. By leveraging lower financing costs, investing in renewable energy, and focusing on high-margin value-added garments, we are well-positioned to navigate the "cost-of-doing-business" challenges of 2026 and deliver sustainable value to our shareholders. Also focusing to expand our footprint in non-traditional markets to mitigate the risk of a slowdown in primary export destinations.

Acknowledgement

The board places on record its profound gratitude for its esteemed shareholders, banks, financial institutions, customers and vendors, whose cooperation, continued support and patronage have empowered the Company to

make progress towards consistent improvement. During the period under review, relations between the management and employees remained cordial and we wish to put on record our appreciation for the dedication perseverance and steadiness of the employees of the Company.

For and on behalf of the Board of Directors

Mussaid

Mussaid Hanif
Chief Executive

Lahore
February 27, 2026



Arbab Muhammad Khan
Director

INDEPENDENT AUDITORS' REVIEW REPORT TO THE MEMBERS OF ZEPHYR TEXTILES LIMITED**Report on review of interim financial statements****Introduction**

We have reviewed the accompanying condensed interim statement of financial position of **ZEPHYR TEXTILES 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 condensed interim financial statements for the six-month period then ended (here-in-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 International Standard 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 condensed interim financial statements are not prepared, in all material respects, in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting.

Other Matter

Pursuant to the requirement of section 237 (1) (b) of the Companies Act, 2017, only cumulative figures for the half year, presented in the second quarter accounts, are subject to a limited scope review by the statutory auditors of the company. Accordingly, the figures of 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 resulting in this independent auditor's review report is Muhammad Imran.

LAHORE**DATED: FEBRUARY 27, 2026**
UDIN:RR202510131mN0ccqSBf**BDO EBRAHIM & CO.**
CHARTERED ACCOUNTANTS

ZEPHYR TEXTILES LIMITED
CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION (UNAUDITED)
AS AT DECEMBER 31, 2025

	December 31, 2025 (Unaudited) Rupees	June 30, 2025 (Audited) Rupees
ASSETS		
NON CURRENT ASSETS		
Property, plant and equipment		
Operating fixed assets	8 2,917,749,156	2,888,976,924
Right of use assets	9 364,390	459,448
Capital work in progress	10 641,453	18,048,239
	<u>2,918,754,999</u>	<u>2,907,484,611</u>
Intangible assets	149,939	299,878
Long term deposits	25,474,124	25,474,124
	<u>2,944,379,062</u>	<u>2,933,258,613</u>
CURRENT ASSETS		
Stores, spares and loose tools	304,168,432	230,424,873
Stock in trade	11 1,874,295,584	1,942,040,058
Loans and advances	12 113,762,614	66,992,300
Trade debts	13 784,540,741	961,464,521
Trade deposits and prepayments	36,824,328	25,314,615
Tax refunds due from Government	14 326,119,764	373,986,586
Taxation / levy-net	15 21,192,075	42,059,645
Other receivables	126,816,136	132,362,795
Short term investments	16 8,383,564	7,400,239
Cash and bank balances	17 37,897,823	27,409,493
	<u>3,634,001,061</u>	<u>3,809,455,125</u>
NON CURRENT ASSETS HELD FOR SALE		
Freehold land	18 30,275,000	30,275,000
TOTAL ASSETS	<u><u>6,608,655,123</u></u>	<u><u>6,772,988,738</u></u>
EQUITY AND LIABILITIES		
SHARE CAPITAL AND RESERVES		
Authorized share capital	19.1 625,000,000	625,000,000
Issued, subscribed and paid up capital	19.2 594,287,290	594,287,290
Surplus on revaluation of property, plant and equipment	20 362,710,427	373,283,383
Loan from sponsor	39,000,000	39,000,000
Accumulated profit	1,487,265,258	1,523,646,635
	<u>2,483,262,975</u>	<u>2,530,217,308</u>
NON CURRENT LIABILITIES		
Long term financing	21 120,463,218	44,722,309
Deferred liabilities	22 291,109,547	279,070,999
Deferred grant	1,090,732	1,390,684
	<u>412,663,497</u>	<u>325,183,992</u>
CURRENT LIABILITIES		
Trade and other payables	23 1,815,213,729	1,866,592,689
Contract liabilities	22,434,749	46,108,472
Mark-up accrued	24 11,964,803	19,806,465
Short term borrowings	25 1,823,548,123	1,972,919,250
Unclaimed dividend	829,907	829,907
Current portion of long term liabilities	26 38,737,340	11,330,655
	<u>3,712,728,651</u>	<u>3,917,587,438</u>
TOTAL EQUITY AND LIABILITIES	<u><u>6,608,655,123</u></u>	<u><u>6,772,988,738</u></u>
CONTINGENCIES AND COMMITMENTS	27	

The annexed notes from 1 to 44 form an integral part of these condensed interim financial statements.


CHIEF EXECUTIVE


DIRECTOR


CHIEF FINANCIAL OFFICER

ZEPHYR TEXTILES LIMITED
CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS (UNAUDITED)
FOR THE HALF YEAR ENDED DECEMBER 31, 2025

	Note	Half year ended		Quarter ended	
		December 31, 2025	December 31, 2024	December 31, 2025	December 31, 2024
		(Rupees)	(Rupees)	(Rupees)	(Rupees)
Sales - net	28	3,826,631,194	3,938,800,214	1,864,703,343	1,760,541,139
Cost of sales	29	<u>(3,444,927,397)</u>	<u>(3,569,495,460)</u>	<u>(1,716,701,815)</u>	<u>(1,601,057,874)</u>
Gross profit		381,703,797	369,304,754	148,001,528	159,483,265
Distribution cost	30	<u>(213,714,550)</u>	<u>(171,406,477)</u>	<u>(99,679,223)</u>	<u>(37,583,515)</u>
Administrative expenses		<u>(69,423,272)</u>	<u>(72,001,850)</u>	<u>(30,131,618)</u>	<u>(42,407,088)</u>
Other operating expense		<u>(7,927,086)</u>	<u>(14,572,582)</u>	<u>(4,745,802)</u>	<u>(3,335,226)</u>
Other income		<u>27,124,539</u>	<u>45,187,998</u>	<u>18,981,080</u>	<u>10,162,036</u>
		<u>(263,940,369)</u>	<u>(212,792,911)</u>	<u>(115,575,563)</u>	<u>(73,163,793)</u>
Operating profit		117,763,428	156,511,843	32,425,965	86,319,472
Finance costs	31	<u>(107,772,263)</u>	<u>(161,323,382)</u>	<u>(53,725,193)</u>	<u>(78,777,881)</u>
Profit / (loss) before taxation and levy		9,991,165	(4,811,539)	(21,299,228)	7,541,591
Levy	32	<u>(47,832,890)</u>	<u>(34,439,723)</u>	<u>(30,502,196)</u>	<u>(18,889,505)</u>
Loss before income tax		<u>(37,841,725)</u>	<u>(39,251,262)</u>	<u>(51,801,424)</u>	<u>(11,347,914)</u>
Taxation	33	<u>(9,112,608)</u>	<u>38,554,615</u>	<u>(4,561,589)</u>	<u>46,024,275</u>
(Loss) / profit after taxation		<u>(46,954,333)</u>	<u>(696,647)</u>	<u>(56,363,013)</u>	<u>34,676,361</u>
(Loss) / earnings per share - basic and diluted (Rupees)	34	<u>(0.79)</u>	<u>(0.01)</u>	<u>(0.95)</u>	<u>0.58</u>

The annexed notes from 1 to 44 form an integral part of these condensed interim financial statements.


