



**SAIF GROUP**  
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# SAIF TEXTILE MILLS LIMITED



Certified ISO 14001:2015  
Certified ISO 9001:2015  
Certified ISO 17025

**FIRST QUARTER REPORT  
(UNAUDITED)  
SEPTEMBER 30, 2025**



# ENTITY RATING OF SAIF TEXTILE MILLS LIMITED

|            |    |
|------------|----|
| Long Term  | A- |
| Short Term | A2 |

**CREDIT RATING AGENCY**



The Pakistan Credit Rating Agency Limited

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# CORPORATE INFORMATION

## BOARD OF DIRECTORS

|                                |                         |
|--------------------------------|-------------------------|
| Javed Saifullah Khan           | Chairman / Director     |
| Barrister Assad Saifullah Khan | Chief Executive Officer |
| Osman Saifullah Khan           |                         |
| Hoor Yousafzai                 |                         |
| Asif Saifullah Khan            |                         |
| Rana Muhammad Shafi            |                         |
| Khalid Siddiq Tirmizey         |                         |
| Abdul Rehman Qureshi           |                         |

## AUDIT COMMITTEE

|                        |          |
|------------------------|----------|
| Khalid Siddiq Tirmizey | Chairman |
| Rana Muhammad Shafi    | Member   |
| Abdul Rehman Qureshi   | Member   |

## HR & REMUNERATION COMMITTEE

|                      |          |
|----------------------|----------|
| Abdul Rehman Qureshi | Chairman |
| Hoor Yousafzai       | Member   |
| Assad Saifullah Khan | Member   |

## CHIEF FINANCIAL OFFICER

Muhammad Waseem Aslam

## COMPANY SECRETARY

Umar Shahzad

## HEAD OF INTERNAL AUDIT

Muhammad Adeel Raza

## LEGAL ADVISOR

Salahuddin Saif & Aslam  
(Attorney's at Law)

## AUDITORS

Shinewing Hameed Chaudhri & Co.  
Chartered Accountants

## BANKERS

Allied Bank Limited  
Askari Bank Limited  
Bank Alfalah Limited  
Bank Al Habib Limited  
Bank Islami Pakistan Limited  
Dubai Islamic Bank Pakistan Limited  
Faysal Bank Limited  
First Habib Modaraba Bank Limited  
First Women Bank Limited  
Habib Bank Limited  
JS Bank Limited  
MCB Bank Limited  
Meezan Bank Limited  
National Bank of Pakistan  
Pak China Investment Company Limited  
Pak Iran Investment Company Limited  
Sindh Bank Limited  
Soneri Bank Limited  
The Bank of Punjab  
The Bank of Khyber  
United Bank Limited

## HEAD OFFICE

4th Floor, Kashmir Commercial  
Complex, Fazal-e-Haq Road,  
Blue Area Islamabad.  
Telephone: +92-51-2604733-35  
Fax: +92-51-2604732  
Email: [stm@saifgroup.com](mailto:stm@saifgroup.com)

## REGISTERED OFFICE

KPTMA House, Tehkal Payan, Jamrud  
Road, Peshawar  
Telephone: +92-91-5843870, 5702941  
Fax: +92-91-5840273  
Email: [peshawar@saifgroup.com](mailto:peshawar@saifgroup.com)

## SHARES REGISTRAR

Hameed Majeed Associates (Pvt.) Ltd.  
HM House, 7-Bank Square, Lahore  
Telephone: +92-42-37235081-37235082  
Fax: +92-42-37358817  
Email: [info@hmaconsultants.com](mailto:info@hmaconsultants.com)

## MILLS

Industrial Estate, Gadoon Amazai,  
District Swabi  
Telephone: +92-0938-270313, 270429  
Fax: +92-0938-270514  
Email: [stmgdn@saifgroup.com](mailto:stmgdn@saifgroup.com)

## WEBSITE

[www.saiftextile.com](http://www.saiftextile.com)

# DIRECTORS' REVIEW REPORT

Dear Members,

The Directors of Saif Textile Mills Limited are pleased to present the unaudited financial statements of the Company for the first quarter ended September 30, 2025.

