



**3rd Quarterly Report
March 31, 2026**



SHAHZAD TEXTILE MILLS LIMITED

Certificate PK24/00000104

The management system of

Shahzad Textile Mills Limited



Head Office: 19-A, Off Zafar Ali Road, Gulberg - V, Lahore, Pakistan

has been assessed and certified as meeting the requirements of
ISO 9001:2015

For the following activities

Manufacturing and export of 100% cotton, blended, pure synthetic, combed, carded and Double yarn

This certificate is valid from 09 May 2024 until 09 May 2027 and remains valid subject to satisfactory surveillance audits.

Issue 1. Certified since 09 May 2024

Certified activities performed by additional sites are listed on subsequent pages.



Authorised by

Jonathan Hall
Global Head - Certification
Services

SGS United Kingdom Ltd
Rossmore Business Park, Ellesmere Port, Cheshire, CH65 3EN, UK
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Page 1 / 2

Certificate PK24/00000104, continued
Shahzad Textile Mills Limited



ISO 9001:2015

Issue 1

Sites

Shahzad Textile Mills Limited

Head Office: 19-A, Off Zafar Ali Road, Gulberg - V, Lahore, Pakistan

Manufacturing and export of 100% cotton, blended, pure synthetic, combed, carded and Double yarn

Shahzad Textile Mills Limited

Site 01 : 34th Km, Sheikhpura Road, Sheikhpura, Pakistan

Manufacturing and export of 100% cotton, blended, pure synthetic, combed, carded and Double yarn

Shahzad Textile Mills Limited

Site 02 : 7th Km Sheikhpura-Faisalabad Road, Sheikhpura, Pakistan

Manufacturing and export of 100% cotton, blended, pure synthetic, combed, carded and Double yarn



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CERTIFICATE

TÜV
AUSTRIA

Management system as per ISO 45001:2018

In accordance with TÜV AUSTRIA CERT procedures, it is hereby certified that

Shahzad Textile Mills Limited (Socks Division)

34 – KM, Lahore – Shekhupura Road, Shekhupura, Pakistan.

applies a management system in line with the above standard for the following scope

Manufacturing of Socks

Certificate Registration No. 20116233016371

Valid until 2026-03-15

Initial certification: 2020-03-16

Certification Body
at TÜV AUSTRIA CERT GMBH

Vienna, 2023-03-17

This certification was conducted in accordance with TÜV AUSTRIA CERT auditing and certification procedures and is subject to regular surveillance audits.

TÜV AUSTRIA CERT GMBH Deutschstraße 10 A-1230 Wien www.tuv.at



Online verification



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CERTIFICATE



ZERTIFIKAT | CERTIFICATE | CERTIFICADO | СЕРТИФИКАТ | 证书 | 인증서

Management system as per EN ISO 14001:2015

In accordance with TÜV AUSTRIA CERT procedures, it is hereby certified that

Shahzad Textile Mills Limited (Socks Division)

34 – KM, Lahore – Sheikhpura Road, Sheikhpura, Pakistan.

applies a management system in line with the above standard for the following scope

Manufacturing of Socks

Certificate Registration No. 20104233016370

Valid until 2026-03-15
Initial certification: 2020-03-16

Certification Body
at TÜV AUSTRIA CERT GMBH

Vienna, 2023-03-17

This certification was conducted in accordance with TÜV AUSTRIA CERT auditing and certification procedures and is subject to regular surveillance audits.

TÜV AUSTRIA CERT GMBH Deutschstraße 10 A-1230 Wien www.tuv.at



Online Verification



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Contents

Company Information	1
Directors' Report (English)	2
Directors' Report (Urdu)	3
Statement of Financial Position	4
Statement of Profit or Loss	5
Statement of Comprehensive Income	6
Statement of Changes in Equity	7
Statement of Cash Flow	8
Notes to and Forming Parts of the Financial Statements	9-14

COMPANY INFORMATION

Board of Directors

Mian Parvez Aslam	Chairman
Mr. Imran Aslam	Chief Executive Officer
Mr. Irfan Aslam	
Mr. Danish Aslam	
Syed Raza Ali Bokhari	
Dr. Ali Raza Khan	
Mrs. Nazish Imran	

Chief Financial Officer

Syed Imran Haider

Company Secretary

Mr. Muhammad Amjad Tayyab

Auditors

Crowe Hussain Chaudhury & Co.
Chartered Accountants

Audit Committee

Syed Raza Ali Bokhari	Chairman
Mian Parvez Aslam	Member
Mr. Irfan Aslam	Member

Human Resources & Remuneration Committee

Dr. Ali Raza Khan	Chairman
Mr. Danish Aslam	Member
Mrs. Nazish Imran	Member

Bankers

Habib Metropolitan Bank Ltd
JS Bank Limited
Meezan Bank Limited
Soneri Bank Limited

Share Registrar

Corplinks (Pvt) Limited
Wings Arcade 1-K, Commercial
Model Town, Lahore.
Tel: 042-3561714, 3589182, 35916719

Registered Office

Tricon Corporate Center, Office No.
701, 7th Floor. 73-E, Main Jail Road,
Gulberg-II, Lahore.