 CHIEF EXECUTIVE


 DIRECTOR


 CHIEF FINANCIAL OFFICER

ZEPHYR TEXTILES LIMITED
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)
FOR THE HALF YEAR ENDED DECEMBER 31, 2025

	Half year ended		Quarter ended	
	December 31, 2025 (Rupees)	December 31, 2024 (Rupees)	December 31, 2025 (Rupees)	December 31, 2024 (Rupees)
(Loss) / profit for the period	(46,954,333)	(696,647)	(56,363,013)	34,676,361
Other comprehensive income for the period	-	-	-	-
Total comprehensive (loss) / income for the period	<u>(46,954,333)</u>	<u>(696,647)</u>	<u>(56,363,013)</u>	<u>34,676,361</u>

The annexed notes from 1 to 44 form an integral part of these condensed interim financial statements.


CHIEF EXECUTIVE


DIRECTOR


CHIEF FINANCIAL OFFICER

ZEPHYR TEXTILES LIMITED
CONDENSED INTERIM STATEMENT OF CASH FLOW (UNAUDITED)
FOR THE HALF YEAR ENDED DECEMBER 31, 2025

	Half year ended	
	December 31, 2025 (Rupees)	December 31, 2024 (Rupees)
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit / (loss) before taxation and levy	9,991,165	(4,811,539)
Adjustments for items not involving movement of funds:		
Depreciation - PPE and RoU	115,507,650	108,325,442
Amortization	149,939	604,086
Loss on sale of PPE	-	5,683,335
(Gain) on re-measurement of short term investments	(983,325)	(1,103,341)
Dividend income	-	(17,097)
Provision for staff gratuity	23,171,004	20,145,366
Allowance for ECL	-	4,202,220
Unwinding of discount	(372,667)	(445,382)
Financial charges	107,772,263	127,701,510
Net cash flow before working capital changes	255,236,029	260,284,600
(Increase) / decrease in current assets		
Stores, spares and loose tools	(55,695,320)	(82,370,474)
Stock in trade	67,744,474	(428,453,443)
Trade debts	171,569,024	42,417,752
Loans and advances	(46,770,314)	77,765,321
Trade deposits and prepayments	(11,509,713)	(49,446,222)
Tax refunds due from the Government	47,866,822	(164,594,979)
Other receivables	5,546,659	(4,917,843)
	178,751,632	(569,173,473)
Increase / (decrease) in current liabilities		
Trade and other payables	(51,378,960)	235,104,188
Contract liabilities	(23,673,723)	28,986,082
	(75,052,683)	264,090,270
Cash flows generated from operations	358,934,978	(44,798,603)
Income taxes paid	(21,192,075)	(30,388,278)
Gratuity paid	(20,245,064)	(14,096,198)
Financial charges paid	(116,032,414)	(125,137,481)
	(157,469,553)	(169,621,957)
Net cash generated from / (used in) operating activities	201,465,425	(214,420,560)
CASH FLOWS FROM INVESTING ACTIVITIES		
Additions to operating fixed assets - net	(48,464,299)	(49,739,453)
Additions to capital work in progress	(96,361,978)	(221,721,794)
Proceeds from sale of operating fixed assets	-	10,804,000
Dividend received	-	17,097
Long term deposits	-	(148,500)
Net cash used in investing activities	(144,826,277)	(260,788,650)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from short term financing - Net	(149,371,127)	486,158,425
Proceeds from short term investments - Net	-	40,426,415
Proceeds from long term financing - Net	103,220,309	(4,865,458)
Principal paid on lease liabilities	-	(15,533,910)
Net cash (used in) / generated from financing activities	(46,150,818)	506,185,472
Net (decrease) / increase in cash and cash equivalents	10,488,330	(9,450,153)
Unrealised (loss) / gain on cash and cash equivalent	(25,694)	(77,671)
Cash and cash equivalents at the beginning of the period	27,435,187	57,878,126
Cash and cash equivalents at the end of the period	37,897,823	48,350,302

The annexed notes from 1 to 44 form an integral part of these condensed interim financial statements.


CHIEF EXECUTIVE


DIRECTOR


CHIEF FINANCIAL OFFICER

ZEPHYR TEXTILES LIMITED
CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UNAUDITED)
FOR THE HALF YEAR ENDED DECEMBER 31, 2025

	Issued, subscribed and paid-up capital	Loan from sponsor	Surplus on revaluation of fixed assets	Accumulated profits	Total
	(Rupees)		(Rupees)	(Rupees)	(Rupees)
Balance as at July 01, 2024 - audited	594,287,290	-	486,755,448	1,493,865,963	2,574,908,701
Total comprehensive income for the period ended December 31, 2023	-	-	-	(696,647)	(696,647)
Profit for the period	-	-	-	(696,647)	(696,647)
Reversal of surplus on disposal of PPE - net of tax	-	-	(3,134,885)	3,134,885	-
Transfer of incremental depreciation from surplus on revaluation of fixed assets - net of tax	-	-	(25,177,695)	25,177,695	-
Balance as at December 31, 2024 - unaudited	594,287,290	-	458,442,868	1,521,481,896	2,574,212,054
Balance as at July 01, 2025 - audited	594,287,290	39,000,000	373,283,383	1,523,646,635	2,530,217,308
Total comprehensive income for the period ended December 31, 2025	-	-	-	(46,954,333)	(46,954,333)
Loss for the period	-	-	-	(46,954,333)	(46,954,333)
Transfer of incremental depreciation from surplus on revaluation of fixed assets - net of tax	-	-	(10,572,956)	10,572,956	-
Balance as at December 31, 2025 - unaudited	594,287,290	39,000,000	362,710,427	1,487,265,258	2,483,262,975

The annexed notes from 1 to 44 form an integral part of these condensed interim financial statements.


CHIEF EXECUTIVE


DIRECTOR


CHIEF FINANCIAL OFFICER

ZEPHYR TEXTILES LIMITED
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UNAUDITED)
FOR THE HALF YEAR ENDED DECEMBER 31, 2025

1 LEGAL STATUS AND NATURE OF BUSINESS

Zephyr Textiles Limited ("the Company") was incorporated in Pakistan on February 26, 1999 as a private limited Company under the Companies Ordinance, 1984 (now Companies Act, 2017). Subsequently on October 04, 2004 it was converted into a public limited Company and its shares are quoted on Pakistan Stock Exchange Limited (PSX). The Company is principally engaged in the manufacturing, dyeing and trading of woven cloth which also includes towels.

2 GEOGRAPHICAL LOCATION AND ADDRESSES OF BUSINESS UNITS

The registered office of the Company is situated at 3rd Floor, IEP Building, 97B/D-1, Gulberg III, Lahore, Punjab. The manufacturing facility of the Company is located as follows:

Manufacturing facilities	Office address
Weaving unit and power plant	1 KM, Balloki Bhai Pheru Road, Bhai Pheru.
Towel unit	63 KM, Gulshan Adda, Jamber Khurd, District Kasur.

3 BASIS OF PREPARATION

3.1 Statement of compliance

These condensed interim financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting. The accounting and reporting standards as applicable in Pakistan for interim financial reporting 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 the Institute of Chartered Accountants of Pakistan as notified under the Companies Act , 2017; and

Provisions of and directives issued under the Companies Act, 2017.

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

These condensed interim financial statements are unaudited but subject to the limited scope review by the auditors and is being submitted to the shareholders as required under section 237 of the Companies Act, 2017 and the listing regulations of the Pakistan Stock Exchange.

These condensed interim financial statements do not include all the information and disclosures required for full annual financial statements and should be read in conjunction with the annual financial statements of the Company as at and for the year ended June 30, 2025 which have been prepared in accordance with approved accounting standards as applicable in Pakistan. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Company's financial position and performance since the last annual financial statements.

