



of Companies

HALF YEARLY
ACCOUNTS 2025-2026
(UN - AUDITED)

UMER GROUP OF COMPANIES

FAISAL SPINNING MILLS LIMITED



Vision

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



Mission Statement

To become the leader of textile products globally and to achieve the epitome level of success.

INDEPENDENT AUDITORS' REVIEW REPORT TO THE MEMBERS OF FAISAL SPINNING MILLS LIMITED

REPORT ON REVIEW OF CONDENSED INTERIM FINANCIAL STATEMENTS

Introduction

We have reviewed the accompanying condensed interim statement of financial position of **Faisal Spinning Mills Limited** 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 financial statements for the six-month period then ended (herein-after referred to as the "interim financial statements"). Management is responsible for the preparation and fair 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 Statements 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 reporting standards as applicable in Pakistan for interim financial reporting.

Other Matter Paragraph

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 the limited scope review by the statutory auditors of the company. Accordingly, the figures of the condensed interim statement of profit or loss and condensed interim statement of other comprehensive income for the quarter ended December 31, 2025 and December 31, 2024 have not been reviewed, as we are required to review only the cumulative figures for the half year ended December 31, 2025.

The engagement partner on the review resulting in this independent auditor's review report is **Nouman Arshad, ACA**.

MUSHTAQ & CO.
Chartered Accountants

Lahore:

Date: February 26, 2026

UDIN: RR2025107244d3qJgUiF



Directors' Review

The directors of Faisal Spinning Mills Limited, are pleased to present the unaudited condensed interim financial statements for the half year ended December 31, 2025.

Significant Financial Performance for the Half Year Ended December 31, 2025

Loss after tax for the half year ended December 31, 2025 is PKR -358.179 million, compared to loss after tax of PKR -349.023 million in the corresponding period ending December 31, 2024.

Loss per share for the half year ended December 31, 2025 is PKR -35.82 while in December 31, 2024 loss per share was PKR -34.90.

Break-up value of the share as on December 31, 2025 is PKR 1,181.26 (June 30, 2025: PKR 1,217.08).

The current ratio as on December 31, 2025 is PKR 1.16 (June 30, 2025: PKR 1.19).

Economic Outlook

The company posted a loss after of PKR -358.179 million during the half year ended December 31, 2025 owing to the operating environment that continues to remain uncondusive for the textile sector. The impediments experienced in the previous year have persisted into FY 2026 as well .The situation is primarily attributable to adverse global and local environments. The international demand remains subdued due to regional conflicts and geopolitical uncertainties, which have led to economic slowdowns in key markets. On the domestic front, rising taxation measures and elevated energy costs have further strained the Company's margin.

The board remains committed to navigating these challenges with prudence and resilience, and continues to explore measures aimed at improving operational efficiency and strengthening the Company's long-term sustainability.

During the first half of fiscal year 2025-26, the country's exports reached Rs 4.27 trillion, showing a 7.78 percent decline compared to Rs 4.63 trillion during the same period last year reflecting slower growth. In December 2025 YoY basis exports declined by 21.44 percent, compared to December 2024 whereas on MoM basis December 2025 exports also dropped by 6.41 percent, compared to November 2025. The December 2025 marked the fifth straight monthly drop in exports and the steepest decline of in the first half of 2025-26.

Contrary to exports, the imports during the first half of fiscal year 2025-26 shows 13.12 percent increase compared to same period last year. Imports in December 2025 representing a 14.97 percent increase from November 2025 and a 4.44 percent rise over December 2024.

Considering the increase in imports and decrease in exports shows that the balance of payments remains vulnerable to shifts in internal and geopolitical conditions. The Pakistan's trade deficit surges 24 percent on year-to-year basis to US\$3.7 billion in December 2025 (December 2024: US\$ 2.99 billion) depicting Pakistan's external stability remains heavily dependent on remittances and official financing. The

continued export contraction is intensifying risks to Pakistan's external sector recovery, as rising imports threaten to erode the gains achieved through demand compression over the past two years.