## Financial Review

The Company's topline declined to Rs. 2.4 billion; however, the cost of sales decreased at a relatively slower pace, primarily due to higher energy costs, increased machine maintenance, and an increase in minimum wages. Consequently, gross profit fell to Rs. 370 million, representing a margin of 16% compared to 18% in the corresponding period of last year.

Operating expenses remained at nearly the same level despite inflationary pressures. Finance cost declined mainly due to reduction in KIBOR rates. The Company recorded a positive bottom line of Rs. 39 million, marking a return to profitability after incurring losses. The factory is now operating at full capacity, and management remains focused on enhancing specialized, value-added, and export-oriented product mix to further strengthen overall performance.

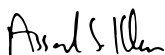
## Future Outlook

The economic environment in Pakistan remains mixed, showing gradual signs of stabilization. Inflation rose in September 2025, mainly on account of higher energy and food prices, while monetary policy and exchange rates have remained broadly stable. Fiscal reforms and improved external inflows are gradually restoring investor confidence; however, energy constraints and still-elevated financing costs continue to pose challenges requiring consistent policy attention.

To mitigate the impact of the costly energy mix, the Company has finalized an agreement for the installation of a 10 MW Solar Power Plant. The project is currently in progress and is expected to become operational by January 2026. With the commissioning of the Solar Power Plant, BMR of machines, the development of specialized and value-added products for both domestic and international markets, and the continued implementation of cost-saving measures, the Company is well-positioned for sustainable long-term growth.

## Acknowledgment

The Directors express their sincere gratitude to the Company's shareholders, financial institutions, and valued customers for their continued trust and support. We also extend our deep appreciation to our employees for their unwavering dedication, loyalty, and hard work. Their contributions remain the cornerstone of the Company's success, and we look forward to their continued commitment in the years ahead.



ASSAD SAIFULLAH KHAN  
Chief Executive Officer



RANA MUHAMMAD SHAFI  
Director

Place: Islamabad

Dated: October 29, 2025

# ڈائریکٹر کی جائزہ رپورٹ

معزز اراکین

سیف ٹیکسٹائل ملز کے ڈائریکٹر پہلے سہ ماہی اختتامی ستمبر 2025، 30 کے غیر آڈٹ شدہ مالیاتی رپورٹ پیش کرتے ہوئے خوشی محسوس کر رہے ہیں۔

مالیاتی کارکردگی

کمپنی کی مجموعی میل کم ہو کر 2.4 ارب روپے رہ گئی، تاہم فروخت کی لاگت نسبتاً کم رفتار سے گھٹی، جس کی بنیادی وجوہات توانائی کے بڑھتے ہوئے اخراجات، مشینوں کی مرمت میں اضافہ، اور کم از کم اجرت میں اضافہ تھیں۔ نتیجتاً مجموعی منافع کم ہو کر 37 کروڑ روپے رہ گیا، جو گزشتہ سال کی اسی مدت کے 18 فیصد کے مقابلے میں 16 فیصد منافع کی نمائندگی کرتا ہے۔

مہنگائی کے دباؤ کے باوجود پرائیٹنگ اخراجات تقریباً اسی سطح پر برقرار رہے۔ مالیاتی اخراجات میں کمی دیکھی گئی جو بنیادی طور پر کیپوررٹس (KIBOR) میں کمی کے باعث ہوئی۔ کمپنی نے 39 ملین روپے کا مثبت منافع ریکارڈ کیا، جو کہ پچھلے نقصانات کے بعد دوبارہ منافع کی طرف واپسی کو ظاہر کرتا ہے۔ کارخانہ ب مکمل استعداد کے ساتھ چل رہا ہے، اور انتظامیہ کی توجہ خصوصی، قدر میں اضافی اور برآمدی مصنوعات کے استخراج کو فروغ دینے پر مرکوز ہے تاکہ مجموعی کارکردگی کو مزید مستحکم کیا جاسکے۔

