NISHAT MILLS LIMITED

NML-PSX/

October 30, 2025

The General Manager,
Pakistan Stock Exchange Limited,
Stock Exchange Building,
Stock Exchange Road,
KARACHI.

SUB: **TRANSMISSION OF QUARTERLY REPORT**
FOR THE PERIOD ENDED SEPTEMBER 30, 2025

Dear Sir,

We have to inform you that the Quarterly Report of Nishat Mills Limited for the period ended September 30, 2025 have been transmitted through PUCARS and is also available on Company's website.

You may please inform the TRE Certificate Holders of the Exchange accordingly.

Thanking you,

Yours truly,

KHALID MAHMOOD CHOHAN
COMPANY SECRETARY

HEAD OFFICE : 7-MAIN GULBERG, LAHORE PAKISTAN.UAN:111 33 22 00 TEL: 92-42-35716351-9 FAX:92-42-35716350 E-MAIL: nishat@nishatmills.com
REGISTERED OFFICE & SHARES DEPTT : NISHAT HOUSE, 53-A, LAWRENCE ROAD, LAHORE - PAKISTAN PH : (042) 36367812-15 TLX : 47523 NISHAT PK, FAX : (042) 36367414

Inspired To Outperform

2025

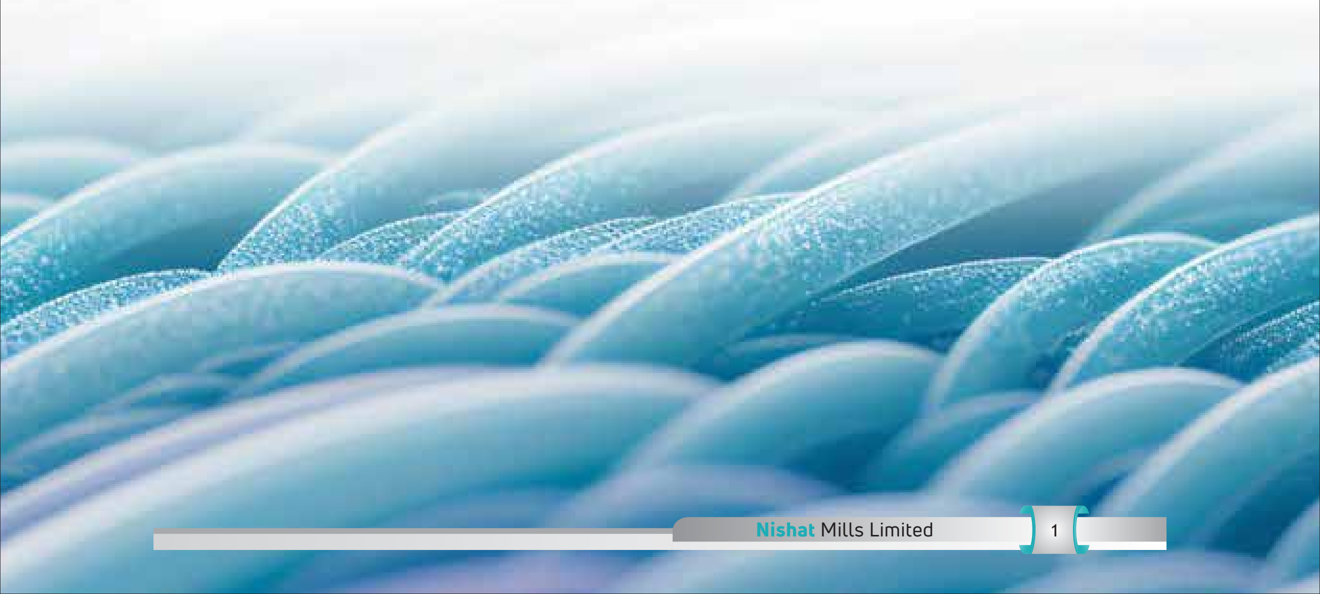
Interim Financial Report

For the Quarter Ended September 30,

CONTENTS

Nishat Mills Limited

Nishat Mills Limited and its Subsidiary Companies



COMPANY INFORMATION

Board of Directors
Mian Umer Mansha
Chief Executive Officer

Mian Hassan Mansha
Chairman

Mrs. Mehak Adil
Mrs. Sara Aqeel
Syed Zahid Hussain
Mr. Farid Noor Ali Fazal
Mr. Mahmood Akhtar