Ph: +92(042)36407340-41

E-mail: info@shahzadtex.com

Web: www.shahzadtex.com

Mills

Unit # 1, 4 & Socks Hosiery Unit
34th KM Lahore Sheikhpura
Raod, Sheikhpura.

Unit # 2

7th KM Sheikhpura Faisalabad
Road, Sheikhpura.

Directors' Report

The Board of Directors of M/s Shahzad Textile Mills Limited is pleased to present the Company's unaudited financial statements for the third quarter and nine months ended March 31, 2026.

During the period under review, the Company recorded net sales of Rs. 9,441 million, as compared to Rs. 8,528 million in the corresponding period last year, reflecting a steady growth.

The profit after tax stood at Rs. 208.146 million as against Rs. 62.852 million in the same period last year. This significant improvement is primarily attributable to enhanced operational efficiency, better cost management, and a focused marketing strategy.

Earnings per share (EPS) for the period was Rs. 11.58 as compared to Rs. 3.50 in the corresponding period of the previous year.

The textile spinning sector in Pakistan, as part of the broader subcontinent region, continued to operate under challenging conditions during the third quarter of FY 2026. While regional competitors such as India and Bangladesh maintained relatively stable export momentum, Pakistan's industry faced pressure due to elevated energy tariffs, which increased production costs and affected international competitiveness.

The sector was further affected by geopolitical tensions in the region, which disrupted regional trade flows, increased freight costs, and contributed to volatility in energy prices. Given Pakistan's reliance on imported energy, higher fuel and electricity costs significantly increased manufacturing cost.

Additionally, fluctuations in raw material prices and destabilization due to war in Gulf region, created further uncertainty. Despite these challenges, the sector demonstrated resilience, however, sustained regional stability remains essential for long-term growth.

Future Outlook

The outlook for Pakistan's textile spinning industry remains cautiously optimistic, supported by expectation of government measures aimed at ensuring competitive energy tariffs, improved energy supply, and facilitating exports.

Lower interest rates and relative exchange rate stability are expected to improve liquidity and support expansion. The industry is also likely to benefit from a gradual recovery in global demand, together with increased focus on value-added products and market diversification.

Nevertheless, elevated energy costs, raw material price volatility, and geopolitical uncertainties may continue to pose challenges. The Company will, therefore, remain focused on operational efficiency, prudent cost management, and market expansion in order to sustain growth.

Acknowledgement

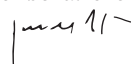
The Board extends its sincere appreciation to the Company's valued customers, banking partners, regulators, and shareholders for their continued trust and support.

The Board also acknowledges the dedication and commitment of its employees, whose efforts remain instrumental in the Company's improved performance.



Irfan Aslam
Director

For and on behalf of the Board



Imran Aslam
Chief Executive

Lahore
April 24, 2026

ڈائریکٹرز رپورٹ

میسرز میں شہزاد ٹیکسٹائل ملز لمیٹڈ کے بورڈ آف ڈائریکٹرز 31 مارچ 2026 کو ختم ہونے والی تیسری سہ ماہی اور نو ماہ کے کمپنی کے غیر آڈٹ شدہ مالیاتی گوشوارے پیش کرتے ہوئے خوشی محسوس کر رہے ہیں۔ زیر نظر مدت کے دوران، کمپنی نے 9,441 ملین روپے کی خالص فروخت ریکارڈ کی، جبکہ گزشتہ سال کی اسی مدت میں یہ 8,528 ملین روپے تھی، جو کہ مسلسل ترقی کی عکاسی کرتی ہے۔ ٹیکس کے بعد منافع 208.146 ملین روپے رہا جبکہ گزشتہ سال کی اسی مدت میں یہ 62.852 ملین روپے تھا۔ یہ نمایاں بہتری بنیادی طور پر بہتر آپریشنل کارکردگی، اخراجات کے بہتر انتظام اور توجہ مرکوز مارکیٹنگ کی حکمت عملی کی مرہون بنتا ہے۔ اس مدت کے لیے فی حصص آمدنی (EPS) 11.58 روپے رہی، جبکہ گزشتہ سال کی اسی مدت میں یہ 3.50 روپے تھی۔