مستقبل کا نقطہ نظر

پاکستان کا معاشی ماحول مجموعی طور پر ملایا ہے، تاہم بتدریج استحکام کی علامات ظاہر ہو رہی ہیں۔ ستمبر 2025 میں مہنگائی میں اضافہ دیکھنے میں آیا، جس کی بنیادی وجوہات توانائی اور خوراک کی بڑھتی ہوئی قیمتیں تھیں، جبکہ مالیاتی پالیسی اور زرمبادلہ کی شرحیں عمومی طور پر مستحکم رہیں۔ مالیاتی اصلاحات اور بیرونی ذرائع سے بہتر ترقی کی آمد نے سرمایہ کاروں کے اعتماد کو بتدریج بحال کیا ہے، تاہم توانائی کی کمی اور بلند مالیاتی لاگت اب بھی ایسے چیلنجز ہیں جن کے لیے مستقل پالیسی توجہ درکار ہے۔

مہنگی توانائی کے اثرات کو کم کرنے کے لیے کمپنی نے 10 میگا واٹ سولر پاور پلانٹ کی تنصیب کے معاہدے کو حتمی شکل دے دی ہے۔ یہ منصوبہ اس وقت عملدرآمد کے مراحل میں ہے اور توقع ہے کہ جنوری 2026 تک مکمل طور پر فعال ہو جائے گا۔ سولر پاور پلانٹ کے آغاز، مشینوں کی BMR (ہیٹنگ، ماڈرنائزیشن اور ری پلیمینٹ) ، ملکی و بین الاقوامی منڈیوں کے لیے خصوصی اور قدر میں اضافی مصنوعات کی تیاری، اور لاگت میں کمی کے اقدامات کے تسلسل کے ساتھ، کمپنی پائیدار اور طویل المدتی ترقی کے لیے ایک مضبوط مقام پر کھڑی ہے۔

اظہار تشکر

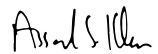
ڈائریکٹر زل سے کمپنی کے ارکان، مالی اداروں اور گاہکوں کا ان کی مسلسل حمایت اور تعاون کے لیے شکریہ ادا کرتے ہیں۔ وہ کمپنی کے ملازمین کا ان کی لگن، وفاداری اور محنت کے لیے ہر دل سے شکریہ ادا کرتے ہیں۔ ان کی کوششیں کمپنی کی کامیابیوں کے لیے ہر دل سے شکریہ ادا کرتے ہیں انتہائی اہم رہی ہیں، اور ڈائریکٹر مستقبل میں ان کی مسلسل وابستگی کا خیر مقدم کرتے ہیں۔