Audit Committee
Mrs. Mehak Adil
Chairperson / Member

Syed Zahid Hussain
Member

Mr. Farid Noor Ali Fazal
Member

Human Resource & Remuneration (HR & R) Committee
Mrs. Sara Aqeel
Chairperson / Member

Mian Umer Mansha
Member

Mr. Mahmood Akhtar
Member

Chief Financial Officer
Mr. Mohammad Azam

Company Secretary
Mr. Khalid Mahmood Chohan

Auditors
Riaz Ahmad & Company
Chartered Accountants

Legal Advisor
Mr. M. Aurangzeb Khan,
Advocate, Chamber No. 6, District Court, Faisalabad.

Bankers to the Company
Albaraka Bank (Pakistan) Limited
Allied Bank Limited
Askari Bank Limited
Bank Alfalah Limited
Bank Al Habib Limited
Bank Islami Pakistan Limited
Citibank N.A.
Dubai Islamic Bank Pakistan Limited
Faysal Bank Limited
Faysal Bank Limited - Islamic Banking
Habib Bank Limited
Habib Metropolitan Bank Limited
Industrial and Commercial Bank of China Limited
JS Bank Limited
Meezan Bank Limited
MCB Bank Limited
MCB Islamic Bank Limited
National Bank of Pakistan
Pakistan Kuwait Investment Company (Private) Limited
Samba Bank Limited
Soneri Bank Limited
Standard Chartered Bank (Pakistan) Limited
The Bank of Punjab
The Bank of Punjab - Taqwa Islamic Banking
United Bank Limited

Mills

Spinning units, Yarn Dyeing & Power plant
Nishatabad, Faisalabad.

Spinning units & Power plant
20 K.M. Sheikhupura Faisalabad Road, Feroze Watwan.

Spinning units & Power plant
Plot No. 172-180 & 188-197, M-3 Industrial City, Sahianwala, FIEDMC, 2 K.M. Jhumra Chiniot Road, Chak Jhumra, Faisalabad.

Weaving units, Denim Unit, Workwear unit & Power plant
12 K.M. Faisalabad Road, Sheikhupura.

Weaving unit, Dyeing & Finishing unit, Processing unit, Stitching units and Power plants
5 K.M. Nishat Avenue Off 22 K.M. Ferozepur Road, Lahore.

Terry Unit
7 K.M. Nishat Avenue Off 22 K.M. Ferozepur Road, Lahore.

Apparel Unit
2 K.M. Nishat Avenue Off 22 K.M. Ferozepur Road, Lahore.

Registered office
Nishat House,
53 - A, Lawrence Road, Lahore.
Tel: 042-36360154, 042-111 113 333
Fax: 042-36367414

Shares Registrar
THK Associates (Private) Limited

Head Office, Karachi
Plot No. 32-C Jami Commercial
Street No. 2, DHA Phase VII,
Karachi 75500.
Tel: 021-111 000 322
Fax: 021-35310191

Branch Office, Lahore
Office No. 309, 3rd Floor,
North Tower, LSE building,
19-Sharah-e-Aiwan-e-Iqbal Lahore.
Tel: 042-36302044

Head Office
7, Main Gulberg, Lahore.
Tel: 042-35716351-59, 042-111 332 200
Fax: 042-35716349-50
E-mail: nishat@nishatmills.com
Website: www.nishatmillsltd.com

Liaison Office
1st Floor, Karachi Chambers,
Hasrat Mohani Road, Karachi.
Tel: 021-32414721-23
Fax: 021-32412936

Bangladesh Liaison Office
House No.247, Road No.3, Baridhara DOHS, Dhaka Cantt., Bangladesh.