وسیع تر برصغیر کے خطے کے حصے کے طور پر، پاکستان میں ٹیکسٹائل اسپننگ کے شعبے نے مالی سال 2026 کی تیسری سہ ماہی کے دوران چیلنجنگ حالات میں کام جاری رکھا۔ اگرچہ بھارت اور بنگلہ دیش جیسے علاقائی حریفوں نے اپنی برآمدی رفتار کو نسبتاً مستحکم رکھا، لیکن پاکستان کی صنعت کو توانائی کے زائد نرخوں کی وجہ سے دباؤ کا سامنا کرنا پڑا، جس سے پیداواری لاگت میں اضافہ ہوا اور بین الاقوامی مسابقت متاثر ہوئی۔ یہ شعبہ خطے میں جغرافیائی سیاسی تناؤ سے مزید متاثر ہوا، جس نے علاقائی تجارتی بہاؤ میں خلل ڈالا، مال برداری کے اخراجات میں اضافہ کیا اور توانائی کی قیمتوں میں اتار چڑھاؤ کا سبب بنا۔

درآمدی توانائی پر پاکستان کے انحصار کے پیش نظر، ایندھن اور بجلی کے زیادہ اخراجات نے مینوفیکچرنگ لاگت میں نمایاں اضافہ کیا۔ مزید برآں، خام مال کی قیمتوں میں اتار چڑھاؤ اور خلیجی خطے میں جنگ کی وجہ سے عدم استحکام نے مزید غیر یقینی صورتحال پیدا کی۔ ان چیلنجوں کے باوجود، اس شعبے نے لچک کا مظاہرہ کیا، تاہم طویل مدتی ترقی کے لیے مستقل علاقائی استحکام ناگزیر ہے۔

مستقبل کے امکانات

پاکستان کی ٹیکسٹائل اسپننگ انڈسٹری کا منظر نامہ محتاط طور پر برآمدی ہے، جس کی وجہ حکومت کے ان اقدامات کی توقع ہے جن کا مقصد توانائی کے مسابقتی نرخوں کو یقینی بنانا، توانائی کی فراہمی میں بہتری اور برآمدات میں سہولت فراہم کرنا ہے۔ شرح سود میں کمی اور شرح مبادلہ میں نسبتاً استحکام سے لیکوڈیٹی میں بہتری اور کاروبار کی توسیع میں مدد ملنے کی توقع ہے۔ صنعت کو عالمی طلب میں بتدریج بہتری کے ساتھ ساتھ ویلیو ایڈڈ مصنوعات پر بڑھتی ہوئی توجہ اور مارکیٹ کی تنوع سے بھی فائدہ پہنچنے کا امکان ہے۔ اس کے باوجود، توانائی کے زیادہ اخراجات، خام مال کی قیمتوں میں اتار چڑھاؤ اور جغرافیائی سیاسی غیر یقینی صورتحال بدستور چیلنجز کا باعث بن سکتی ہے۔ لہذا، کمپنی ترقی کو برقرار رکھنے کے لیے آپریشنل کارکردگی، اخراجات کے محتاط انتظام اور مارکیٹ کی توسیع پر توجہ مرکوز رکھے گی۔

اعتراف خدمات

بورڈ کمپنی کے معزز صارفین، بینکنگ پارٹنرز، ریگولیٹرز اور شیئر ہولڈرز کے مسلسل اعتماد اور تعاون کے لیے ان کا تہ دل سے شکریہ ادا کرتا ہے۔ بورڈ اپنے ملازمین کی لگن اور عزم کا بھی اعتراف کرتا ہے، جن کی کوششیں کمپنی کی بہتر کارکردگی میں کلیدی حیثیت رکھتی ہیں۔

منجانب بورڈ آف ڈائریکٹرز:

عرفان اسلم

(ڈائریکٹر)

عمران اسلم

(چیف ایگزیکٹو)

لاہور 24 اپریل 2026

CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION (UN-AUDITED)

AS AT MARCH 31, 2026

	Note	March 31, 2026 (Un-audited)	June 30, 2025 (Audited)
----- Rupees in thousand -----			
EQUITY AND LIABILITIES			
Share Capital and Reserves			
Authorized capital:			
40,000,000 (June 30, 2025: 40,000,000)			
ordinary shares of Rs. 10 each		400,000	400,000
Issued, subscribed and paid up capital			
17,971,372 (June 30, 2025: 17,971,372)			
ordinary shares of Rs. 10 each		179,714	179,714
Reserves		2,346,708	2,125,747
Surplus on revaluation of property, plant and equipment		1,215,104	1,227,095
		3,741,526	3,532,556
Non Current Liabilities			
Long term financing	5	136,501	144,357
Deferred Liabilities		500,295	498,554
		636,796	642,911
Current Liabilities			
Trade and other payables		801,155	935,371
Unclaimed dividend		146	146
Unpaid dividend		199	199
Accrued mark up		35,007	18,315
Current portion of non-current liabilities	6	194,634	183,350
Short term borrowings	7	977,095	871,519
Provision for taxation		126,166	143,316
		2,134,402	2,152,217
Contingencies and Commitments			
	8	-	-
		6,512,724	6,327,685
ASSETS			
Non Current Assets			
Property, plant and equipment	9	2,871,224	2,721,486
Long term investment in associate		1,057,494	1,054,876
Long term deposits		3,847	3,847
		3,932,565	3,780,209
Current Assets			
Stores and spares		168,448	219,573
Stock in trade		1,012,079	857,586
Trade debts		288,350	166,306
Advances, trade deposits, prepayments and other receivables		298,043	294,494
Short term investments		130,081	151,375
Tax refunds due from the Government		196,495	301,959
Cash and bank balances		486,663	386,233
		2,580,159	2,377,526
Asset held for sale		-	169,950
		6,512,724	6,327,685