The comparative statement of financial position presented in these condensed interim financial

statements have been extracted from the annual audited financial statements of the Company for the year ended June 30, 2025, whereas the comparative condensed interim statement of profit or loss, condensed interim statement of comprehensive income, condensed interim statement of cash flows and condensed interim statement of changes in equity are extracted from the unaudited condensed interim financial statements for the half year ended December 31, 2024.

3.2 Basis of measurement

These financial statements have been prepared under the historical cost convention except for staff retirement benefits - gratuity which is carried at present value of defined benefit obligation and certain items of property, plant and equipment at revalued amounts. In these financial statements, except for the amounts reflected in the statement of cash flows, all transactions have been accounted for on accrual basis.

3.3 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.

4 MATERIAL ACCOUNTING POLICY INFORMATION AND CHANGES THEREIN

The accounting policies and methods of computation adopted in the preparation of these condensed interim financial statements are consistent with those applied in the preparation of the annual audited financial statements of the company for the year ended June 30, 2025.

5 CHANGE IN ACCOUNTING STANDARDS, INTERPRETATIONS AND AMENDMENTS TO PUBLISHED ACCOUNTING AND REPORTING STANDARDS

5.1 Amendments to published accounting and reporting standards which became effective during the period:

Certain standards, amendments and interpretations to approved accounting standards are effective for accounting periods beginning on January 01, 2025, but are considered not to be relevant or did not have any significant effect on the Company's operations (although they may affect the accounting for future transactions and events) and are, therefore, not detailed in these condensed interim financial Statements

5.2 Standards, amendments and interpretations to existing standards that are not yet effective and have not been early adopted by the Company:

There are certain standards, amendments to the accounting standards and interpretations that are mandatory for the Company's accounting periods beginning on or after January 1, 2026, but are considered not to be relevant or expected to have any significant effect on the Company's operations and are, therefore, not detailed in these condensed interim financial statements except for the following;

The new standard - IFRS 18 Presentation and Disclosure in Financial Statements (IFRS 18 (published in April 2024) with applicability date of January 1, 2027 by IASB. IFRS 18 shall impact the presentation of 'Income Statement' with certain additional disclosures in the financial statements; and

Amendments to IFRS 9 'Financial Instruments' which clarify the date of recognition and derecognition of a financial asset or financial liability including settlement of liabilities through banking instruments

and channels including electronic transfers with effective date of January 1, 2026. The amendment when applied may impact the timing of recognition and derecognition of financial liabilities.

6 TAXATION

The provisions for taxation for the half year and quarter ended December 31, 2025, have been made using the estimated effective tax rate applicable to expected total annual earnings. The applicable income tax rate for the Tax Year 2025 is 29%. Income tax expense is recognized in each interim period based on best estimate of the weighted average annual income tax rate expected for the full financial year. Amounts accrued for income tax expense in one interim period may have to be adjusted in a subsequent interim period of that financial year if the estimate of the annual income tax rate changes.

7 ESTIMATES

The preparation of condensed interim financial statements requires management to make certain judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. The significant judgments made by management in applying the Company's accounting policies and key sources of estimation of uncertainty are the same as those that were applied to the financial statements for the year ended June 30, 2025.

	Note	December 31, 2025 (Unaudited) Rupees	June 30, 2025 (Audited) Rupees
8 OPERATING FIXED ASSETS			
Fixed assets	8.1	<u>2,917,749,156</u>	<u>2,888,976,924</u>
8.1 Fixed assets			
Opening net book value (NBV)		2,888,976,924	2,674,565,278
Additions (at cost) during the period / year	8.1.1	<u>144,184,824</u>	<u>489,929,952</u>
		3,033,161,748	3,164,495,230
Disposals (at NBV) during the period / year	8.1.2	-	(26,483,760)
Transferred to non current asset held for sale	18	-	(30,275,000)
Depreciation charged during the period / year		<u>(115,412,592)</u>	<u>(218,759,546)</u>
		(115,412,592)	(275,518,306)
Closing net book value (NBV)		<u>2,917,749,156</u>	<u>2,888,976,924</u>
8.1.1 Details of additions (at cost) during the period / year are as follows:			
Freehold land		-	-
Building		9,773,919	21,464,021
Plant and machinery		122,635,909	452,742,701
Furniture and fittings		-	1,020,589
Vehicles- including musharaka vehicles		10,295,546	7,781,069
Electrical installation		-	3,534,017
Office and IT equipments		1,479,450	3,387,555
		<u>144,184,824</u>	<u>489,929,952</u>

	Note	December 31, 2025 (Unaudited) Rupees	June 30, 2025 (Audited) Rupees
8.1.2	Details of disposals (at NBV) during the period / year are as follows:		
	Plant and machinery	-	26,186,352
	Vehicles	-	297,408
		<u>-</u>	<u>26,483,760</u>

8.1.3 Fair value measurement (revalued property, plant and equipment)

Fair value measurement of freehold land, building on freehold land and plant and machinery was based on the valuations carried out on June 30, 2023 by M/s Tristar International Consultant (Private) Limited an independent valuer not connected with the Company and is on the panel of Pakistan Bankers Association and possesses appropriate qualification and recent experience in the fair value measurements in the relevant locations.

8.1.4 Valuation techniques used to derive level 3 fair values

Valuations for buildings on freehold land and plant and machinery are based on the estimated gross replacement cost, depreciated to reflect the residual service potential of the assets taking account of the age, conditions and obsolescence. Land was valued on the basis of fair market value. The fair value measurement of the assets are categorized as Level 3.

9 RIGHT OF USE ASSETS

Opening net book value (NBV)		459,448	94,484,672
Additions (at cost) during the period / year		-	-
Transferred to operating fixed assets		-	(84,760,096)
Depreciation charge for the period / year		(95,058)	(9,265,128)
Closing net book value (NBV)	9.1	<u>364,390</u>	<u>459,448</u>

9.1 The Company has a lease contract with the National Highway Authority for the use of spun poles. Lease liability against this right-of-use asset has been paid off at the start of the contract.

10 CAPITAL WORK IN PROGRESS

Plant and machinery	10.1.1	641,453	18,048,239
Building	10.1.2	-	-
		<u>641,453</u>	<u>18,048,239</u>

10.1 Movement of carrying amount is as follows:

10.1.1 Plant and machinery

Opening balance at start of the period / year		18,048,239	55,038,714
Additions (at cost) during the period / year		86,588,059	243,474,593
Transferred to operating fixed assets during the period / year		(85,946,606)	(280,465,068)
Transferred to stores, spares and loose tools		(18,048,239)	-
Closing balance at the end of the period / year		<u>641,453</u>	<u>18,048,239</u>