DIRECTORS' REPORT

Directors of Nishat Mills Limited ("the Company") are pleased to present the Directors' Report for the quarter ended 30 September 2025.

Operating Financial Results

Revenue increased by Rs. 1.568 billion (3.61%), rising from Rs. 43.445 billion in the corresponding quarter ended 30 September 2024 to Rs. 45.013 billion in the current quarter. This reflects steady top-line growth, primarily driven by higher volumes.

As a result, gross profit improved by Rs. 202 million (4.25%), indicating stable margins. Finance costs also decreased by Rs. 980 million, falling from Rs. 2.709 billion in the previous quarter to Rs. 1.729 billion in the current quarter, mainly due to lower short-term borrowings and reduced average borrowing rates. However, dividend income declined by Rs. 571 million, which negatively impacted overall profitability.

Financial Highlights	Quarter ended 30 September		Increase / (decrease) %
	2025	2024	
Revenue (Rs. '000')	45,013,169	43,444,875	3.61
Gross Profit (Rs. '000')	4,955,760	4,753,695	4.25
Profit after tax (Rs. '000')	772,339	944,044	(18.19)
Gross Profit (%)	11.01	10.94	
Profit after tax (%)	1.72	2.17	
Earnings per share – (Rs.)	2.20	2.68	

Despite stable margins and improved financial management, profit after tax dropped from Rs. 944 million to Rs. 772 million, primarily due to higher levies and taxation.

General Market Review and Future Prospects

The first quarter of financial year 2025–26 presented a mixed landscape for the Company, shaped by both global and domestic economic forces. On the international front, sluggish economic activity, trade tensions, and tariff adjustments continued to disrupt supply chains and dampen demand across textile markets. The imposition of new tariffs by the U.S. and shifting trade policies in Asia have led to cautious purchasing behavior among global buyers, with many placing only minimal orders.

Domestically, Pakistan's economy showed signs of stabilization, supported by a significant reduction in interest rates and declining inflation. These factors created a relatively favorable environment for export-oriented sectors like textiles. However, the potential for sustained growth depends on the government's attention to reduce rising taxation and volatile fuel prices, which continue to pose risks to industrial competitiveness.

The textile industry faced additional challenges due to climate-related disruptions. Unexpected floods severely impacted the agriculture sector, particularly cotton production, which is a critical input for textile manufacturing. Rising temperatures, erratic rainfall, and water scarcity have further strained cotton yields, leading to increased reliance on imports and higher input costs.

Pakistan textile exporters continued to face systematic disadvantages that undermine their competitiveness against regional countries like India, Bangladesh and Vietnam. These disadvantages stem from combination of high taxation, elevated energy tariffs, expensive financing, wage pressures and absence of streamlined incentive mechanism. Additionally, the US tariffs have also increased pressure on Pakistani textile industry because international brands are shifting the burden to suppliers by setting stringent price targets. The increased tariffs have led to reduced order quantities from customers, who are now adopting a wait and see approach.

The Company is undertaking several strategic investments to enhance product and customer diversification. The Spinning Division is planning to invest in open-end yarn production, particularly PC OE yarn, to improve competitiveness. The Weaving Division is upgrading to 47 high-speed, energy-efficient looms to boost productivity and reduce costs. The Company is also actively investing in renewable energy projects across its units, including solar power generation and battery energy storage systems. These initiatives aim to reduce dependency on conventional energy sources and improve cost efficiency. Collectively, these efforts are designed to strengthen the Company's market position, broaden its customer base, and ensure long-term growth.

In summary, while the textile industry faces significant headwinds, The Company's strategic investments, market diversification, and operational enhancements position it well to capitalize on emerging opportunities and deliver sustainable growth in the future.

Subsidiary Companies and Consolidated Financial Statements

Nishat Power Limited, Nishat Linen (Private) Limited, Nishat Commodities (Private) Limited, Nishat USA Inc., Nishat Linen Trading LLC, Nishat International FZE, China Guangzhou Nishat Global Co., Ltd, Nishat UK (Private) Limited, Wernerfelt A/S and Wernerfelt Sverige AB form portfolio of subsidiary companies of the Company. Therefore, the Company has annexed consolidated condensed interim financial statements in addition to its separate condensed interim financial statements, in accordance with the requirements of International Financial Reporting Standards.