The annexed notes 1 to 15 form an integral part of these condensed interim financial statements (un-audited).


 Chief Executive Officer


 Director



 Chief Financial Officer

CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS (UN-AUDITED)


FOR THE NINE MONTHS ENDED MARCH 31, 2026

	Nine Months Ended		Quarter Ended	
	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025
Note -----Rupees in thousand-----				
Sales	9,440,964	8,527,979	3,251,437	3,064,218
Cost of sales	(8,638,429)	(8,006,406)	(2,953,407)	(2,816,251)
Gross Profit	802,535	521,573	298,030	247,967
Operating expenses:				
- Selling and distribution	(176,353)	(130,158)	(50,857)	(36,652)
- Administrative expenses	(273,202)	(235,987)	(91,229)	(84,182)
	(449,555)	(366,145)	(142,086)	(120,834)
Operating Profit	352,980	155,428	155,944	127,133
Finance cost	(76,339)	(106,436)	(25,055)	(31,889)
Other operating expenses	(31,104)	(14,322)	(11,960)	(8,010)
Other income	79,532	120,250	15,015	33,166
Share of net profit of associate	2,619	13,147	204	2,691
	(25,292)	12,639	(21,796)	(4,042)
Profit before Levy and Taxation	327,688	168,067	134,148	123,091
Levy / final taxation	(12,236)	(11,950)	9,200	(37,234)
Profit before Taxation	315,452	156,117	143,348	85,857
Taxation	(107,306)	(93,265)	(60,639)	(4,161)
Net Profit for the Period	208,146	62,852	82,709	81,696
Earnings per Share - Basic	11.58	3.50	4.60	4.55

The annexed notes 1 to 15 form an integral part of these condensed interim financial statements (un-audited).


 Chief Executive Officer


 Director


 Chief Financial Officer

CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE NINE MONTHS ENDED MARCH 31, 2026

	Nine Months Ended		Quarter Ended	
	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025
	-----Rupees in thousand-----			
Net Profit for the Period	208,146	62,852	82,709	81,696
Other Comprehensive Income for the Period				
Items that will not be reclassified subsequently to profit or loss	-	-	-	-
Items that may be reclassified subsequently to profit or loss	-	-	-	-
Total Comprehensive Income for the Period	<u>208,146</u>	<u>62,852</u>	<u>82,709</u>	<u>81,696</u>

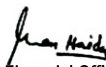
The annexed notes 1 to 15 form an integral part of these condensed interim financial statements (un-audited).



Chief Executive Officer



Director



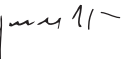
Chief Financial Officer

CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)

FOR THE NINE MONTHS ENDED MARCH 31, 2026

Particulars	Share Capital	Share Premium Reserve	Unappropriated Profit	Surplus on Revaluation	Total Equity
----- Rupees in thousand -----					
Balance as at June 30, 2024	179,714	5,796	1,896,438	1,244,680	3,326,628
Net loss for the period	-	-	62,852	-	62,852
Other comprehensive income	-	-	-	-	-
Total comprehensive income for the period	-	-	62,852	-	62,852
Transferred from surplus on revaluation of property, plant and equipment on incremental depreciation charged in current period (net of deferred tax)	-	-	11,753	(11,753)	-
Surplus on revaluation of property, plant and equipment related to export	-	-	-	-	-
Balance as at March 31, 2025	<u>179,714</u>	<u>5,796</u>	<u>1,971,043</u>	<u>1,232,927</u>	<u>3,389,480</u>
Balance as at June 30, 2025	179,714	5,796	2,120,775	1,227,095	3,533,380
Net profit for the period	-	-	208,146	-	208,146
Other comprehensive income	-	-	-	-	-
Total comprehensive profit for the period	-	-	208,146	-	208,146
Transferred from surplus on revaluation of property, plant and equipment on incremental depreciation charged in current period (net of deferred tax)	-	-	11,991	(11,991)	-
Surplus on revaluation of property, plant and equipment related to export	-	-	-	-	-
Balance as at March 31, 2026	<u>179,714</u>	<u>5,796</u>	<u>2,340,912</u>	<u>1,215,104</u>	<u>3,741,526</u>

The annexed notes 1 to 15 form an integral part of these condensed interim financial statements (un-audited).