بورڈ ہذا کی جانب سے



رانا شفیق

ڈائریکٹر



اسد سیف اللہ خان

چیف ایگزیکٹو آفیسر

مقام: اسلام آباد

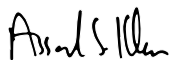
تاریخ: اکتوبر 29، 2025

# CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION

AS AT SEPTEMBER 30, 2025

|                                                            |      | Un-audited<br>September 30,<br>2025 | Audited<br>June 30,<br>2025 |
|------------------------------------------------------------|------|-------------------------------------|-----------------------------|
|                                                            |      | (Rupees in thousand)                |                             |
| <b>Equity and Liabilities</b>                              | Note |                                     |                             |
| <b>Share Capital and Reserves</b>                          |      |                                     |                             |
| Authorised capital                                         |      | 300,000                             | 300,000                     |
| 30,000,000 ordinary shares of Rs. 10 each                  |      |                                     |                             |
| Issued, subscribed and paid-up capital                     |      | 264,129                             | 264,129                     |
| Reserves                                                   |      | 265,884                             | 265,884                     |
| Unappropriated profit                                      |      | 871,331                             | 841,950                     |
| Surplus on revaluation of property,<br>plant and equipment |      | 2,351,682                           | 2,375,247                   |
| <b>Total Shareholders' equity</b>                          |      | <b>3,753,027</b>                    | <b>3,747,210</b>            |
| <b>Non-current Liabilities</b>                             |      |                                     |                             |
| Long term financing                                        | 5    | 1,095,245                           | 967,393                     |
| Deferred income - government grant                         |      | 3,959                               | 4,194                       |
| Long term deposits                                         |      | 13,055                              | 13,519                      |
| Staff retirement benefits-gratuity                         |      | 248,193                             | 244,886                     |
| Deferred taxation-net                                      |      | 582,675                             | 578,785                     |
|                                                            |      | <b>1,943,127</b>                    | <b>1,808,777</b>            |
| <b>Current Liabilities</b>                                 |      |                                     |                             |
| Trade and other payables                                   |      | 1,575,302                           | 1,468,361                   |
| Contract liabilities                                       |      | 217,263                             | 165,145                     |
| Unclaimed dividend                                         |      | 9,042                               | 9,042                       |
| Accrued mark-up and interest                               |      | 256,108                             | 595,757                     |
| Short term borrowings                                      |      | 6,053,189                           | 6,040,687                   |
| Current portion of non current liabilities                 |      | 156,429                             | 341,003                     |
| Provision for tax levies                                   |      | 174,635                             | 145,194                     |
|                                                            |      | <b>8,441,968</b>                    | <b>8,765,188</b>            |
| <b>Contingencies and Commitments</b>                       | 6    | -                                   | -                           |
|                                                            |      | <b>14,138,122</b>                   | <b>14,321,175</b>           |
| <b>Assets</b>                                              |      |                                     |                             |
| <b>Non-current Assets</b>                                  |      |                                     |                             |
| Property, plant and equipment                              | 7    | 7,555,563                           | 7,595,727                   |
| Long term investments                                      |      | 14,903                              | 14,903                      |
| Long term loans                                            |      | 4,088                               | 4,391                       |
| Long term deposits                                         |      | 67,039                              | 51,799                      |
|                                                            |      | <b>7,641,593</b>                    | <b>7,666,820</b>            |
| <b>Current Assets</b>                                      |      |                                     |                             |
| Stores, spare parts and loose tools                        |      | 233,610                             | 245,320                     |
| Stock-in-trade                                             |      | 2,959,035                           | 2,912,842                   |
| Trade debts                                                |      | 2,860,177                           | 3,053,435                   |
| Loans and advances                                         |      | 25,748                              | 27,552                      |
| Trade deposits and short term prepayments                  |      | 4,227                               | 18,404                      |
| Other receivables                                          |      | 49,011                              | 49,184                      |
| Deposit for shares                                         |      | -                                   | -                           |
| Taxation - net                                             | 8    | 337,238                             | 309,184                     |
| Tax refunds due from Government                            |      | 5,034                               | 5,034                       |
| Cash and bank balances                                     |      | 22,448                              | 33,400                      |
|                                                            |      | <b>6,496,529</b>                    | <b>6,654,355</b>            |
|                                                            |      | <b>14,138,122</b>                   | <b>14,321,175</b>           |

The annexed notes form an integral part of these financial statements.



ASSAD SAIFULLAH KHAN  
Chief Executive Officer



RANA MUHAMMAD SHAFI  
Director

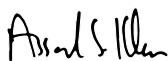


MUHAMMAD WASEEM ASLAM  
Chief Financial Officer

# CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS & OTHER COMPREHENSIVE INCOME (UN-AUDITED) FOR THE FIRST QUARTER ENDED SEPTEMBER 30, 2025