Committees of the Board

The composition of the Board is as follows:

Total number of Directors

a)	Male	5
b)	Female	2

Composition

i)	Independent Directors	2
ii)	Non-executive Directors	4
iii)	Executive Director	1

Committees of the Board

Audit Committee:

Sr. No.	Name of Director	
1	Mrs. Mehak Adil	Chairperson / Member
2	Syed Zahid Hussain	Member
3	Mr. Farid Noor Ali Fazal	Member

Human Resource and Remuneration (HR&R) Committee:

Sr. No.	Name of Director	
1	Mian Umer Mansha	Member
2	Mrs. Sara Aqeel	Chairperson / Member
3	Mr. Mahmood Akhtar	Member

Directors' Remuneration

The Board of Directors has approved the Directors' Remuneration Policy. The main features of the policy are as follows:

- The Company shall not pay remuneration to its non-executive directors, including independent directors, except for the meeting fee for attending meetings of the Board and its Committees.
- The Company will reimburse or incur expenses of travelling and accommodation of Directors in relation to attending meetings of the Board and its Committees.
- The Directors' Remuneration Policy will be reviewed and approved by the Board of Directors from time to time.

Acknowledgement

The Board is pleased to recognize valuable efforts of the management, staff and workers.

For and on behalf of the Board of Directors

Mian Umer Mansha
Chief Executive Officer

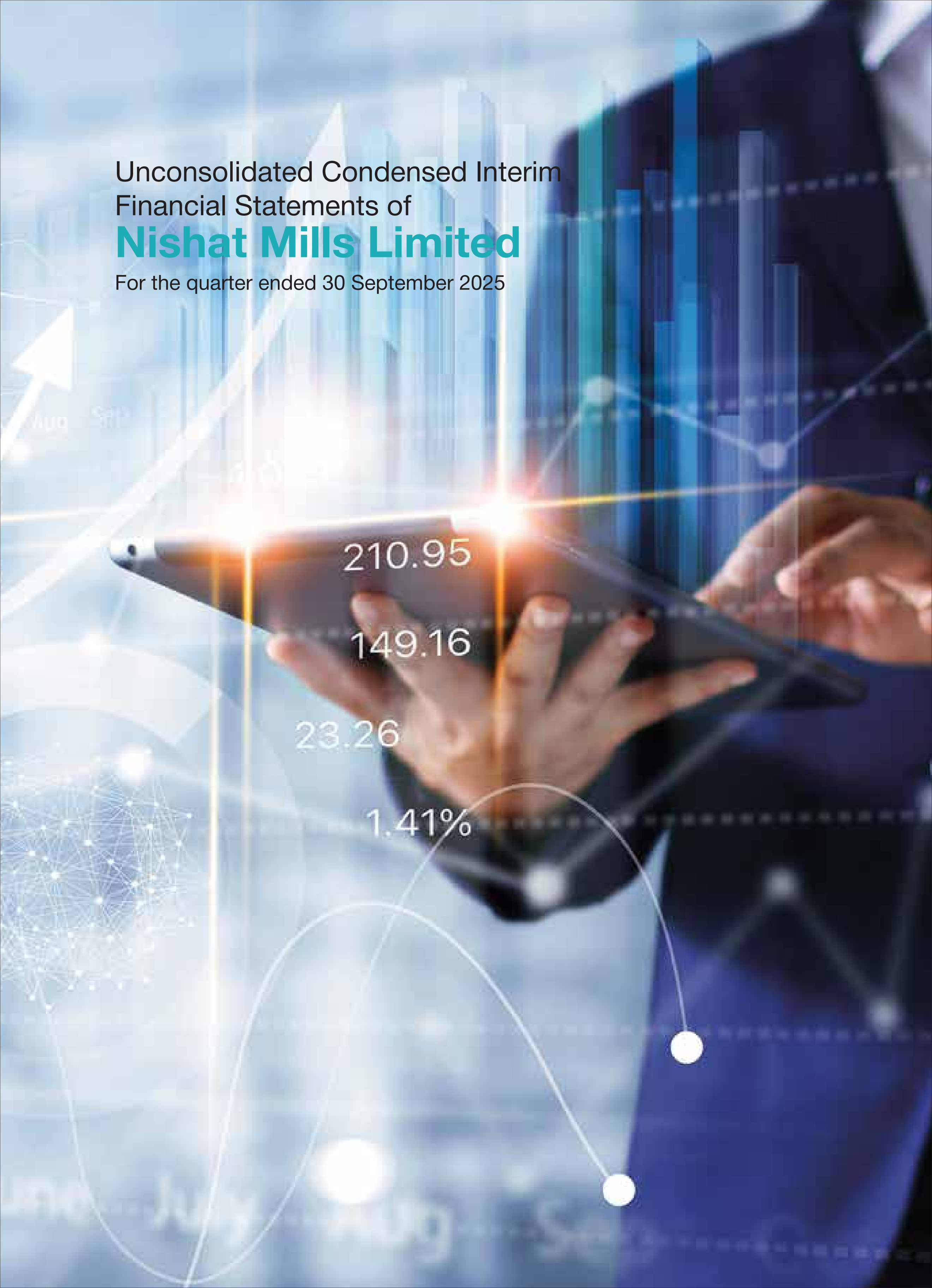
Farid Noor Ali Fazal
Director

30 October 2025
Lahore

Unconsolidated Condensed Interim
Financial Statements of

Nishat Mills Limited

For the quarter ended 30 September 2025



Unconsolidated Condensed Interim Statement of Financial Position

As at 30 September 2025

	Note	Un-audited 30 September 2025	Audited 30 June 2025
		(Rupees in thousand)	
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorized share capital			