Albeit, during the first six months of fiscal year July to December 2025, Pakistan textile exports enhanced by meagre 0.88 percent, compared to corresponding period of previous fiscal year 2024-25, the textile exports fell for the fifth consecutive month in December 2025, dropping 8.11 percent year-on-year compared to December 2024 and 4.9 percent on month-on-month basis from November 2025.

Pakistan's weakening export performance threatens not only external sector stability but also compels policymakers to restrain growth to avert another balance-of-payments crisis. The latest trade figures highlight a clear disconnect between short-term stabilization and long-term sustainability. While the economy has moved beyond crisis management, it has yet to shift toward an export-driven growth model. Without decisive energy, industrial, and trade reforms to strengthen competitiveness, the recovery will remain fragile and growth subdued.

The year 2026 may be defining moment for Pakistan's economy where the challenge is to turn hard-won stabilization into inclusive and accelerated growth. With GDP barely outpacing population for over a decade without structural reforms fragile stability risks slipping back into crisis.

CAPEX for Finishing Unit-III

The Company has undertaken capital expenditure in Finishing Unit-III, which is expected to generate significant synergies and enhance annual production capacity by approximately 7.2 million meters. Commercial production of the Stenter and Digital Printing have commenced in January 2026, while commercial production for the Washing Pocess is scheduled to begin in March 2026.

Acknowledgment

The Board highly appreciates the contribution of employees, bankers, corporate regulators, stakeholders and other government authorities for their continuous support.

On behalf of the Board



Bilal Sharif
(Chief Executive Officer)



Mohammad Salim
(Director)

February 26, 2026

Faisal Spinning Mills Limited

Condensed Interim Statement of Financial Position (Un-Audited) As at December 31, 2025

	Note	December 31, 2025	June 30, 2025		Note	December 31, 2025	June 30, 2025
		Un-Audited Rupees	Audited Rupees			Un-Audited Rupees	Audited Rupees
<u>EQUITY AND LIABILITIES</u>				<u>ASSETS</u>			
<u>SHARE CAPITAL AND RESERVES</u>				<u>NON CURRENT ASSETS</u>			
Authorized capital				Property, plant and equipment	6	12,124,138,520	11,828,411,406
12,000,000 (June 30, 2025: 12,000,000)				Long term investment	7	1,802,181,273	1,451,085,106
ordinary shares of PKR 10 each		120,000,000	120,000,000	Long term deposits		142,376,269	65,469,752
Issued, subscribed and paid up capital		100,000,000	100,000,000			14,068,696,062	13,344,966,264
Reserves		10,000,000,000	10,000,000,000				
Unappropriated profits		639,898,869	998,078,334				
Loans from directors and sponsors	4	1,072,718,600	1,072,718,600				
		11,812,617,469	12,170,796,934				
<u>NON CURRENT LIABILITIES</u>				<u>CURRENT ASSETS</u>			
Long term financing - secured		5,114,228,354	4,496,473,636	Stores, spare parts and loose tools		993,365,343	1,100,795,145
Employees retirement benefits		687,761,937	652,007,475	Stock in trade		15,911,548,494	17,084,391,848
Deferred taxation		212,293,451	215,879,026	Trade debts		4,809,287,980	3,936,725,759
Deferred government grant		47,802,638	57,185,685	Short term investments	8	619,896,043	-
		6,062,086,380	5,421,545,822	Loans and advances		210,350,819	637,255,041
<u>CURRENT LIABILITIES</u>				Trade deposits and prepayments		658,175,115	1,123,242,477
Trade and other payables		7,314,433,269	4,899,370,824	Other receivables		51,161,327	62,933,035
Unclaimed dividend		19,313,393	19,313,393	Advance income tax		1,040,699,509	848,101,283
Accrued markup / interest		251,061,125	273,839,815	Sales tax refundable		2,418,541,540	1,249,580,900
Short term borrowings - secured		14,819,237,686	16,170,545,665	Cash and bank balances		292,278,164	349,020,982
Current portion of non current liabilities		795,251,074	781,600,281			27,005,304,334	26,392,046,470
		23,199,296,547	22,144,669,978				
<u>CONTINGENCIES AND COMMITMENTS</u>							
	5						
TOTAL EQUITY AND LIABILITIES		41,074,000,396	39,737,012,734	TOTAL ASSETS		41,074,000,396	39,737,012,734