 Chief Executive Officer


 Director


 Chief Financial Officer

CONDENSED INTERIM STATEMENT OF CASH FLOWS (UN-AUDITED)
FOR THE NINE MONTHS ENDED MARCH 31, 2026

	Quarter Ended	
	March 31, 2026	March 31, 2025
	--- Rupees in thousand ---	
CASH FLOW FROM OPERATING ACTIVITIES		
Profit before taxation	327,688	168,067
Adjustments for:		
- Depreciation	95,356	85,787
- Share of net profit of associate	(2,619)	(13,147)
- Gain on disposal of property, plant and equipment - Net	(32,031)	(4,847)
- Exchange loss	2,420	294
- Provision for workers' profit participation fund	17,592	9,031
- Provision for workers' welfare fund	6,554	3,364
- Provision for doubtful debts	410	1,484
- Finance cost	76,339	106,436
	164,021	188,402
Operating Profit before Working Capital Changes	491,709	356,469
Decrease / (Increase) in current assets		
- Stores and spares	51,126	4,636
- Stock in trade	(154,493)	(299,445)
- Trade debts	(124,875)	136,155
- Advances, trade deposits, prepayments, and other receivables	(40,396)	8,239
- Short term investment	21,295	(111,449)
- Tax refunds due from the Government	138,739	(28,502)
(Decrease) / Increase in current liabilities		
- Trade and other payables	(137,428)	223,340
	(246,032)	(67,026)
Net Cash generated from Operations	245,677	289,443
Income tax paid	(133,217)	(156,279)
Workers' (profit) participation fund paid	(13,706)	-
Workers' welfare fund paid	(5,390)	(462)
Finance cost paid	(59,648)	(112,995)
Net Cash generated from Operating Activities	33,716	19,707
CASH FLOW FROM INVESTING ACTIVITIES		
Property, plant and equipment purchased	(109,777)	(36,421)
Proceed from Disposal of property, plant and equipment	37,340	9,770
Proceed from Disposal of Non Current Assets Held for Sale	172,000	-
Capital work in progress	(141,852)	(7,605)
Net Cash Used in Investing Activities	(42,289)	(34,256)
CASH FLOW FROM FINANCING ACTIVITIES		
Long term financing received	3,427	-
Repayment of long term financing	-	(52,753)
Short term borrowings	105,576	195,868
Net Cash generated from Financing Activities	109,003	143,115
Net increase in Cash and Cash Equivalents	100,430	128,566
Cash and cash equivalents at the beginning of the period	386,233	209,150
Cash and Cash Equivalents at the End of the period	486,663	337,716

The annexed notes 1 to 15 form an integral part of these condensed interim financial statements (un-audited).


 Chief Executive Officer


 Director


 Chief Financial Officer

CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)

FOR THE NINE MONTHS ENDED MARCH 31, 2026

Note 1

The Company and its Operations

Shahzad Textile Mills Limited (the Company) was incorporated in Pakistan on October 24, 1978 as a Public Limited Company under the repealed Companies Act, 1913 (now the Companies Act, 2017). The shares of the Company are quoted on Pakistan Stock Exchange. The Company is domiciled in Pakistan and its principal business is to manufacture and deal in all types of yarn and socks. The Company holds 24.94% ordinary shares in M/s Sargodha Jute Mills Limited, an Associated Company that is engaged in manufacturing, selling and dealing in jute products.

Company's business units including its manufacturing facilities are located as under:

- 7th Floor, Office 701, Tricon Corporate Center, 73-E Jail Road, Gulberg - II, Lahore
- Three units of manufacturing facilities are situated at 34 KM, Lahore-Sheikhupura Road, Sheikhupura
- One unit of manufacturing facility is situated at 7 KM, Sheikhupura-Faisalabad Road, Kharianwala

Note 2

Basis of Preparation**2.1 Statement of compliance**

2.1.1 These condensed interim financial statements of the Company 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;
- Provisions of and directives issued under the Companies Act, 2017.

Where the 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.

2.1.2 These condensed interim financial statements comprise of the condensed interim statement of financial position of the Company, as at September 30, 2025 and the related condensed interim (unaudited) statement of profit or loss, condensed interim (unaudited) statement of comprehensive income, condensed interim (unaudited) statement of changes in equity and condensed interim statement of cash flows together with the notes forming part thereof.