1,100,000,000 (30 June 2025: 1,100,000,000) ordinary shares of Rupees 10 each		11,000,000	11,000,000
Issued, subscribed and paid-up share capital			
351,599,848 (30 June 2025: 351,599,848) ordinary shares of Rupees 10 each		3,515,999	3,515,999
Reserves		152,238,382	141,083,675
Total equity		155,754,381	144,599,674
LIABILITIES			
NON-CURRENT LIABILITIES			
Long term financing- secured	5	25,249,568	25,371,377
Lease Liabilities		104,472	131,218
Deferred liabilities		11,835,761	10,498,792
		37,189,801	36,001,387
CURRENT LIABILITIES			
Trade and other payables		16,928,529	15,954,636
Accrued mark-up		1,229,797	1,133,101
Short term borrowings		54,734,168	60,279,970
Current portion of non-current liabilities		4,752,868	4,721,464
Unclaimed dividend		119,720	119,887
Provision for taxation and levy - net		1,561,488	1,957,831
		79,326,570	84,166,889
TOTAL LIABILITIES		116,516,371	120,168,276
CONTINGENCIES AND COMMITMENTS	6		
TOTAL EQUITY AND LIABILITIES		272,270,752	264,767,950

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

CHIEF EXECUTIVE OFFICER

	Note	Un-audited 30 September 2025	Audited 30 June 2025
		(Rupees in thousand)	
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	7	64,927,977	64,610,007
Right-of-use assets		173,357	200,810
Investment properties		463,541	464,275
Long term investments		106,026,469	94,476,346
Long term loans		392,310	388,612
Long term deposits		271,073	392,943
		172,254,727	160,532,993
CURRENT ASSETS			
Stores, spare parts and loose tools		6,549,864	6,728,076
Stock-in-trade		50,291,647	51,611,063
Trade debts		24,575,695	26,432,541
Loans and advances		9,873,082	8,460,300
Short term deposits and prepayments		555,542	554,783
Other receivables		7,506,685	9,489,952
Accrued interest		78,674	72,057
Cash and bank balances		584,836	886,185
		100,016,025	104,234,957
TOTAL ASSETS		272,270,752	264,767,950