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


Chief Executive


Director


Chief Financial Officer

Faisal Spinning Mills Limited

Condensed Interim Statement of Profit or Loss (Un-Audited) 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		23,326,404,359	23,983,594,146	11,376,681,193	11,826,816,135
Cost of sales		(21,533,199,534)	(22,368,384,965)	(10,613,889,591)	(10,833,018,181)
Gross profit		1,793,204,825	1,615,209,181	762,791,602	993,797,954
Distribution cost		(786,868,387)	(777,835,117)	(397,926,199)	(363,874,394)
Administrative expenses		(271,218,172)	(278,020,190)	(118,209,205)	(137,529,034)
		(1,058,086,559)	(1,055,855,307)	(516,135,404)	(501,403,428)
Other income		68,538,985	84,014,775	43,421,117	42,196,264
		803,657,251	643,368,649	290,077,315	534,590,790
Other operating (expenses)/ reversal		-	-	2,675,246	-
Finance cost		(864,764,002)	(681,913,947)	(407,231,721)	(339,600,183)
		(864,764,002)	(681,913,947)	(404,556,475)	(339,600,183)
		(61,106,751)	(38,545,298)	(114,479,160)	194,990,607
Share of (loss)/ profit of associated undertaking		(23,903,833)	(27,406,313)	(14,962,400)	8,280,954
(Loss)/ Profit before levies and taxation		(85,010,584)	(65,951,611)	(129,441,560)	203,271,561
Levies	9.1	(276,754,456)	(287,188,928)	(138,806,820)	(144,127,085)
(Loss)/ Profit before taxation		(361,765,040)	(353,140,539)	(268,248,380)	59,144,476
Taxation	9.2	3,585,575	4,110,947	2,244,360	(1,242,143)
(Loss)/ Profit after taxation		(358,179,465)	(349,029,592)	(266,004,020)	57,902,333
(Loss)/ Profit per share - basic and diluted		(35.82)	(34.90)	(26.60)	5.79

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


Chief Executive


Director


Chief Financial Officer

Faisal Spinning Mills Limited

Condensed Interim Statement of Comprehensive Income (Un-Audited) For the Half Year Ended December 31, 2025

	Half Year Ended		Quarter Ended	
	December 31, 2025	December 31, 2024	December 31, 2025	December 31, 2024
	Rupees	Rupees	Rupees	Rupees
(Loss)/ Profit for the period after taxation	(358,179,465)	(349,029,592)	(266,004,020)	57,902,333
Other comprehensive income for the period	-	-	-	-
Total comprehensive (loss)/ Profit for the period	(358,179,465)	(349,029,592)	(266,004,020)	57,902,333

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



Chief Executive



Director



Chief Financial Officer

Faisal Spinning Mills Limited

Condensed Interim Statement of Changes in Equity (Un-Audited) For the Half Year Ended December 31, 2025

	Share Capital Share Capital	Capital Reserves	Revenue Reserves		Loans from Directors & Sponsors	Grand Total
			General Reserves	Unappropriated Profit		
Rupees						
Balance as at July 01, 2024 - Audited	100,000,000	24,150,000	9,975,850,000	1,312,047,267	1,072,718,600	12,484,765,867
Comprehensive loss						
Loss after taxation	-	-	-	(349,029,592)	-	(349,029,592)
Other comprehensive income	-	-	-	-	-	-
	-	-	-	(349,029,592)	-	(349,029,592)
Balance as at December 31, 2024- Un-Audited	100,000,000	24,150,000	9,975,850,000	963,017,675	1,072,718,600	12,135,736,275
Balance as at July 01, 2025 - Audited	100,000,000	24,150,000	9,975,850,000	998,078,334	1,072,718,600	12,170,796,934
Comprehensive loss						
Loss after taxation	-	-	-	(358,179,465)	-	(358,179,465)
Other comprehensive income	-	-	-	-	-	-
	-	-	-	(358,179,465)	-	(358,179,465)
Balance as at December 31, 2025- Un-Audited	100,000,000	24,150,000	9,975,850,000	639,898,869	1,072,718,600	11,812,617,469