	Note	December 31, 2025 (Unaudited) Rupees	June 30, 2025 (Audited) Rupees
10.1.2 Building			
Opening balance at start of the period / year		-	200,000
Additions (at cost) during the period / year		9,773,919	8,677,462
Transferred to operating fixed assets during the period / year		(9,773,919)	(8,877,462)
Closing balance at the end of the period / year		<u>-</u>	<u>-</u>
11 STOCK IN TRADE			
Raw material in hand		368,989,277	396,573,156
Work in process	29 & 11.4	113,582,472	99,644,757
Finished goods	11.1	1,402,795,422	1,456,893,732
Less: Provision for slow moving and obsolete stock	11.2	(11,071,587)	(11,071,587)
		<u>1,874,295,584</u>	<u>1,942,040,058</u>
11.1	It includes stock in transit amounting to Rs. 172.377 million (June 30, 2025: Rs. 212.421 million) which was still on the way to port at the period end.		
11.2	Provision for slow moving and obsolete stock :		
Opening balance		11,071,587	11,071,587
Provision made during the period / year		-	-
	11.3	<u>11,071,587</u>	<u>11,071,587</u>
11.3	This represents a provision created against doubtful stock which was placed for processing / sale at third-party premises, however, due to conflict the customer has confiscated the stock. The Company has filed a case against the customer. However, on prudence basis a provision has been made in the books of account.		
11.4	Stock in trade includes stocks amounting to Nil (June 30, 2025: Rs. 46.864 million) which is placed at third party premises for toll manufacturing or other processing purposes.		
11.5	Stock-in-trade up to a maximum amount of Rs. 1,689.859 million (June 30, 2025: Rs. 1,694.486 million) are under hypothecation of commercial banks as security for short term borrowings.		
12 LOANS AND ADVANCES			
Unsecured - considered good			
To employees	12.1	12,254,497	12,091,496
To suppliers		94,234,738	47,436,576
		<u>106,489,235</u>	<u>59,528,072</u>
Considered doubtful			
Suppliers		12,743,077	12,743,077
Less: Allowance for expected credit losses (ECL)	12.2	(12,743,077)	(12,743,077)
		<u>-</u>	<u>-</u>
Against letter of credits		7,273,379	7,464,228
		<u>113,762,614</u>	<u>66,992,300</u>
12.1	These advances are provided for general purposes in accordance with the terms of their employment, which is not past due. These advances are unsecured, interest free and payable on demand. This		

includes advances provided to employees to meet business expenses and are settled as and when the expenses are incurred. These advances do not carry any interest or mark-up.

	Note	December 31, 2025 (Unaudited) Rupees	June 30, 2025 (Audited) Rupees
12.2	Movement of allowance for ECL is as follows:		
	Balance at start of the period / year	12,743,077	10,322,242
	Allowance charge during the period / year	-	2,420,835
	Balance at the end of the period / year	<u>12,743,077</u>	<u>12,743,077</u>
13	TRADE DEBTS		
	Secured - Considered good - against letter of credit	598,584,125	595,947,650
	Unsecured		
	Considered good	185,956,616	365,516,871
	Considered doubtful	34,881,282	34,881,282
		<u>220,837,898</u>	<u>400,398,153</u>
		819,422,023	996,345,803
	Less: Allowance for expected credit losses (ECL)	13.1 (34,881,282)	(34,881,282)
		<u>784,540,741</u>	<u>961,464,521</u>
13.1	Movement of allowance for ECL is as follows:		
	Opening balance at start of the period / year	34,881,282	29,000,812
	Allowance charged during the period / year	-	5,880,470
	Closing balance at the end of the period / year	<u>34,881,282</u>	<u>34,881,282</u>
14	TAX REFUNDS DUE FROM GOVERNMENT		
	Sales tax refundable - net	355,545,586	445,472,053
	Less: Provision for sales tax refund due from government	14.1 (100,648,813)	(100,648,813)
		254,896,773	344,823,240
	Income tax refund	71,222,991	29,163,346
		<u>326,119,764</u>	<u>373,986,586</u>
14.1	Movement of provision is as follows:		
	Balance at start of the period / year	100,648,813	100,648,813
	Provision made during the period / year	14.2 -	-
	Balance at the end of the period / year	<u>100,648,813</u>	<u>100,648,813</u>
14.2	This represents a provision made against disallowed / deferred / missing claims / inputs which are not reconciled with the FBR system (Starr). The Company has processed and submitted manual claims and also planning to pursue the matter with FTO. However, on a prudence basis, a provision has been made for old outstanding balances.		

		December 31, 2025 (Unaudited) Rupees	June 30, 2025 (Audited) Rupees
15	TAXATION / LEVY-NET		
	Advance taxes and taxes withheld	69,024,965	145,553,031
	Adjustments for prior year	-	-
	Provision for the period / year	-	-
	Levy for the year	(47,832,890)	(103,493,386)
	Closing balance	<u>21,192,075</u>	<u>42,059,645</u>
16	SHORT TERM INVESTMENTS		
	Investment:		
	At fair value through profit or loss		
	Listed entities	411,893	281,473
	Mutual funds	2,971,671	2,118,766
	At amortised cost		
	Term deposits receipts	5,000,000	5,000,000
		<u>8,383,564</u>	<u>7,400,239</u>
16.1	This represents investment in Term Deposit Receipts (TDRs) with the Bank of Punjab, having a maturity period of less than one year and maturing on September 04, 2025. These carry mark-up at the rate 7.5% (June 30, 2025: 7.5%) per annum.		
17	CASH AND BANK BALANCES		
	Cash in hand	3,106,711	1,972,807
	Cheques in hand	4,986,181	7,252,748
	Cash at banks - local currency		
	Current accounts	5,964,970	4,917,219
	Cash at banks - foreign currency		
	Current accounts	21,119,248	11,232,837
	Saving accounts	2,720,713	2,033,882
		<u>37,897,823</u>	<u>27,409,493</u>
17.1	Cheques in hand has been subsequently deposited into bank accounts.		
17.2	Cash and bank balances includes foreign currency amounting to US\$ 0.081 (2025: US\$ 0.045) and EUR 0.0027 million (2025: EUR 0.0013).		
17.3	This carries mark up at the rate 2.54% (June 30, 2025: 2.57%) per annum.		
17.4	This includes balance in dormant bank accounts amounting to Rs. 2.073 million.		

	Note	December 31, 2025 (Unaudited) Rupees	June 30, 2025 (Audited) Rupees
18 NON CURRENT ASSETS HELD FOR SALE			
Freehold land		30,275,000	30,275,000
18.1 During the year, the Company entered into an agreement to sell a land area of 01 kanal 18 marla & 78 Sq. ft, with a carrying amount of Rs. 30.275 million. Based on this, the land has been classified as a non-current asset held for sale. The total sale value, as per the sale agreement, is Rs. 32.500 million which has been received by the company (disclosed in note 23 to these condensed interim financial statements). This land was previously under dispute, as disclosed in the financial statements for the year ended June 30, 2024. The sale process is ongoing, and management expects the transaction to be finalized in due course.			
19 SHARE CAPITAL			
19.1 Authorized share capital			
62,500,000 (June 30, 2025: 62,500,000) ordinary shares of Rs. 10/- each		625,000,000	625,000,000
19.2 Issued, subscribed and paid up share capital			
51,901,483 (June 30, 2025: 51,901,483) ordinary shares of Rs. 10/- each fully paid in cash		519,014,830	519,014,830
7,527,246 (June 30, 2025: 7,527,246) ordinary shares of Rs. 10/- each issued as fully paid bonus shares		75,272,460	75,272,460
		594,287,290	594,287,290
20 SURPLUS ON REVALUATION OF PROPERTY, PLANT AND EQUIPMENT			
Surplus arising on revaluation		467,305,178	482,196,665
Less: Related deferred tax liability	20.1	104,594,751	108,913,282
		362,710,427	373,283,383
20.1 Related deferred tax liability			
Opening balance at start of the period / year		108,913,282	36,736,931
Deferred tax impact for the period / year		-	-
Effect of rate change		-	84,152,108
Transfer to profit or loss on disposal of PPE		-	(1,737,628)
Incremental depreciation charged during the year transferred to profit and loss account		(4,318,531)	(10,238,129)
Closing balance at the end of the period / year		104,594,751	108,913,282