DIRECTOR

CHIEF FINANCIAL OFFICER

Unconsolidated Condensed Interim Statement of Profit or Loss

For the quarter ended 30 September 2025 (Un-audited)

	Note	Quarter ended 30 September 2025	30 September 2024
		(Rupees in thousand)	
REVENUE	8	45,013,169	43,444,875
COST OF SALES	9	(40,057,409)	(38,691,180)
GROSS PROFIT		4,955,760	4,753,695
DISTRIBUTION COST		(2,176,547)	(2,099,131)
ADMINISTRATIVE EXPENSES		(783,668)	(706,342)
OTHER EXPENSES		(46,650)	(844)
		(3,006,865)	(2,806,317)
		1,948,895	1,947,378
OTHER INCOME		1,538,073	2,365,642
PROFIT FROM OPERATIONS		3,486,968	4,313,020
FINANCE COST		(1,728,950)	(2,708,794)
PROFIT BEFORE TAXATION AND LEVY		1,758,018	1,604,226
LEVY		(515,438)	(357,311)
PROFIT BEFORE TAXATION		1,242,580	1,246,915
TAXATION		(470,241)	(302,871)
PROFIT AFTER TAXATION		772,339	944,044
EARNINGS PER SHARE- BASIC AND DILUTED (RUPEES)	10	2.20	2.68

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

CHIEF EXECUTIVE OFFICER

DIRECTOR

CHIEF FINANCIAL OFFICER

Unconsolidated Condensed Interim Statement of Comprehensive Income

For the quarter ended 30 September 2025 (Un-audited)

	Quarter ended	
	30 September 2025	30 September 2024
	(Rupees in thousand)	
PROFIT AFTER TAXATION	772,339	944,044
OTHER COMPREHENSIVE INCOME / (LOSS)		
Items that will not be reclassified to profit or loss:		
Fair value adjustment arising on remeasurement of investments at fair value through other comprehensive income	11,631,333	(2,743,883)
Deferred income tax relating to this item	(1,248,965)	274,913
	10,382,368	(2,468,970)
Items that may be reclassified subsequently to profit or loss	-	-
Other comprehensive income / (loss) for the period - net of tax	10,382,368	(2,468,970)
TOTAL COMPREHENSIVE INCOME / (LOSS) FOR THE PERIOD	11,154,707	(1,524,926)

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

CHIEF EXECUTIVE OFFICER

DIRECTOR

CHIEF FINANCIAL OFFICER

Unconsolidated Condensed Interim Statement of Changes in Equity

For the quarter ended 30 September 2025 (Un-audited)

	SHARE CAPITAL	RESERVES							TOTAL EQUITY
		CAPITAL RESERVES			REVENUE RESERVES			TOTAL	
		Premium on Issue of Right Shares	Fair Value Reserve FVTOCI Investments	Sub Total	General Reserve	Unappropriated Profit	Sub Total		
	(Rupees in thousand)								
Balance as at 30 June 2024 - (audited)	3,515,999	5,499,530	28,324,298	33,823,828	71,096,028	6,374,158	77,470,186	111,294,014	114,810,013
Transfer of gain on buy back of FVTOCI Investment to unappropriated profit	-	-	(4,931)	(4,931)	-	4,931	4,931	-	-
Profit for the period	-	-	-	-	-	944,044	944,044	944,044	944,044
Other comprehensive loss for the period	-	-	(2,468,970)	(2,468,970)	-	-	-	(2,468,970)	(2,468,970)
Total comprehensive (loss) / income for the period	-	-	(2,468,970)	(2,468,970)	-	944,044	944,044	(1,524,926)	(1,524,926)
Balance as at 30 September 2024 - (un-audited)	3,515,999	5,499,530	25,850,397	31,349,927	71,096,028	7,323,133	78,419,161	109,769,088	113,285,087
Transaction with owners- Final dividend for the year ended 30 June 2024 @ Rupees 3.00 per share	-	-	-	-	-	(1,054,800)	(1,054,800)	(1,054,800)	(1,054,800)
Transferred to general reserve	-	-	-	-	5,319,000	(5,319,000)	-	-	-
Transfer of gain on buy back / sale of FVTOCI Investments to unappropriated profit	-	-	(116,058)	(116,058)	-	116,058	116,058	-	-
Profit for the period	-	-	-	-	-	5,069,475	5,069,475	5,069,475	5,069,475
Other comprehensive income for the period	-	-	27,299,912	27,299,912	-	-	-	27,299,912	27,299,912
Total comprehensive income for the period	-	-	27,299,912	27,299,912	-	5,069,475	5,069,475	32,369,387	32,369,387
Balance as at 30 June 2025 - (audited)	3,515,999	5,499,530	53,034,251	58,533,781	76,415,028	6,134,866	82,549,894	141,083,675	144,599,674
Transfer of gain on sale of FVTOCI Investment to unappropriated profit	-	-	(52,414)	(52,414)	-	52,414	52,414	-	-
Profit for the period	-	-	-	-	-	772,339	772,339	772,339	772,339
Other comprehensive income for the period	-	-	10,382,368	10,382,368	-	-	-	10,382,368	10,382,368
Total comprehensive income for the period	-	-	10,382,368	10,382,368	-	772,339	772,339	11,154,707	11,154,707
Balance as at 30 September 2025 - (un-audited)	3,515,999	5,499,530	63,364,205	68,863,735	76,415,028	6,959,619	83,374,647	152,238,382	155,754,381