|                                                                | Jul- Sep<br>2025     | Jul- Sep<br>2024 |
|----------------------------------------------------------------|----------------------|------------------|
|                                                                | (Rupees in thousand) |                  |
| Sales                                                          | 2,353,634            | 3,039,674        |
| Cost of Sales                                                  | 1,983,169            | 2,492,394        |
| <b>Gross profit</b>                                            | <b>370,465</b>       | <b>547,280</b>   |
| Administrative expenses                                        | 59,476               | 56,375           |
| Distribution cost                                              | 51,098               | 53,441           |
| Other expenses                                                 | 457                  | -                |
|                                                                | 111,031              | 109,817          |
| Other income                                                   | 1,988                | 15,825           |
| <b>Profit from operations</b>                                  | <b>261,422</b>       | <b>453,288</b>   |
| Finance cost - net                                             | 222,273              | 401,245          |
| <b>Profit before taxation minimum<br/>and final tax levies</b> | <b>39,148</b>        | <b>52,043</b>    |
| Minimum and final tax levies                                   | (29,441)             | (38,059)         |
| <b>Profit before taxation</b>                                  | <b>9,707</b>         | <b>13,985</b>    |
| Taxation                                                       | (3,890)              | (3,123)          |
| <b>Profit after taxation</b>                                   | <b>5,817</b>         | <b>10,862</b>    |
| Other comprehensive income / (loss)                            | -                    | -                |
| <b>Total comprehensive income for the period</b>               | <b>5,817</b>         | <b>10,862</b>    |
|                                                                | (Rupees)             |                  |
| <b>Earnings per share - basic and diluted</b>                  | <b>0.22</b>          | <b>0.41</b>      |

The annexed notes form an integral part of these financial statements.



ASSAD SAIFULLAH KHAN  
Chief Executive Officer



RANA MUHAMMAD SHAFI  
Director



MUHAMMAD WASEEM ASLAM  
Chief Financial Officer

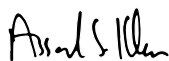


# CONDENSED INTERIM STATEMENT OF CASH FLOWS (UN-AUDITED)

FOR THE FIRST QUARTER ENDED SEPTEMBER 30, 2025

|                                                        |      | Three months period ended |                    |
|--------------------------------------------------------|------|---------------------------|--------------------|
|                                                        |      | September 30, 2025        | September 30, 2024 |
|                                                        |      | (Rupees in thousand)      |                    |
|                                                        | Note |                           |                    |
| Cash generated from operating activities               | A    | 632,530                   | 400,561            |
| Cash flow from financing activities                    |      |                           |                    |
| Long term financing - net                              |      | (56,958)                  | (93,201)           |
| Short term borrowings - net                            |      | 12,501                    | 15,835             |
| Finance cost paid                                      |      | (554,077)                 | (316,724)          |
| Dividend paid                                          |      | -                         | (7)                |
| Net cash used in financing activities                  |      | (598,534)                 | (394,098)          |
| Cash flow from investing activities                    |      |                           |                    |
| Additions to property, plant and equipment             |      | (45,827)                  | (13,985)           |
| Sale proceeds of operating fixed assets                |      | 879                       | 815                |
| Net cash used in investing activities                  |      | (44,948)                  | (13,170)           |
| Net decrease in cash and cash equivalents              |      | (10,952)                  | (6,707)            |
| Cash and cash equivalents - at beginning of the period |      | 33,400                    | 20,723             |
| Cash and cash equivalents - at end of the period       |      | 22,448                    | 14,016             |

The annexed notes form an integral part of these financial statements.



ASSAD SAIFULLAH KHAN  
Chief Executive Officer



RANA MUHAMMAD SHAFI  
Director



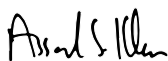
MUHAMMAD WASEEM ASLAM  
Chief Financial Officer