	Note	December 31, 2025 (Unaudited) Rupees	June 30, 2025 (Audited) Rupees
21	LONG TERM FINANCING		
	Secured:		
	Mark-up based financing from conventional banks:		
	Bank of Punjab L.T.F.F	33,770,301	37,148,247
	Bank of Punjab SBP Renewable energy scheme	21.1 16,635,515	18,195,742
	National Bank of Pakistan - Demand finance	21.4 100,000,000	-
		<u>150,405,816</u>	<u>55,343,989</u>
	Islamic mode of financing - Diminishing musharkah	21.2 8,158,482	-
		<u>158,564,298</u>	<u>55,343,989</u>
	Less: Current portion shown under current liabilities		
	Mark-up based financing from Conventional banks	(35,621,680)	(10,621,680)
	Islamic mode of financing	(2,479,400)	-
		<u>(38,101,080)</u>	<u>(10,621,680)</u>
		<u>120,463,218</u>	<u>44,722,309</u>
21.1	Opening balance at start of the period / year	18,195,742	21,207,124
	Repayments during the period / year	(1,932,894)	(3,865,788)
	Deferred grant recognized - period / year	21.3 -	-
	Unwinding of discount on liability	372,667	854,406
	Closing balance at the end of the period /	<u>16,635,515</u>	<u>18,195,742</u>
21.2	Opening balance at start of the period / year	-	-
	Disbursements during the period / year	21.5 8,535,600	-
	Repayments during the period / year	(377,034)	-
	Closing balance at the end of the period / year	<u>8,158,566</u>	<u>-</u>
21.3	The Company obtained a term finance facility under the 'SBP renewable energy scheme' introduced by the State Bank of Pakistan at the rate ranging of 6% from Bank of Punjab (BOP). ICAP issued the guidance for accounting of said financing through circular No. 11/2020 dated August 17, 2020 and based on that circular, referring to the requirement of IAS-20.		
21.4	This represents long term demand finance facility from National Bank of Pakistan aggregated to Rs. 100.00 million and carries markup of 1 month kibar rate plus 3%. This facility is secured against joint pari passu charge of Rs. 134 million over fixed assets of the company.		
21.5	Islamic mode of financing includes diminishing musharika facility obtained from First Punjab Mudaraba amounting to Rs. 8.535 million for purchase of vehicles. The facility is repayable in 36 monthly installments ending in October 2028. Profit is payable monthly and charged at the rate of three month's kibar plus 4.5%. The facility is secured against charge over present and future current and fixed assets of the Company. The title of asset is held jointly by the Company and the lender till the facility was fully repaid.		

		December 31, 2025 (Unaudited) Rupees	June 30, 2025 (Audited) Rupees
21.6	There is no material change in the terms and conditions of the long term financing - secured as disclosed in the annual audited financial statements as at and for the year ended June 30, 2025.		

22 DEFERRED LIABILITIES

Deferred tax liabilities	22.1	175,060,626	165,948,018
Staff retirement benefits	22.2	116,048,921	113,122,981
		<u>291,109,547</u>	<u>279,070,999</u>

22.1 Deferred tax liabilities

Taxable temporary differences

Tax depreciation allowances		121,591,040	106,728,985
Revaluation surplus	20.1	104,594,751	108,913,282
Right of use		105,673	133,240

Deductible temporary differences

Deferred tax related to actuarial gain		554,827	554,827
Provision for gratuity		33,654,187	32,250,838
Provision for doubtful debts (ECL)		10,115,572	10,115,572
Provision for doubtful advances		3,695,492	3,695,492
Provision for stocks		3,210,760	3,210,760
		<u>175,060,626</u>	<u>165,948,018</u>

22.1.1 Owing to uncertainty relating to future taxable profits, against which the Company can utilize its deferred tax asset, the Company has not recognized any deferred tax asset related minimum tax credits, taxable losses and other provisions amounting to Rs. 197.459 million (2025: Rs. 149.625 million). Expiry of minimum tax and taxable losses carried forward are as follows:

Expiry tax year	Nature		
2027	Minimum tax-2022	7,557,579	7,557,579
2027	Minimum tax-2024	14,468,311	14,468,311
2028	Minimum tax-2025	103,493,386	103,493,386
2029	Minimum tax-2026	47,832,890	-
		<u>173,352,166</u>	<u>125,519,276</u>

Expiry tax year	Nature		
2031	Business loss - 2025	83,128,634	83,128,634

22.2 Staff retirement benefits

Balance sheet liability at the beginning of the year	113,122,981	93,586,694
Amount recognized during the period / year	23,171,004	40,907,689
Amount paid during the period / year	(20,245,064)	(23,284,598)
Unrecognised actuarial (gain) / loss	-	1,913,196
Present value of defined benefit obligation	<u>116,048,921</u>	<u>113,122,981</u>

		December 31, 2025 (Unaudited) Rupees	June 30, 2025 (Audited) Rupees
23	TRADE AND OTHER PAYABLES		
	Creditors	1,075,679,810	1,151,918,544
	Accrued liabilities	269,202,781	264,069,451
	Pension fund payable	5,485,280	2,744,877
	Tax deduction at source	81,327,365	71,312,476
	Workers' Profit Participation Fund	101,916,933	95,720,944
	Workers' Welfare Fund	23,823,739	23,298,576
	Payable against purchase of land	23.1 184,339,686	186,589,686
	Gas infrastructure development cess payable	23.2 40,938,135	40,938,135
	Advance against sale of land	18 32,500,000	30,000,000
		<u>1,815,213,729</u>	<u>1,866,592,689</u>
23.1	Payable against purchase of land		
	To directors of the Company		
	Mussaid Hanif	140,323,978	140,323,978
	Arbab Muhammad Khan	38,304,326	40,554,326
	Sabah Burhan	5,711,382	5,711,382
		<u>184,339,686</u>	<u>186,589,686</u>
23.2	Pursuant to the order of Honorable Supreme Court of Pakistan in August, 2020 and its subsequent dismissal of review petition in November 2020, the Company is making accrual of levy as per GIDC monthly billing by Sui Northern Gas Pipeline Limited (SNGPL).		
	However, due to stay order granted by the High Court of the Sindh, the Company is not paying the levy. Due to non-payment of the levy, SNGPL is charging surcharge on unpaid amount. As of December 31, 2025, the surcharge charged to the Company is Rs. 221.747 million against which the Company is not making any accrual and is confident based on the advice of its legal counsel, that no liability will be raised to the Company relating to this surcharge.		
24	ACCRUED MARK-UP		
	Long term financing	1,204,652	776,087
	Short term borrowings	10,760,151	19,030,378
		<u>11,964,803</u>	<u>19,806,465</u>
25	SHORT TERM BORROWINGS		
	Secured		
	From banking companies and financial		
	Running finances	25.1 1,485,186,820	1,436,110,820
	Foreign bills discounted	25.2 227,698,254	420,775,488
	Temporary bank overdraft	25.3 110,663,049	116,032,942
		<u>1,823,548,123</u>	<u>1,972,919,250</u>
25.1	The Company has total credit facilities of Rs. 2,022 million (June 30, 2025: 2,022 million) at the period end. Whereas the Company has availed credit facilities of Rs. 1591.223 million (June 30, 2025: Rs.		

1,788.106 million) and unavailed credit facilities of Rs. 430.780 million (June 30, 2025: Rs. 233.894 million) at the period end. and carries mark-up ranging from one month KIBOR plus 1% to one months KIBOR plus 1.5% per annum and SBP plus 1% per annum on utilized limits. These facilities are secured against first pari passu charge and joint pari passu charge over present and future current assets of the Company.

25.2 This represents short term foreign bills discounting facility obtained from banks.

25.3 This represents temporary credit balances, which occurred due to outstanding cheques at the period end, issued in anticipation of deposits. This amount has been mostly adjusted subsequently.

	Note	December 31, 2025 (Unaudited) Rupees	June 30, 2025 (Audited) Rupees
26			
CURRENT PORTION OF LONG TERM LIABILITIES			
Current portion of deferred grant		636,260	708,975
Current portion of long term financing	21	38,101,080	10,621,680
		38,737,340	11,330,655

27 CONTINGENCIES AND COMMITMENTS

27.1 Contingent liabilities

27.1.1 There has been no significant change in the contingencies as compared to those disclosed in the audited annual financial statements of the Company for the year ended June 30, 2025.