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

CHIEF EXECUTIVE OFFICER

DIRECTOR

CHIEF FINANCIAL OFFICER

Unconsolidated Condensed Interim Statement of Cash Flows

For the quarter ended 30 September 2025 (Un-audited)

	Note	Quarter ended 30 September 2025	30 September 2024
		(Rupees in thousand)	
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash generated from operations	11	9,371,994	295,146
Finance cost paid		(1,632,254)	(2,732,215)
Levy and income tax paid - net		(1,168,197)	(851,884)
Exchange gain on forward exchange contracts (paid) / received		(33,008)	87,207
Net (increase) / decrease in long term loans		(1,927)	24,946
Net decrease in long term deposits		125,340	277,906
Net cash generated from / (used in) operating activities		6,661,948	(2,898,894)
CASH FLOWS FROM INVESTING ACTIVITIES			
Capital expenditure on property, plant and equipment		(1,818,682)	(3,655,753)
Proceeds from sale of property, plant and equipment		79,015	17,259
Investments made		(35,613)	(331,316)
Proceeds from sale / buy back of investment		116,823	28,500
Loan to Nishat Linen (Private) Limited - subsidiary company		(10,316,320)	(11,580,761)
Repayment of loan by Nishat Linen (Private) Limited - subsidiary company		9,132,149	13,532,167
Interest received		230,147	304,629
Dividends received		907,468	1,478,935
Net cash used in investing activities		(1,705,013)	(206,340)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from long term financing		600,000	-
Repayment of long term financing		(701,691)	(706,674)
Repayment of lease liabilities		(20,396)	-
Short term borrowings - net		(5,138,249)	3,069,833
Dividend paid		(167)	(648)
Net cash (used in) / from financing activities		(5,260,503)	2,362,511
Net decrease in cash and cash equivalents		(303,568)	(742,723)
Net foreign exchange difference on translating cash and bank balances		2,219	3,013
Cash and cash equivalents at the beginning of the period		886,185	2,722,355
Cash and cash equivalents at the end of the period		584,836	1,982,645

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

CHIEF EXECUTIVE OFFICER DIRECTOR CHIEF FINANCIAL OFFICER

Selected Notes to the Unconsolidated Condensed Interim Financial Statements

For the quarter ended 30 September 2025 (Un-audited)

1 THE COMPANY AND ITS OPERATIONS

Nishat Mills Limited is a public limited Company incorporated in Pakistan under the Companies Act, 1913 (Now Companies Act, 2017) and listed on Pakistan Stock Exchange Limited. Its registered office is situated at 53-A, Lawrence Road, Lahore. The Company is engaged in the business of textile manufacturing and of spinning, combing, weaving, bleaching, dyeing, printing, stitching, apparel, buying, selling and otherwise dealing in yarn, linen, cloth and other goods and fabrics made from raw cotton, synthetic fibre and cloth, and to generate, accumulate, distribute, supply and sell electricity.