# CONDENSED INTERIM STATEMENT OF CASH FLOWS (UN-AUDITED)

FOR THE FIRST QUARTER ENDED SEPTEMBER 30, 2025

|                                                           | <b>Three months period ended</b> |                           |
|-----------------------------------------------------------|----------------------------------|---------------------------|
|                                                           | <b>September 30, 2025</b>        | <b>September 30, 2024</b> |
|                                                           | (Rupees in thousand)             |                           |
| <b>Note "A"</b>                                           |                                  |                           |
| <b>Cash flow from operating activities</b>                |                                  |                           |
| <b>Profit for the period - before taxation</b>            |                                  |                           |
| <b>minimum and final tax levies</b>                       | 39,148                           | 52,043                    |
| <b>Adjustments for non-cash charges and other items:</b>  |                                  |                           |
| Depreciation & amortization                               | 85,367                           | 89,614                    |
| Staff retirement benefits - gratuity (net)                | 3,307                            | (2,602)                   |
| Gain on sale of operating fixed assets - net              | (254)                            | -                         |
| Finance cost                                              | 214,429                          | 386,921                   |
| <b>Profit before working capital changes</b>              | 341,997                          | 525,977                   |
| <b>Effect on cash flow due to working capital changes</b> |                                  |                           |
| Decrease / (increase) in current assets:                  |                                  |                           |
| Store, spare parts and loose tools                        | 11,710                           | 30,801                    |
| Stock-in-trade                                            | (46,194)                         | 74,525                    |
| Trade debtors                                             | 193,259                          | (362,194)                 |
| Loans and advances                                        | 1,804                            | (7,656)                   |
| Trade deposits and short term prepayments                 | 14,177                           | (1,759)                   |
| Tax refunds due from Government                           | -                                | 106,227                   |
| Other receivables                                         | 173                              | (247)                     |
| Increase / (decrease) in current liabilities:             |                                  |                           |
| Trade and other payables                                  | 106,941                          | 71,895                    |
| Contract liabilities                                      | 52,118                           | (8,238)                   |
|                                                           | 333,988                          | (96,647)                  |
| <b>Cash generated from operating activities</b>           | 675,985                          | 429,330                   |
| Taxes and levies paid                                     | (28,054)                         | (26,504)                  |
| Long term loans                                           | 303                              | (2,252)                   |
| Long term deposits from employees                         | (464)                            | 31                        |
| Long term deposits                                        | (15,240)                         | (45)                      |
| <b>Net cash generated form operating activities</b>       | 632,530                          | 400,561                   |

The annexed notes form an integral part of these financial statements.



ASSAD SAIFULLAH KHAN  
Chief Executive Officer



RANA MUHAMMAD SHAFI  
Director



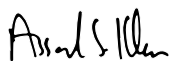
MUHAMMAD WASEEM ASLAM  
Chief Financial Officer

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

## FOR THE FIRST QUARTER ENDED SEPTEMBER 30, 2025

|                                                                                                              | Share capital | Reserves |         |                       |                                               | Surplus on revaluation of property, plant and equipment | Total     |
|--------------------------------------------------------------------------------------------------------------|---------------|----------|---------|-----------------------|-----------------------------------------------|---------------------------------------------------------|-----------|
|                                                                                                              |               | Capital  | Revenue | Unappropriated profit | unrealized loss on financial assets at FVTOCI |                                                         |           |
| (Rupees in thousand)                                                                                         |               |          |         |                       |                                               |                                                         |           |
| Balance as at July 01, 2024 (Audited)                                                                        | 264,129       | 115,981  | 150,000 | 1,144,442             | (114)                                         | 2,474,112                                               | 4,148,550 |
| <b>Total comprehensive income</b>                                                                            |               |          |         |                       |                                               |                                                         |           |
| Profit for the quarter ended Sep 30, 2024                                                                    | -             | -        | -       | 10,862                | -                                             | -                                                       | 10,862    |
| Other comprehensive income / (loss)                                                                          | -             | -        | -       | -                     | -                                             | -                                                       | -         |
|                                                                                                              | -             | -        | -       | 10,862                | -                                             | -                                                       | 10,862    |
| Surplus on revaluation of property, plant & equipment realised during the year (net of deferred taxation):   |               |          |         |                       |                                               |                                                         |           |
| - on account of incremental depreciation                                                                     | -             | -        | -       | 24,661                | (24,661)                                      | -                                                       | -         |
| Balance as at September 30, 2024                                                                             | 264,129       | 115,981  | 150,000 | 1,179,965             | (114)                                         | 2,449,451                                               | 4,159,412 |
| Balance as at July 01, 2025 (Audited)                                                                        | 264,129       | 115,981  | 150,000 | 841,950               | (97)                                          | 2,375,247                                               | 3,747,210 |
| <b>Total comprehensive income</b>                                                                            |               |          |         |                       |                                               |                                                         |           |
| Profit for the quarter ended Sep 30, 2025                                                                    | -             | -        | -       | 5,817                 | -                                             | -                                                       | 5,817     |
| Other comprehensive income / (loss)                                                                          | -             | -        | -       | -                     | -                                             | -                                                       | -         |
|                                                                                                              | -             | -        | -       | 5,817                 | -                                             | -                                                       | 5,817     |
| Surplus on revaluation of property, plant & equipment realised during the period (net of deferred taxation): |               |          |         |                       |                                               |                                                         |           |
| - on account of incremental depreciation                                                                     | -             | -        | -       | 23,565                | (23,565)                                      | -                                                       | -         |
| Balance as at September 30, 2025                                                                             | 264,129       | 115,981  | 150,000 | 871,331               | (97)                                          | 2,351,682                                               | 3,753,027 |