2.1.3 These condensed interim financial statements do not include all of the information required for full annual financial statements and should be read in conjunction with the audited annual financial statements for the year ended June 30, 2025.

2.1.4 These condensed interim financial statements comprise of the condensed interim statement of financial position of the Company, as at September 30, 2025 and the related condensed interim (unaudited) statement of profit or loss, condensed interim (unaudited) statement of comprehensive income, condensed interim (unaudited) statement of changes in equity and condensed interim statement of cash flows together

2.1.5 These condensed interim financial statements are unaudited and are being submitted to the shareholders as required under Section 237 of the Companies Act, 2017 ("the Act"); these are however, subject to limited scope review by external auditors as required by the Act and Listed Companies (Code of Corporate Governance) Regulations, 2019.

2.2 Functional and presentation currency

These condensed interim financial statements are presented in Pakistan Rupees which is the Company's functional and presentation currency.

Note 3

Judgments and Estimates

The preparation of these condensed interim financial statements (un-audited) 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. Actual results may differ from these estimates.

Note 4

Significant Accounting Policies

The Company's accounting policies and methods of computation adopted in the preparation of these condensed interim financial statements (un-audited) are the same as those applied in the preparation of preceding annual financial statements of the Company for the year ended June 30, 2025.

Note 5

Long Term Financing		March 31, 2026	June 30, 2025
		(Un-audited)	(Audited)
Rupees in thousand			
Loan from banking companies - Secured			
Habib Metro Bank Limited - SBP LTFF	5.1	144,410	191,696
Soneri Bank Limited - Demand Finance	5.2	61,238	-
Meezan Bank Limited - Diminishing Musharka	5.3	19,217	29,741
		<u>224,865</u>	<u>221,437</u>
Less: Current portion		<u>(88,364)</u>	<u>(77,080)</u>
		<u>136,501</u>	<u>144,357</u>

- 5.1** These represent outstanding amounts of long term financing obtained from Habib Metropolitan Bank Limited for machinery of socks unit under State Bank of Pakistan's (SBP) concessional rate scheme. These loans are secured against specific and exclusive charge on relevant machinery of the Company and are repayable in 3 to 8 years starting from April 2021 and ending in February 2028. Mark up on these facilities is charged @ 5% representing SBP base rate of 2% and spread of 3% per annum, payable on calendar
- 5.2** This long term finance facility was availed for purchase of vehicles for the use of business. The sanctioned limit amounted to Rs.70 million (June 30, 2025: Rs. Nil) and was secured by way of creating charge over the financed vehicles registered with SECP. This facility is repayable in 60 monthly installments latest by July 2030 and carries markup at KIBOR plus 1% (June 30, 2025: Nil) per annum, payable on monthly basis.
- 5.3** This diminishing musharika facility is availed to purchase machinery. The sanctioned limit amounts to Rs. 100 million (June 30, 2023: Rs. 100 million) and is secured by way of exclusive charge over imported machinery with 15% margin and personal guarantee of sponsoring directors of the Company. This facility is repayable in 16 equal quarterly instalments, latest by June 2027 and carries markup @ 3 months KIBOR plus 1.25% (June 30, 2025: 3 month KIBOR plus 1.25%) per annum, payable on quarterly basis.

Note 6

Current Portion of Non-Current Liabilities		March 31, 2026	June 30, 2025
		(Un-audited)	(Audited)
----- Rupees in thousand -----			
Long term financing		88,364	77,080
Deferred liability - GIDC		<u>106,270</u>	<u>106,270</u>
		<u>194,634</u>	<u>183,350</u>

Note 7

Short Term Borrowings		March 31, 2026	June 30, 2025
		(Un-audited)	(Audited)
----- Rupees in thousand -----			
From banking companies - Secured			
Cash / packing finances	7.1	656,095	550,519
From related parties - Unsecured			
Loan from directors	7.2	<u>321,000</u>	<u>321,000</u>
		<u>977,095</u>	<u>871,519</u>

- 7.1** The Company obtained various funded and unfunded financial facilities from different banks for a total sanctioned limit of Rs. 2,216 million (June 30, 2025: Rs. 2,216 million) towards working capital requirements, retirement of local and foreign LCs and discounting of local bills / receivables. Mark up on these facilities is charged @ 1 to 6 months KIBOR plus a spread of upto 1.25% (June 30, 2025: 1 to 6 months KIBOR plus a spread of upto 1.25%) payable quarterly. These facilities are secured by ranking and hypothecation charge on property, plant and equipment; stocks and receivables of the Company; lien over export and import documents and personal guarantee of sponsoring directors of the Company. The Company has utilized un-funded facilities amounting to Rs. 356.490 million (June 30, 2025: Rs. 387.064 million) as at reporting date. Unutilized amount of funded and unfunded facilities is Rs. 1,203.415 million (June 30, 2025: Rs. 1,278.417 million).
- 7.2** This represents unsecured short term borrowing obtained from Chief Executive Officer / Directors of the company to meet its working capital requirements and is repayable on demand. The loan is unsecured, interest free (June 30, 2025: Nil) per annum.