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


Chief Executive


Director


Chief Financial Officer

Faisal Spinning Mills Limited

Condensed Interim Statement of Cash Flows (Un-Audited)

For the Half Year Ended December 31, 2025

	December 31, 2025 Rupees	December 31, 2024 Rupees
Cash flows from operating activities		
Profit / (loss) before levies & taxation	(85,010,584)	(65,951,611)
Adjustments for:		
Depreciation of property, plant and equipment	542,674,157	457,205,453
Share of Profit of associated undertaking	23,903,833	27,406,313
Doubtful debts recovered	(2,542,725)	(9,052,781)
Provision for employee benefits	94,500,000	82,200,000
Change in Fair Value of Mutual Funds	(3,896,043)	-
Gain on disposal of property, plant and equipment	(1,093,897)	(1,036,852)
Finance cost	864,764,002	681,913,947
	1,518,309,327	1,238,636,080
Operating cash flows before working capital changes	1,433,298,743	1,172,684,469
Changes in working capital		
Stores, spares and loose tools	107,429,802	(9,665,670)
Stock in trade	1,172,843,354	(1,161,104,302)
Trade debts	(870,019,496)	(487,521,554)
Loans and advances	426,904,222	(25,978,453)
Trade deposits	465,067,362	(531,625,162)
Other receivable	11,771,708	(15,717,968)
Sales tax refund	(1,168,960,640)	(200,650,940)
Trade and other payables	2,415,062,445	2,018,449,833
	2,560,098,757	(413,814,216)
Cash generated from operations	3,993,397,500	758,870,253
Finance cost paid	(887,542,692)	(663,877,220)
Employee benefit costs paid	(58,745,538)	(31,272,507)
Income taxes payments - net	(469,352,682)	(408,825,827)
Long term deposits	(76,906,517)	(548,597)
	(1,492,547,429)	(1,104,524,151)
Net cash generated from/ (used in) operating activities	A 2,500,850,071	(345,653,898)
Cash flows from investing activities		
Proceeds from disposal of property, plant and equipment	5,762,711	1,800,000
Addition in property plant and equipment	(843,070,085)	(1,328,052,457)
Short term investments	(616,000,000)	-
Long term investments	(375,000,000)	-
Net cash used in investing activities	B (1,828,307,374)	(1,326,252,457)
Cash flows from financing activities		
Proceed from long term financing	917,578,359	876,330,400
Repayment of long term financing	(295,555,895)	(385,805,709)
(Decrease) / increase in short term borrowings	(1,351,307,979)	996,812,921
Dividends paid	-	(98,957)
Net cash (used in)/ generated from financing activities	C (729,285,515)	1,487,238,655
Net decrease in cash and cash equivalents	A+B+C (56,742,818)	(184,667,700)
Cash and cash equivalent at the beginning of period	349,020,982	575,411,747
Cash and cash equivalent at the end of period	292,278,164	390,744,047

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



Chief Executive



Director



Chief Financial Officer

Notes to the Condensed Interim Financial Information (Un-Audited)**For the Half Year Ended December 31, 2025****1 THE COMPANY AND ITS OPERATIONS**

Faisal Spinning Mills Limited ('the Company') was incorporated on 31st January 1985 in Pakistan as a Public Limited Company under the Repealed Companies Ordinance, 1984 now the Companies Act, 2017 and is quoted on Pakistan Stock Exchange Limited. The Company is principally engaged in the manufacture and sale of yarn, greige fabric, dyed fabric and home textile product. The registered office of the Company is situated at Umer House, 23/1, Sector 23, S.M. Farooq Road, Korangi Industrial Area, Karachi. The production facilities are located at Nooriabad, District Dadu in the Province of Sindh and Ferozewattowan, District Sheikhupura in the Province of Punjab.

2 BASIS OF PREPARATION

This interim financial information is not audited and has been presented in condensed form and does not include all the information as is required to be provided in a full set of annual financial statements. This condensed interim financial information should be read in conjunction with the audited financial statements of the Company for the year ended June 30, 2025.