27.1.2 Guarantees issued by various commercial banks, in respect of financial and operational obligations of the Company, to various institutions and corporate bodies aggregate to Rs. 49.976 million (June 30, 2025: Rs. 123.399 million).

27.2 Commitments

Commitments as on December 31, 2025 were as follows:

Contracts for capital expenditure are Rs. 72.021 million (June 30, 2025: Rs. 18.048 million).

Against letters of credit amounting to Rs. 68.193 million (June 30, 2025: Rs. 96.657 million).

Contracts against sale of Rs. 421.967 million (June 30, 2025: Rs. 958.871 million).

Commitments for lease payments has been made under the relevant note.

Foreign bills purchased by banks amounting to Rs. 227.698 million (June 30, 2025: Rs. 420.775 million).

----- (Unaudited) -----

	Half year ended		Quarter ended	
	December 31,		December 31,	
	2025	2024	2025	2024
	Rupees	Rupees	Rupees	Rupees
28 SALES				
Exports sales	2,967,994,501	2,797,181,215	1,441,037,276	1,241,348,325
Sales discount	(9,601,933)	(2,475,834)	(6,015,531)	(382,349)
	2,958,392,568	2,794,705,381	1,435,021,745	1,240,965,976
Local sales	982,261,665	1,318,658,469	489,909,116	601,419,489
Sales tax	(150,206,719)	(202,483,995)	(75,134,854)	(91,994,470)
Total sales	3,790,447,514	3,910,879,855	1,849,796,007	1,750,390,995
Export rebate	36,183,680	27,920,359	14,907,336	10,150,144
	3,826,631,194	3,938,800,214	1,864,703,343	1,760,541,139
29 COST OF SALES				
Raw materials consumed	1,638,709,229	2,235,264,371	652,630,595	934,817,785
Other overheads:				
Salaries, wages and other benefits	528,576,464	480,331,767	256,222,861	229,893,438
Freight	13,629,026	13,486,947	7,914,850	3,828,442
Loading and unloading	5,910,149	5,619,852	2,658,688	2,745,314
Store material consumed	480,725,244	559,110,283	204,468,963	261,388,594
Processing and conversion charges	153,402,756	74,668,808	75,914,147	37,685,139
Fuel and power	425,321,792	511,343,770	200,523,416	217,713,587
Insurance expense	6,176,652	6,345,099	2,077,065	3,122,181
Rent expense	575,000	600,000	300,000	300,000
Repair and maintenance	5,946,382	4,340,794	3,481,117	1,398,550
Vehicle running and maintenance	10,138,236	9,024,525	7,130,145	5,316,619
Communication charges	811,321	514,347	450,633	274,500
Travelling, conveyance and entertainment	7,118,480	6,869,843	3,781,536	3,494,123
Fee and subscription	4,298,306	3,936,432	3,176,790	2,802,135
Printing and stationary	319,010	315,977	161,370	113,485
Other manufacturing expense	6,632,743	1,913,173	4,206,635	994,096
Depreciation expense	105,955,990	98,710,671	48,237,244	50,739,742
Other expenses	10,520,022	13,026,702	10,520,022	13,022,362
	1,766,057,573	1,790,158,990	831,225,482	834,832,307
Opening work in process	99,644,757	131,348,823	107,699,877	105,438,745
Closing work in process	(113,582,472)	(117,406,800)	(113,582,472)	(117,406,800)
	(13,937,715)	13,942,023	(5,882,595)	(11,968,055)

----- (Unaudited) -----

	Half year ended		Quarter ended	
	December 31,		December 31,	
	2025	2024	2025	2024
	Rupees	Rupees	Rupees	Rupees
Cost of goods manufactured	3,390,829,087	4,039,365,384	1,477,973,482	1,757,682,037
Opening stock of finished goods	1,445,822,145	1,027,346,747	1,630,452,168	1,340,592,508
Closing stock of finished goods	(1,391,723,835)	(1,497,216,671)	(1,391,723,835)	(1,497,216,671)
	54,098,310	(469,869,924)	238,728,333	(156,624,163)
	<u>3,444,927,397</u>	<u>3,569,495,460</u>	<u>1,716,701,815</u>	<u>1,601,057,874</u>

30 DISTRIBUTION COST

This includes commission expense of Rs. 39.026 million (December 31, 2024: Rs. 0.06 million). The significant increase is due to a change in the terms of the contract with the customers.

31 FINANCE COSTS

Mark-up on long term loans	2,545,733	2,188,313	1,797,398	1,587,615
Mark-up on short term loans	68,973,248	121,645,951	34,298,179	58,657,507
Mark-up on delayed realization	6,444,741	910,096	3,134,361	633,462
Bank charges and commission	24,448,168	23,468,215	14,495,255	7,529,399
Mark-up on WPPF	5,360,373	8,203,722	-	7,152,243
Interest expense on lease	-	4,907,085	-	3,217,655
	<u>107,772,263</u>	<u>161,323,382</u>	<u>53,725,193</u>	<u>78,777,881</u>

32 LEVY

Final taxes	-	-	-	-
Minimum tax differentia	47,832,890	34,439,723	30,502,196	18,889,505
	<u>47,832,890</u>	<u>34,439,723</u>	<u>30,502,196</u>	<u>18,889,505</u>

33 TAXATION

Current				
-Current period	-	4,396,434	-	(3,073,226)
-Prior period	-	12,860,487	-	12,860,487
	-	<u>17,256,921</u>	-	<u>9,787,261</u>
Deferred				
-Current period	9,112,608	(55,811,536)	4,561,589	(55,811,536)
	<u>9,112,608</u>	<u>(38,554,615)</u>	<u>4,561,589</u>	<u>(46,024,275)</u>

34 (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:

(Loss) / profit after taxation - in Rs.	(46,954,333)	(696,647)	(56,363,013)	34,676,361
Weighted average number of ordinary shares	59,428,729	59,428,729	59,428,729	59,428,729
(Loss) / Earnings per share - basic and diluted - (Rs.)	(0.79)	(0.01)	(0.95)	0.58

35 TRANSACTIONS AND BALANCES WITH RELATED PARTIES

The related parties comprise of related staff retirement funds, directors and key management personnel. Transactions with related parties and remuneration and benefits to key management personnel under the terms of their employment are as follows:

Name of parties	Nature of relationship	Nature of transactions	Note	2025		2024	
				Transactions during the period	Closing balance	Transactions during the period	Closing balance
-----Rupees-----							
Directors/shareholders							
Mr. Mussaid Hanif	Chief Executive	Payable against land	23	-	140,323,978	-	140,323,978
		Addition of short term loan		-	-	33,000,000	-
		Short term borrowings		-	39,000,000	-	39,000,000
Mr. Arbab Muhammad Khan	Director	Payment against land	23	2,250,000	-	-	-
		Payable against land	23	-	38,304,326	-	40,554,326
Ms. Sabah Burhan	Director	Payable against land	23	-	5,711,382	-	5,711,382
Directors	CEO	Remuneration paid		1,500,000	-	1,500,000	-
Executives	Key management personnel	Remuneration paid		95,832,563	-	85,169,307	-
NAFA Pension fund - National Bank of Pakistan	Fund	Contribution made	23	15,257,034	5,485,280	13,244,632	2,744,877
		Contribution paid		(12,516,631)	-	(12,904,650)	-

35.1 Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the entity. The Company considers all members of its management team, including the Chief Executive Officer and the Directors to be key management personnel.