The annexed notes form an integral part of these financial statements.



ASSAD SAIFULLAH KHAN  
Chief Executive Officer



RANA MUHAMMAD SHAFI  
Director



MUHAMMAD WASEEM ASLAM  
Chief Financial Officer

# NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE FIRST QUARTER ENDED SEPTEMBER 30, 2025

## 1. LEGAL STATUS AND NATURE OF BUSINESS

Saif Textile Mills Limited (the Company) is a Public Limited Company incorporated in Pakistan on December 24, 1989 under the Companies Ordinance, 1984 (now the Companies Act, 2017) and its shares are quoted on Pakistan Stock Exchange. The Company is principally engaged in manufacture and sale of yarn.

| Sawabi                                                             | Purpose                  |
|--------------------------------------------------------------------|--------------------------|
| Industrial Estate, Gadoon Amazai                                   | Mills / factory          |
| Peshawar                                                           |                          |
| KPTMA House, Tehkal Payan, Jamrud Road                             | Registered office        |
| Islamabad                                                          |                          |
| 4th floor, Kashmir Commercial Complex, Fazal-e-haq road, Blue Area | Head office              |
| Karachi                                                            |                          |
| Plot No.36, New Karachi Cooperative Housing Society Near Dolmen    |                          |
| Mall Tariq Road                                                    | Marketing & Sales office |
| Faisalabad                                                         |                          |
| P-17, Near Allied Bank Ltd, Montgomery Bazar                       | Marketing & Sales office |

## 2. BASIS OF PREPARATION

2.1 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 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; and
- Islamic Financial Accounting Standards (IFAS) issued by the Institute of Chartered Accountants of Pakistan as notified under the Act; and
- 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 Act have been followed.

2.2 The condensed interim financial information do not include all the information and disclosures as required in the annual financial statements and should be read in conjunction with the Company's annual financial statements for the year ended June 30, 2025. This condensed interim financial information are being submitted to the shareholders as required by the Listing Regulations of Pakistan Stock Exchange and section 237 of the Companies Act, 2017.

## 3. ACCOUNTING POLICIES

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

## 4. ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of condensed interim financial statements require management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates.

Judgments and estimates made by the management in the preparation of these condensed interim financial information are the same as those that were applied to the financial statements as at and for the year ended June 30, 2025.

## 5. LONG TERM FINANCING

Terms of long term loans provided are same as disclosed in the annual financial statements of the Company for the year ended June 30, 2025, except for the following:

During the period, Saif Power Limited (an Associated Company) approved enhancement of long term loan facility by an amount equal to Rs. 400 million, aggregating the long term loan amount to Rs. 1,400 million. Disbursement of Rs.400 million is made post to the period end September 30, 2025. Saif Power Limited also approved frequency of markup repayment from quarterly to annual basis effective October 01, 2025 and extended the grace period for another one and half (1.5) years while maintaining the actual maturity of long term loan.

## 6. CONTINGENCIES AND COMMITMENTS

There have been no significant changes in status of contingencies and commitments as disclosed in note 18 of the audited annual financial statements of the Company for the year ended June 30, 2025.

# NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE FIRST QUARTER ENDED SEPTEMBER 30, 2025

|                                                                                                       |             | Un-audited<br>September 30,<br>2025 | Audited<br>June 30,<br>2025 |
|-------------------------------------------------------------------------------------------------------|-------------|-------------------------------------|-----------------------------|
|                                                                                                       |             | (Rupees in thousand)                |                             |
| <b>7. PROPERTY, PLANT AND EQUIPMENT</b>                                                               | <b>Note</b> |                                     |                             |
| Operating fixed assets                                                                                | 7.1         | 7,425,135                           | 7,494,350                   |
| Capital work-in-progress                                                                              |             | 4,131                               | 2,202                       |
| Stores held for capital expenditure                                                                   |             | 126,296                             | 99,175                      |
|                                                                                                       |             | <b>7,555,563</b>                    | <b>7,595,727</b>            |
| <b>7.1 Operating fixed assets</b>                                                                     |             |                                     |                             |
| Book value at beginning of the period / year                                                          |             | 7,494,350                           | 7,819,614                   |
| <b>Add:</b> Additions made during the period / year                                                   |             | 16,777                              | 36,286                      |
| <b>Less:</b> Disposals at net book value [cost<br>Rs.2.818 million (June 30, 2025:Rs.10.996 million)] |             | (625)                               | (2,911)                     |
| <b>Less:</b> Depreciation charged for the period / year                                               |             | (85,367)                            | (358,638)                   |
| <b>Book value at end of the period / year</b>                                                         |             | <b>7,425,135</b>                    | <b>7,494,350</b>            |

## 8. DEPOSIT FOR SHARES

There has been no change in the status of the Company's complaint filed before the Wafaqi Muhtasib for recovery of this deposit along with penalty since the date of preceding annual audited financial statements of the Company for the year ended June 30, 2025.

## 9. TRANSACTIONS WITH RELATED PARTIES

### 9.1 Significant transactions with related parties are as follows:

|                                      |                                 | Un-audited                |                       |
|--------------------------------------|---------------------------------|---------------------------|-----------------------|
|                                      |                                 | Three months period ended |                       |
|                                      |                                 | September 30,<br>2025     | September 30,<br>2024 |
|                                      |                                 | (Rupees in thousand)      |                       |
| <b>i) Associated Companies</b>       | Sale of raw material            | -                         | 20,753                |
|                                      | Purchase of raw material        | 144,637                   | 81,450                |
|                                      | Loan obtained                   | -                         | 511,828               |
|                                      | Markup on loan                  | 70,185                    | 125,521               |
| <b>ii) Related Party</b>             | Gas Purchased                   | 303,483                   | 587,591               |
| <b>iii) Key management personnel</b> | Remuneration and other benefits | 3,728                     | 2,565                 |

# NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE FIRST QUARTER ENDED SEPTEMBER 30, 2025

## 10. FINANCIAL RISK MANAGEMENT

The Company's activities expose it to a variety of financial risks: market risk (including currency 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 ended June 30, 2025.

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

## 11. FAIR VALUE ESTIMATION

The carrying values of financial assets and liabilities reflected in the financial statements are a reasonable approximation of their fair values.

Fair values categorised into different levels in a fair value hierarchy based on the inputs used in the valuation technique are as follows:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities [Level 1].
- Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) [Level 2].
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) [Level 3].

There was no transfers amongst the levels and any change in valuation techniques during the period.

## 12. CORRESPONDING FIGURES

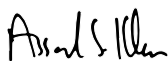
In order to comply with the requirements of International Accounting Standard (IAS) 34 'Interim Financial Reporting', corresponding figures in the condensed interim statement of financial position comprise of balances as per the audited annual financial statements of the Company for year ended June 30, 2025 and the corresponding figures in the condensed interim profit or loss account & other 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 information of the Company for the three months period ended September 30, 2024.

Corresponding figures have been re-arranged and re-classified, wherever necessary, for the purpose of comparison.

Figures have been rounded off to the nearest thousand of rupees unless otherwise stated.

## 13. DATE OF AUTHORIZATION FOR ISSUE

These condensed interim financial statements have been approved and authorized for issue on October 29, 2025 by the Board of Directors of the Company.



ASSAD SAIFULLAH KHAN  
Chief Executive Officer



RANA MUHAMMAD SHAFI  
Director



MUHAMMAD WASEEM ASLAM  
Chief Financial Officer





## Saif Textile Mills Limited

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