2.1 Statement of compliance

This condensed interim financial information has been prepared in accordance with the requirements of International Accounting Standard 34 - Interim Financial Reporting, and provisions of and directives issued under the Companies Act, 2017. In case where requirements differ, the provisions of and directives issued under the Companies Act, 2017 have been followed.

2.2 Basis of measurement

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

2.3 Judgments, estimates and assumptions

The preparation of financial information requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions and judgments are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the result of which forms the basis of making judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

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

2.4 Functional currency

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

3 MATERIAL ACCOUNTING POLICY INFORMATION

All accounting policies and methods of computation adopted in the preparation of these interim financial statements are the same as those applied in the preparation of preceding annual financial statements of the Company for the year ended June 30, 2025.

4 LOAN FROM DIRECTORS AND SPONSORS

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

	<i>Note</i>	December 31, 2025	June 30, 2025
		<i>Rupees</i>	<i>Rupees</i>
		<i>(Un-Audited)</i>	<i>(Audited)</i>
5 CONTINGENCIES AND COMMITMENTS			
There is no material change in contingencies and commitments as disclosed in annual financial statements for the year ended June 30, 2025 except following:			
5.1 Contingencies			
5.1.1 Bills Discounted		<u>5,488,596,679</u>	<u>5,044,654,531</u>
5.1.2 Share of contingencies of associated company - Blessed Textiles Limited:			
Bills discounted		<u>1,683,656,599</u>	<u>267,106,700</u>
		<u>1,683,656,599</u>	<u>267,106,700</u>

5.1.3 The Government of Pakistan levied Super Tax applicable from Tax Year 2022, in addition to the applicable corporate tax rate of 29%. The Company, along with other taxpayers, challenged the levy before the Sindh High Court, which decided the matter in favour of the petitioners. Subsequently, the Federal Board of Revenue filed an appeal before the Supreme Court of Pakistan, which directed the Company to deposit the disputed amount with the Nazir of the Court. Accordingly, the Company provided security equivalent to 100% of the disputed amount, of which 50% has been encashed and deposited with the Federal Board of Revenue.

Thereafter, vide short order dated 27 January 2026, passed in connected appeals including Transfer Case No. 340/ 2025, the Federal Constitutional Court upheld the constitutional validity of Super Tax through short order. The detailed judgment is still awaited. The Company is in the process of filing a Civil Review Petition against the said judgment.

In view of the above, the ultimate outcome of the matter and the resultant financial impact, if any, cannot presently be determined. Accordingly, no adjustment has been made in these financial statements in respect of this matter.

Notes to the Condensed Interim Financial Information (Un-Audited)
For the Half Year Ended December 31, 2025

	<i>Note</i>	December 31, 2025	June 30, 2025
		<i>Rupees</i>	<i>Rupees</i>
		<i>(Un-Audited)</i>	<i>(Audited)</i>
5.2 Commitments			
5.2.1 Letter of credit (for store, raw material and machinery)		<u>1,647,429,464</u>	<u>1,439,487,518</u>
5.2.2 Share of commitments of associated company - Blessed Textiles Limited:			
Letter of credit (for store, raw material and machinery)		<u>877,614,445</u>	<u>475,486,314</u>
		<u>877,614,445</u>	<u>475,486,314</u>
5.2.3 Commitments under ijarah contracts			
The aggregate amount of ujarah payments for ijarah financing and the period in which these payments will become due are as follows:			
- payments not later than one year		<u>24,858,082</u>	<u>29,176,716</u>
- payments later than one year		<u>31,262,428</u>	<u>51,644,307</u>
		<u>56,120,510</u>	<u>80,821,023</u>
5.2.4 Share of Commitments under ijarah contracts of its associated company Blessed Textiles Limited:			
- payments not later than one year		<u>10,055,914</u>	<u>9,693,525</u>
- payments later than one year and not later than five years		<u>16,764,195</u>	<u>21,452,006</u>
		<u>26,820,109</u>	<u>31,145,531</u>