36 FAIR VALUE OF FINANCIAL INSTRUMENTS

The carrying values of all financial assets and liabilities reflected in the financial statements approximate their fair values. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i.e. an exit price) regardless of whether that price is directly observable or estimated using another valuation technique.

Underlying the definition of fair value is the presumption that the Company is a going concern and there is no intention or requirement to curtail materially the scale of its operations or to undertake a transaction on adverse terms.

A financial instrument is regarded as quoted in an active market if quoted price is readily and regularly available from an exchange dealer, broker, industry group, pricing service, or regulatory agency, and that price represents actual and regularly occurring market transactions on an arm's length basis.

IFRS 13 'Fair Value Measurement' requires the Company to classify fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

Quoted prices (unadjusted) in active markets for identical assets or liabilities that entity can access at measurement date (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)

Inputs for the asset or liability that are not based on observable market data (i.e. unobservable) inputs (Level 3)

Transfer between levels of the fair value hierarchy are recognised at the end of the reporting period during which the changes have occurred. However, there were no transfers between levels of fair value hierarchy during the year.

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

There is no change in the nature and corresponding hierarchies of fair value levels of financial instruments from those as disclosed in the financial statements of the Company for the year ended June 30, 2025.

37 FINANCIAL INSTRUMENTS BY CATEGORY

	Carrying value			Fair value				
	Financial assets at amortized cost	FVTPL - equity instrument	Financial liabilities at amortized cost	Total	Level 1	Level 2	Level 3	Total
On-Balance sheet financial instruments								
As at December 31, 2025								
Financial assets measured at fair value								
Investments classified as FVTPL	-	3,383,564	-	3,383,564	3,383,564	-	-	3,383,564
Financial assets at amortised cost								
Loan and advances	12,254,497	-	-	12,254,497	-	-	-	-
Long-term deposits	25,474,124	-	-	25,474,124	-	-	-	-
Trade debts	784,540,741	-	-	784,540,741	-	-	-	-
Trade deposits	7,975,998	-	-	7,975,998	-	-	-	-
Other receivables	126,816,136	-	-	126,816,136	-	-	-	-
Short term investments - secured	5,000,000	-	-	5,000,000	-	-	-	-
Cash and bank balances	37,897,823	-	-	37,897,823	-	-	-	-
	<u>999,959,319</u>	<u>3,383,564</u>	<u>-</u>	<u>1,003,342,883</u>	<u>3,383,564</u>	<u>-</u>	<u>-</u>	<u>3,383,564</u>
Financial liabilities at amortised cost								
Long term financing - secured	-	-	-	-	-	-	-	-
Trade and other payables	-	-	1,567,207,557	1,567,207,557	-	-	-	-
Accrued markup	-	-	11,964,803	11,964,803	-	-	-	-
Short-term borrowings - secured	-	-	1,823,548,123	1,823,548,123	-	-	-	-
Unclaimed dividend	-	-	829,907	829,907	-	-	-	-
	<u>-</u>	<u>-</u>	<u>3,403,550,390</u>	<u>3,403,550,390</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
As at June 30, 2025								
Financial assets measured at fair value								
Investments classified as FVTPL	-	2,400,239	-	2,400,239	2,400,239	-	-	2,400,239
Financial assets at amortised cost								
Loan and advances	66,992,300	-	-	66,992,300	-	-	-	-
Long-term deposits	25,474,124	-	-	25,474,124	-	-	-	-
Trade debts	961,464,521	-	-	961,464,521	-	-	-	-
Trade deposits	22,658,046	-	-	22,658,046	-	-	-	-
Other receivables	132,362,795	-	-	132,362,795	-	-	-	-
Short term investments - secured	5,000,000	-	-	5,000,000	-	-	-	-
Cash and bank balances	27,409,493	-	-	27,409,493	-	-	-	-
	<u>1,241,361,279</u>	<u>2,400,239</u>	<u>-</u>	<u>1,243,761,518</u>	<u>2,400,239</u>	<u>-</u>	<u>-</u>	<u>2,400,239</u>
Financial liabilities at amortised cost								
Long term financing - secured	-	-	55,343,989	55,343,989	-	-	-	-
Trade and other payables	-	-	1,643,515,816	1,643,515,816	-	-	-	-
Accrued markup	-	-	19,806,465	19,806,465	-	-	-	-
Short-term borrowings - secured	-	-	1,972,919,250	1,972,919,250	-	-	-	-
Unclaimed dividend	-	-	829,907	829,907	-	-	-	-
	<u>-</u>	<u>-</u>	<u>3,692,415,427</u>	<u>3,692,415,427</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

37.1 The Company has revalued certain fixed assets at fair value and classified under property, plant and equipment. The carrying value and level of fair value of these non - financial assets have been disclosed in the relevant note to the condensed interim financial statements.

38 FINANCIAL RISK MANAGEMENT

The Company's activities expose it to a variety of financial risks: market risk (including foreign exchange risk, interest rate risk and price risk), credit risk and liquidity risk.

There have been no significant changes in the risk management policies since the year end.

The condensed interim financial statements does not include all financial risk management information and disclosures required in the annual financial statements and should be read in conjunction with the Company's audited annual financial statements for the year ended June 30, 2025.

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

39 SUMMARY OF SIGNIFICANT TRANSACTIONS AND EVENTS AFFECTING THE COMPANY'S FINANCIAL POSITION AND PERFORMANCE

All other significant transactions and events that have affected the Company's financial position and performance during the period have been adequately disclosed in the notes to these financial statements.

-----**(Un-audited)**-----
Half year ended
December 31,
2025 **2024**
Rupees **Rupees**

40 SHARIAH COMPLIANCE DISCLOSURE

Description	Explanation		
Statement of financial position			
Assets:			
Short term investments	Shariah non-compliant	8,383,564	7,400,239
Bank balances	Shariah compliant	35,177,110	25,375,611
	Shariah non-compliant	2,720,713	2,033,882
Statement of financial position			
Liabilities:			
Islamic Financing	Shariah compliant	8,158,482	-
Conventional Financing	Shariah non-compliant	1,746,255,685	1,607,487,751
Statement of profit or loss			
Revenue	Shariah compliant	3,826,631,194	3,938,800,214
Sources and detailed breakup of other income:			

-----**(Un-audited)**-----
Half year ended
December 31,
2025 **2024**
Rupees **Rupees**

Description	Explanation		
Exchange gain earned	Shariah compliant	24,963,567	37,280,568
Unrealised gain on short term investment	Shariah non-compliant	983,325	775,865
Profit on bank deposits	Shariah non-compliant	21,147	60,046
Sources and detailed breakup of finance cost			
Finance cost	Shariah compliant	220,194	-
	Shariah non-compliant	124,744,360	39,229,938

Relationship with shariah compliant banks

Name	Relationship
United Bank Limited	Bank balance
Bank Islami	Bank balance

41 CORRESPONDING FIGURES

41.1 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 year.

41.2 In order to comply with the requirements of International Accounting Standard 34 - 'Interim Financial Reporting', corresponding figures in the condensed interim statement of financial position comprise of balances as per the audited annual financial statements of the Company for year ended June 30, 2025 and the corresponding figures in the condensed interim statement of profit or loss and the condensed interim comprehensive income, condensed interim statement of cash flows and condensed interim statement of changes in equity comprise of balances of comparable period as per the condensed interim financial statements of the Company for the half year ended December 31, 2024.

42 NON-ADJUSTING EVENTS AFTER THE BALANCE SHEET DATE

There are no significant reportable events after the condensed interim statement of financial position.

43 DATE OF AUTHORIZATION FOR ISSUE

This condensed interim financial statements were authorized for issue on February 27, 2026 by the Board of Directors of the Company.

44 GENERAL

Amounts have been rounded off to the nearest rupees unless otherwise stated.