Note 8

Contingencies and Commitments**8.1 Contingencies**

8.1.1 The Company has provided bank guarantees in favour of following parties:

	March 31, 2026 (Un-audited)	June 30, 2025 (Audited)
	----- Rupees in thousand -----	
- Sui Northern Gas Pipelines Limited	163,566	163,566
- Lahore Electric Supply Company	10,430	10,430
- Excise and Taxation Office	69,400	58,400
	<u>243,396</u>	<u>232,396</u>

8.1.2 The Company is contingently liable for Rs. 55.390 million (2025: Rs. 55.141 million) on account of electricity duty on self generation. The Company has obtained stay order by filing petition on August 10, 2010 in Lahore High Court, Lahore against LESCO and has not admitted the said duty. The case is pending hearing before the Lahore High Court, Lahore.

8.2 Commitments

- The Company's outstanding commitments / contracts as at the reporting date are as under:

	March 31, 2026 (Un-audited)	June 30, 2025 (Audited)
	----- Rupees in thousand -----	
Letters of credit	<u>57,203</u>	<u>154,668</u>

Note 9

Property, Plant and Equipment

	March 31, 2026 (Un-audited)	June 30, 2025 (Audited)
	---- Rupees in thousand ----	
Operating fixed assets	2,719,350	2,721,486
Capital work in progress	151,874	-
	<u>2,871,224</u>	<u>2,721,486</u>

9.1 Operating fixed assets

Opening written down value	2,721,486	2,791,241
Additions during the period / year (at cost)	100,579	57,425
Revaluation adjustment	-	-
	2,822,065	2,848,666
Disposals during the period / year (at written down value)	(7,359)	(10,792)
	2,814,706	2,837,874
Revaluation adjustment	-	-
Depreciation charged for the period / year	(95,356)	(116,388)
	<u>2,719,350</u>	<u>2,721,486</u>

9.2 Capital work in progress:

	March 31, 2026 (Un-audited)	June 30, 2025 (Audited)
	---- Rupees in thousand ----	
Opening balance	-	-
Additions during the year	151,874	-
	151,874	-
Transferred to operating fixed assets	-	-
Closing balance	<u>151,874</u>	<u>-</u>

9.2.1 Capital work in progress includes solar panel

Note 10

Cost of Sales

	Nine Months Ended		Quarter Ended	
	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025
---- (Un-audited) ----				
---- Rupees in thousand ----				
Raw materials consumed	5,682,578	5,590,960	1,824,403	1,976,336
Stores and spares consumed	214,304	191,495	67,258	65,006
Packing materials consumed	226,755	215,094	72,388	74,314
Salaries, wages and other benefits	899,643	675,613	296,055	251,437
Fuel and power	1,333,731	1,308,536	428,504	434,962
Insurance	11,935	12,141	3,932	4,178
Repairs and maintenance	12,696	5,270	4,202	2,224
Toll manufacturing charges	-	-	-	-
Other manufacturing expenses	14,368	13,414	4,289	4,970
Depreciation	70,687	77,652	20,895	25,886
	8,466,697	8,090,175	2,721,926	2,839,313
Opening work in process	157,062	127,105	203,939	213,295
Closing work in process	(164,925)	(156,594)	(164,925)	(156,594)
	(7,863)	(29,489)	39,014	56,701
Cost of goods manufactured	8,458,834	8,060,686	2,760,940	2,896,014
Opening finished goods	350,822	233,904	363,694	208,422
Closing finished goods	(171,227)	(288,184)	(171,227)	(288,184)
	179,595	(54,280)	192,467	(79,762)
	8,638,429	8,006,406	2,953,407	2,816,252

Note 11

Transactions with Related Parties

Related parties comprise related group companies, associated companies, directors and key management personnel. Transactions with related parties and associated companies, other than remuneration and benefits to key management personnel under the terms of their employment are as follows:

Transaction during the period

Related party	Relationship	Nature of Transaction	March 31, 2026	March 31, 2025
			---- (Un-audited) ----	
---- Rupees in thousand ----				
Sargodha Jute Mills Limited	Associate 24.94%	Purchase of materials, goods and services	948	671
		Sale of materials and goods	6,580	10,774
		Sale of Office	172,000	-

Note 12

Financial Risk Management

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

Note 13

Segment Information

For management purposes, the activities of the Company are recognized into two operating segment, i.e. manufacturing and sales of yarn and socks. The Company operates in the said reportable operating segments based on the nature of the product, risk and return, organizational and management structure and internal financial reporting systems. Accordingly, the figures reported in these condensed interim financial statements (un-audited) relate to the Company's reportable segments. Entity-wide disclosures regarding reportable segments are as follows:

13.1

Segment Results for the period ended March 31, 2026

	Yarn	Socks	Total
	Rupees in Thousand		
Revenue	8,048,782	1,392,182	9,440,964
Operating profit	343,398	9,582	352,980
Finance cost	(66,082)	(10,257)	(76,339)
Other income	-	15,283	15,283
Other operating expense			(31,104)
Other income			64,249
Share of net profit from associate			2,619
Profit before taxation			<u>327,688</u>

Segment Results for the period ended March 31, 2025

	Yarn	Socks	Total
	Rupees in Thousand		
Revenue	7,349,781	1,178,198	8,527,979
Operating profit	149,430	5,998	155,428
Finance cost	(97,465)	(8,971)	(106,436)
Other income	12,695	60,366	73,061
Other operating expense			(14,322)
Other income			47,189
Share of net profit from associate			13,147
Profit before taxation			<u>168,067</u>

13.2

Segment financial position for the period ended March 31, 2026

Assets

Property plant and equipment	1,601,420	1,269,804	2,871,224
Store and spares	132,480	35,968	168,448
Stock in trade	750,155	261,924	1,012,079
Trade Debts	118,808	169,542	288,350
Advances to suppliers	39,057	72,079	111,136
	<u>2,641,920</u>	<u>1,809,317</u>	<u>4,451,237</u>

Unallocated Assets

Long term Investments			1,057,494
Long term deposits			3,847
Advances, trade deposits, prepayments and other receivables			186,907
Short term investments			130,081
Tax refunds due from the Government			196,495
Cash and bank balances			486,663
Non current assets held for sale			-
			<u>6,512,724</u>

Yarn	Socks	Total
Rupees in Thousand		

Liabilities

Long term financing	80,455	144,410	224,865
Trade creditors	97,046	49,827	146,873
Short term borrowings	845,810	131,285	977,095
Accrued mark up	30,303	4,704	35,007
	<u>1,053,615</u>	<u>330,225</u>	<u>1,383,840</u>

Unallocated liabilities

Deferred liabilities			500,295
Gas infrastructure development cess			106,270
Trade and other payables			654,282
Unclaimed dividends			146
Unpaid dividends			199
Provision for taxation - net			126,166
			<u>2,771,198</u>

Assets

Property plant and equipment	1,452,477	1,269,009	2,721,486
Store and spares	157,844	61,729	219,573
Stock in trade	554,450	303,136	857,586
Trade Debts	83,080	83,226	166,306
Advances to supplier	47,422	23,768	71,190
	<u>2,295,273</u>	<u>1,740,868</u>	<u>4,036,141</u>

Unallocated Assets

Asset held for sale			169,950
Long term investments			1,054,876
Long term deposits			3,847
Advances, deposits, prepayments and other receivables			223,304
Short term investments			151,375
Tax refunds due from the Government			301,959
Cash and bank balances			386,233
			<u>6,327,685</u>

Liabilities

Long term financing	(96,357)	317,792	221,435
Trade creditors	155,466	58,925	214,391
Short term borrowings	871,518	-	871,518
Accrued mark	4,740	13,575	18,315
	<u>935,367</u>	<u>390,292</u>	<u>1,325,659</u>

Unallocated liabilities

Deferred tax liability - net			498,554
Gas infrastructure development cess			106,270
Other payables			720,983
Unclaimed dividends			146
Unpaid dividends			199
Provision for taxation - net			143,316
			<u>2,795,127</u>

	March 31, 2026	March 31, 2025
	Percentage (Un-audited)	Percentage Audited
13.3 Information about products:		
Yarn	85.25%	86.18%
Socks	14.75%	13.82%

13.4 Major customers:

There is no individual customer to whom sales are 10% more than of revenue.

13.5 Geographical Information:

Company's revenue from external customers on the basis of geographical location is given as under:

	March 31, 2026	March 31, 2025
	(Un-audited)	(Un-audited)
	----- Rupees in thousand -----	
Pakistan	8,076,035	7,366,669
Europe	1,307,149	904,752
United State of America	57,780	256,558
	<u>9,440,964</u>	<u>8,527,979</u>

Note 14

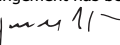
Authorization of Interim Financial Information

These condensed interim financial statements (un-audited) are approved and authorized for issuance by the Board of Directors of the Company on April 24, 2026.

Note 15

General

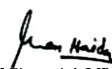
Comparative figures have been re-arranged, wherever necessary, to facilitate comparison. No significant re-arrangement has been made in these condensed interim financial statements (un-audited).



Chief Executive Officer



Director



Chief Financial Officer

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