	<i>Note</i>	December 31, 2025	June 30, 2025
		<i>Rupees</i>	<i>Rupees</i>
		<i>(Un-Audited)</i>	<i>(Audited)</i>
6 PROPERTY, PLANT AND EQUIPMENT			
Operating fixed assets	6.1	<u>10,105,701,465</u>	<u>10,651,558,893</u>
Capital work in progress		<u>2,018,437,055</u>	<u>1,176,852,513</u>
		<u>12,124,138,520</u>	<u>11,828,411,406</u>

	<i>Note</i>	December 31, 2025	June 30, 2025
		<i>Rupees</i>	<i>Rupees</i>
		<i>(Un-Audited)</i>	<i>(Audited)</i>
6.1 Operating fixed assets			
Net book value at the beginning of the period/year		<u>10,651,558,893</u>	<u>9,096,167,363</u>
Additions / transfers during the period/year			
Freehold land		-	-
Factory buildings lease hold		-	63,693,566
Factory buildings free hold		-	61,023,819
Plant and machinery		-	1,833,040,092
Electric installation		-	183,438,377
Factory equipment		-	2,046,400
Office equipment		-	(5,467,879)
Furniture and fixture		-	5,673,559
Equipment and other assets		-	260,497,105
Vehicles		<u>1,485,543</u>	<u>34,557,539</u>
		<u>1,485,543</u>	<u>2,438,502,578</u>
Net book value of assets disposed during the period/year		<u>(4,668,814)</u>	<u>(9,547,689)</u>
Depreciation for the period/year		<u>(542,674,157)</u>	<u>(873,563,359)</u>
Net book value at the end of the period/year		<u>10,105,701,465</u>	<u>10,651,558,893</u>
7 LONG TERM INVESTMENTS			
Investment in associate	7.1	<u>1,427,181,273</u>	<u>1,451,085,106</u>
Term finance certificates	7.2	<u>375,000,000</u>	-
		<u>1,802,181,273</u>	<u>1,451,085,106</u>

7.1 Investment in Associate

This represents 18.49% shares in Blessed Textiles Limited, an associated company (The Company). Investment has been accounted for using 'Equity Method' of accounting as per IAS - 28 Investments in Associates and Joint Ventures. The Company is incorporated in Pakistan as a Public Limited Company and is listed on Pakistan Stock Exchange Limited. The Company is primarily engaged in the manufacture and sale of yarn and woven fabric. The registered office of the Company is situated at Umer House, 23/1, Sector 23, S.M. Farooq Road, Korangi Industrial Area, Karachi. The manufacturing facility is located at 18 KM, Feroze Wattwan, Sheikhpura Road, District Sheikhpura in the Province of Punjab.

7.2 Term Finance Certificates

These represent investments in term finance certificates (TFCs). These TFCs carry coupon rate of 12.68%, payable semi annually and are redeemable at par in December 2047.

Notes to the Condensed Interim Financial Information (Un-Audited)
For the Half Year Ended December 31, 2025

	December 31, 2025		June 30, 2025		
	Rupees		Rupees		
	(Un-Audited)		(Audited)		
8	SHORT TERM INVESTMENT				
These represent investments in mutual funds. These, being held for trading, are required to be measured at fair value through profit or loss mandatorily. Accordingly, these have been classified as 'financial assets at fair value through profit or loss. Particulars of investments are as follows:					
Cost of investment	616,000,000		-		
Changes in fair value	3,896,043		-		
	619,896,043		-		
	Half Year Ended		Quarter Ended		
	December 31, 2025	December 31, 2024	December 31, 2025	December 31, 2024	
	Rupees	Rupees	Rupees	Rupees	
	(Un-Audited)	(Un-Audited)	(Un-Audited)	(Un-Audited)	
9	LEVIES & TAXES				
9.1	Levies				
	Revenue taxes	276,754,456	287,188,928	138,806,820	144,127,085
9.2	Taxation				
	Deferred taxation	(3,585,575)	(4,110,947)	(2,244,360)	1,242,143

Levies under Income Tax Ordinance, 2001 [‘the Ordinance’] have been recognized under section 113 and 154 of the Ordinance.