CHIEF EXECUTIVE


DIRECTOR


CHIEF FINANCIAL OFFICER

اراکین کے نام ڈائریکٹرز کی رپورٹ

زیر یکساں ٹریڈنگ کے ڈائریکٹرز خوشی کے ساتھ 31 دسمبر 2025 کو ختم ہونے والی ششماہی مدت کے لیے جائزہ شدہ عبوری مالی بیانات پیش کر رہے ہیں۔ یہ عبوری مالی بیانات کمپنیز ایکٹ 2017 کے تقاضوں کے مطابق تیار کیے گئے ہیں۔

آپریٹنگ مالی نتائج

زیر جائزہ مدت کے دوران کمپنی کی کارکردگی ایک مشکل معاشی ماحول کی عکاسی کرتی ہے، جس میں طلب میں اتار چڑھاؤ اور آپریٹنگ اخراجات میں اضافہ شامل رہا۔ مالی نتائج کا خلاصہ ذیل میں پیش کیا جا رہا ہے:

مالیاتی جھلکیاں	اختتام نصف سال 31 دسمبر		اضافہ / (کمی) %	اختتام سرمایہ 31 دسمبر		اضافہ / (کمی) %
	2025 روپے	2024 روپے		2025 روپے	2024 روپے	
فروخت۔ خالص	3,826,631,194	3,938,800,214	(2.85)%	1,760,541,139	1,864,703,343	5.92%
مجموعی منافع	381,703,797	369,304,754	3.36%	159,483,265	148,001,528	(7.20)%
ٹیکس اور یوٹی سے پہلے منافع / (تقصان)	9,991,165	(4,811,539)	(307.65)%	7,541,591	(21,299,228)	(382.57)%
ٹیکس لیوی کے بعد منافع / (تقصان)	(46,954,333)	(696,647)	6640.05%	34,676,361	(56,363,013)	(262.54)%
مجموعی منافع %	9.97%	9.38%		7.94%	9.06%	
ٹیکس کے بعد منافع / نقصان %	1.23%	(0.02)%		(3.02)%	1.97%	

ششماہی مدت کے دوران خالص فروخت میں 2.85% کمی دیکھنے میں آئی، تاہم دوسرے سرمایہ میں گزشتہ سال کی اسی مدت کے مقابلے میں 5.92% اضافہ ایک مثبت رجحان کی نشاندہی کرتا ہے۔ یہ کیلنڈر سال کے اختتام کی جانب مارکیٹ میں طلب کی بحالی کو ظاہر کرتا ہے۔ ششماہی مدت کے دوران مجموعی آمدنی میں کمی کے باوجود، مجموعی منافع (Gross Profit) میں 3.36% اضافہ ہوا جبکہ منافع کا مارجن 9.38% سے بڑھ کر 9.97% ہو گیا۔ یہ بہتری ہماری لاگت میں کمی کی حکمت عملیوں اور بہتر سپلائی چین مینجمنٹ کا ثبوت ہے۔

کمپنی نے گزشتہ سال کے نقصان کے مقابلے میں اس ششماہی مدت کے دوران 9.99 ملین روپے قبل از ٹیکس منافع حاصل کیا۔ تاہم بعد از ٹیکس نقصان بڑھ کر 46.95 ملین روپے ہو گیا۔ اس فرق کی بنیادی وجہ ٹیکس عائدگیوں اور مؤخر شدہ ٹیکس ایڈجسٹمنٹس کا اثر ہے جس نے خالص نتائج کو نمایاں طور پر متاثر کیا۔

دوسری سرمایہ میں مخصوص تیلینجر کا سامنا رہا۔ اگرچہ فروخت میں اضافہ ہوا، لیکن اس سرمایہ کے دوران مجموعی منافع کا مارجن کم ہو کر 7.94% رہ گیا (جو کہ Q2 2024 میں 9.06% تھا)۔ آپریٹنگ اخراجات اور ٹیکس کی فراہمی پر بڑھتے ہوئے دباؤ کے باعث اس سرمایہ میں 56.36 ملین روپے کا خالص نقصان ہوا۔

موجودہ اور مستقبل کا منظر نامہ

اگرچہ ٹیکسٹائل سیکٹر پاکستان کی معیشت میں ریزہ کی بڑی حیثیت رکھتا ہے، تاہم 2026 کے بقیر عرصے کے لیے منظر نامہ "کارکردگی کی طرف منتقلی" سے عبارت ہے۔ صنعت اب حکومتی سبسڈی پر انحصار سے نکل کر ٹیکسٹائل کی جدیدیت اور توانائی میں خود کفالت پر مبنی ماڈل کی طرف بڑھ رہی ہے۔ پالیسی ریٹ میں متوقع مزید کمی و رنگنگ کپھیل پر سود کے بوجھ کو بھی کم کرے گی۔ کمپنی قحط امید کے ساتھ آگے بڑھ رہی ہے۔ کم مالیاتی لاگت سے فائدہ اٹھاتے ہوئے، قابل تجدید توانائی میں سرمایہ کاری اور زیادہ منافع بخش ویلیو ایڈیڈ لمبوسا پر توجہ کے ذریعے، ہم 2026 کے کاروباری اخراجات کے چیلنجز سے نمٹنے اور اپنے حصص یافتگان کو پائیدار قدر فراہم کرنے کے لیے بہتر پوزیشن میں ہیں۔ مزید برآں، بنیادی برآمدی منڈیوں میں ممکنہ سست روی کے خطرے کو کم کرنے کے لیے غیر روایتی منڈیوں میں اپنے دائرہ کار کو وسعت دینے پر بھی توجہ دی جا رہی ہے۔

اظہار تشکر

بورڈ اپنے معزز حصص یافتگان، بینکوں، مالیاتی اداروں، صارفین اور سپلائرز کا تہہ دل سے شکر گزار ہے جن کے تعاون، مسلسل حمایت اور سرپرستی نے کمپنی کو مسلسل بہتری کی جانب پیش رفت میں مدد فراہم کی۔ زیر جائزہ مدت کے دوران انتظامیہ اور ملازمین کے درمیان تعلقات خوشگوار رہے، اور ہم کمپنی کے ملازمین کی لگن، استقامت اور مستقل مزاجی کو سراہتے ہیں۔

بورڈ آف ڈائریکٹرز کی جانب سے



محترم ارباب محمد خان
ایگزیکٹو ڈائریکٹر



محترم مسعود حنیف
چیف ایگزیکٹو
لاہور

27 فروری 2026ء

www.jamapunji.pk



**Be aware, Be alert,
Be safe**

Learn about investing at
www.jamapunji.pk

Key features:

- 📄 Licensed Entities Verification
- 🔍 Scam meter*
- 🎮 Jamapunji games*
- 📊 Tax credit calculator*
- 🏢 Company Verification
- 📋 Insurance & Investment Checklist
- ❓ FAQs Answered

- 📈 Stock trading simulator (based on live feed from KSE)
- 📖 Knowledge center
- 📊 Risk profiler*
- 📄 Financial calculator
- 📧 Subscription to Alerts (event notifications, corporate and regulatory actions)
- 📱 Jamaapunji application for mobile device
- 🖥️ Online Quizzes



Jama Punji is an Investor Education Initiative of Securities and Exchange Commission of Pakistan

jamapunji.pk

@jamapunji_pk

*Mobile apps are also available for download for android and ios devices

BOOK POST

PRINTED MATTER

If undelivered please return to

ZEPHYR
TEXTILES LIMITED

Zephyr Textiles Limited
3rd Floor, IEP Building, 97-B/D-1, Gulberg III,
Lahore - Pakistan

T +92 42 3578 2905

F +92 42 3575 3202

E info@zephyr.com.pk