10 TRANSACTIONS AND BALANCES WITH RELATED PARTIES

Related parties from the Company's perspective comprise associated companies and key management personnel. Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, and include the Chief Executive and Directors of the Company.

Transactions with key management personnel are limited to payment of short term employee benefits only. The Company in the normal course of business carries out various transactions with associated companies and continues to have a policy whereby all such transactions are carried out on commercial terms and conditions which are equivalent to those prevailing in an arm's length transaction.

Names and details of transactions and balances with related parties are as under:

Name	Nature of relationship	Shareholding in the Company
Bhanero Textiles Mills Limited	Common directorship	N/A
Blessed Textiles Limited	Common directorship	18.49%
Bhanero Energy Limited	Common directorship	N/A
Admiral (Private) Limited	Directors' close family member	N/A
Mohammad Salim	Director	0.29%
Yasmeen Begum	Directors' close family member	2.39%
Khurram Salim	Director	2.00%
Farrukh Salim	Directors' close family member	1.37%
Yousaf Salim	Directors' close family member	3.13%
Saqib Salim	Directors' close family member	1.99%
Muhammad Umer	Directors' close family member	0.97%
Yahya Farrukh	Directors' close family member	2.74%
Amna Khurram	Directors' close family member	1.10%
Saba Yousaf	Directors' close family member	0.98%
Saba Saqib	Directors' close family member	2.12%
Bilal Sharif	Director / Chief executive	3.64%
Samia Bilal	Directors' close family member	5.34%
Abdullah Bilal	Directors' close family member	3.37%
Ali Bilal	Directors' close family member	3.37%
Azan Bilal	Directors' close family member	3.37%
Mohammad Shaheen	Director	0.33%
Mohammad Amin	Director	4.09%
Seema Shaheen	Directors' close family member	1.58%
Mohammad Qasim	Directors' close family member	6.24%
Fatima Amin	Directors' close family member	4.51%
Sumbul Qasim	Directors' close family member	2.36%
Mohammad Shakeel	Directors' close family member	0.48%
Nazli Shakeel	Directors' close family member	4.29%
Adil Shakeel	Directors' close family member	4.77%
Faisal Shakeel	Directors' close family member	4.77%
Hamza Shakeel	Director	4.77%

	Half Year Ended		Quarter Ended	
	December 31, 2025	December 31, 2024	December 31, 2025	December 31, 2024
	Rupees	Rupees	Rupees	Rupees
	(Un-Audited)	(Un-Audited)	(Un-Audited)	(Un-Audited)
10.1 Transactions with related parties				
Nature of transaction				
Purchases	2,843,934,275	3,569,047,493	1,281,789,657	1,595,880,514
Sales	169,533,893	294,874,657	107,657,624	72,086,493
Services received	309,000	309,000	154,500	154,500
Purchase of electricity	3,985,961	33,264,772	172,716	4,498,562
Remuneration to key management personnel	4,800,000	4,800,000	2,400,000	2,400,000
Balance with related party	20,000	20,000	20,000	20,000

11 SEGMENT REPORTING

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

Reportable segment	Principal activity
Spinning	Manufacture and sale of yarn
Weaving	Manufacture and sale of woven fabric
Finishing / Home Textile	Manufacture and sale of dyed and stitched fabric

Information about operating segments as at December 31, 2025 is as follows:

	Half Year ended (Un-Audited)			
	December 31, 2025			
	Spinning	Weaving	Finishing / Home Textile	Total
	Rupees	Rupees	Rupees	Rupees
Revenue from external customers	9,052,411,407	6,230,836,052	8,043,156,900	23,326,404,359
Inter-segment transfers	-	31,139,845	44,773,085	75,912,930
Segment results	62,894,351	378,300,870	362,462,030	803,657,251
Other operating expenses				-
Finance cost				(864,764,002)
Share of loss of associated undertaking				(23,903,833)
				(85,010,584)
	Half Year ended (Un-Audited)			
	December 31, 2024			
	Spinning	Weaving	Finishing / Home Textile	Total
	Rupees	Rupees	Rupees	Rupees
Revenue from external customers	8,502,995,129	7,044,722,191	8,435,876,826	23,983,594,146
Inter-segment transfers	112,811,250	6,848,481	52,669,200	119,659,731
Segment results	226,230,114	330,917,742	86,220,793	643,368,649
Other operating expenses				-
Finance cost				(681,913,947)
Share of profit of associated undertaking				(27,406,313)
				(65,951,611)

	As at December 31, 2025 (Un-Audited)				
	Spinning	Weaving	Finishing / Home Textile	Un-allocated	Total
	Rupees	Rupees	Rupees	Rupees	Rupees
	15,142,140,181	7,191,616,479	16,367,378,111	2,372,865,625	41,074,000,396

	As at June 30, 2025 (Audited)				
	Spinning	Weaving	Finishing / Home Textile	Un-allocated	Total
	Rupees	Rupees	Rupees	Rupees	Rupees
	13,833,860,207	6,585,267,399	14,595,256,661	4,722,628,467	39,737,012,734

	As at December 31, 2025 (Un-Audited)				
	Spinning	Weaving	Finishing / Home Textile	Un-allocated	Total
	Rupees	Rupees	Rupees	Rupees	Rupees
	9,513,128,892	2,929,010,238	15,127,515,097	1,691,728,700	29,261,382,927

	As at June 30, 2025 (Audited)				
	Spinning	Weaving	Finishing / Home Textile	Un-allocated	Total
	Rupees	Rupees	Rupees	Rupees	Rupees
	9,835,335,797	2,854,115,472	13,255,411,199	1,621,353,332	27,566,215,800

	Note	December 31, 2025	June 30, 2025
		Rupees (Un-Audited)	Rupees (Audited)
12 SHARIAH COMPLIANCE DISCLOSURE			
Statement of Financial Position			
<i>Liabilities</i>			
Long term financing-islamic mode		133,314,716	49,439,412
Short term financing-islamic mode		6,186,906,228	3,469,337,458
Accrued Markup-Islamic Financing		123,141,423	98,340,390
Accrued Markup-Conventional		127,919,702	175,499,425
<i>Assets</i>			
Sharia-Compliant bank deposits, bank balances		4,636,685	22,647,071
Sharia-Compliant TDR		159,200,000	129,200,000
Sharia-Compliant BAF Mutual Funds (Islamic)		616,000,000	-
		December 31, 2025	December 31, 2024
		Rupees (Un-Audited)	Rupees (Un-Audited)
Statement of Profit or Loss			
Profit earned from Sharia-Compliant bank deposits, bank balances		-	-
Profit earned from Sharia-Compliant TDR		5,611,156	-
Profit Accrued Sharia-Compliant TDR and subsequent received		-	11,886,400
Exchange gain earned from actual currency		92,338,312	(11,062,294)
Markup paid on islamic mode of financing		211,587,148	164,701,440
Markup paid on Conventional mode		556,487,983	403,194,361
Interest earned on any conventional advance		-	-
Breakup of income			
Non-Compliant Income			
Profit on saving accounts		-	-
Profit on term deposit receipts		54,259,932	3,604,830

12.1 Relationship with Shariah-compliant financial institutions, including banks, takaful operators and their windows, etc

Name	Relationship
Askari bank limited	Bank balance and short term borrowing
Bank Islamic Pakistan Limited	Bank balance, long term financing and short term borrowing
Meezan Bank Limited	Bank balance and short term borrowing
Al-Baraka Bank	Bank balance
United Bank Limited	Long term financing and short term borrowing
Dubai Islamic Bank	Bank balance and long term financing
Habib Metropolitan Bank Limited	Bank Balance

13 EVENTS AFTER THE REPORTING PERIOD

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

14 RECOVERABLE AMOUNTS AND IMPAIRMENT

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

15 DATE OF AUTHORIZATION FOR ISSUE

This condensed interim financial information have been approved by the Board of Directors of the Company and authorized for issue on February 26, 2026.

16 GENERAL

16.1 There are no other significant activities since June 30, 2025 affecting the interim financial information.

16.2 Figures have been rounded off to the nearest Rupee.



Chief Executive



Director



Chief Financial Officer