2 BASIS OF PREPARATION

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

- International Accounting Standard (IAS) 34, Interim Financial Reporting, issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017; 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 Companies Act, 2017 have been followed.

2.2 These unconsolidated condensed interim financial statements do not include all the information and disclosures required in annual financial statements and should be read in conjunction with the annual audited published financial statements of the Company for the year ended 30 June 2025. These unconsolidated condensed interim financial statements are un-audited and are being submitted to the shareholders as required by the Listed Companies (Code of Corporate Governance) Regulations, 2019 and Section 237 of the Companies Act, 2017.

3 MATERIAL ACCOUNTING POLICY INFORMATION

The material accounting policy information and methods of computations adopted for the preparation of these unconsolidated condensed interim financial statements are the same as applied in the preparation of the preceding audited annual published financial statements of the Company for the year ended 30 June 2025.

4 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of these unconsolidated condensed interim financial statements in conformity with the approved accounting standards requires the use of certain critical accounting estimates. It also requires the management to exercise its judgment in the process of applying the Company's accounting policies. Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

During preparation of these unconsolidated condensed interim financial statements, the significant judgments made by the management in applying the Company’s accounting policies and the key sources of estimation and uncertainty were the same as those that applied in the preceding audited annual published financial statements of the Company for the year ended 30 June 2025.

	Note	Un-audited 30 September 2025	Audited 30 June 2025
		(Rupees in thousand)	
5 LONG TERM FINANCING - SECURED			
Opening balance		28,661,966	26,550,649
Add: Obtained during the period / year		600,000	5,000,000
Less: Repaid during the period / year		(701,691)	(2,901,055)
Add: Deferred income amortized during the period / year	5.1	2,756	12,372
		28,563,031	28,661,966
Less: Current portion shown under current liabilities		(3,313,463)	(3,290,589)
		25,249,568	25,371,377

5.1 This represents net impact of benefit of loans obtained under the schemes of State Bank of Pakistan at below market rate of interest.

6 CONTINGENCIES AND COMMITMENTS

a) Contingencies

i) The Company was contesting various sales tax demands amounting to Rupees 214.158 million and related default surcharge and penalties under the Sales Tax Act, 1990 before Appellate Tribunal Inland Revenue (ATIR) which vide orders dated 30 August 2024 and 22 October 2024 allowed partial relief to the Company and remanded back the remaining matters to assessing officer for consideration afresh. No provision there against has been recognized in these financial statements as the Company, based on advice of the tax advisor, is confident of favorable outcome of the appeals.

ii) Deputy Commissioner Inland Revenue (DCIR) passed an order dated 08 October 2018 under various sections of the Sales Tax Act, 1990 by disallowing inputs tax adjustments and raised sales tax demand of Rupees 41.661 million. Being aggrieved, the Company filed an appeal before Commissioner Inland Revenue (Appeals) (CIRA) who vide order dated 27 December 2018 remanded back the case to concerned DCIR. The DCIR vide order dated 26 June 2025 confirmed the demand of Rupees 41.661 million and further charged the penalty of Rupees 2.083 million. Being aggrieved, the Company has filed an appeal before CIRA which is pending for adjudication. No provision there against has been recognized in these financial statements as the Company, based on advice of the tax advisor, is confident of favorable outcome of the appeal.

iii) Guarantees of Rupees 6,315.358 million (30 June 2025: Rupees 6,277.815 million) are given by the banks of the Company to Sui Northern Gas Pipelines Limited against gas connections, Shell Pakistan Limited and Pakistan State Oil Limited against purchase of furnace oil, Director Excise and Taxation, Karachi against infrastructure cess, Chairman Punjab Revenue Authority, Lahore against infrastructure cess, Directorate of Cotton Cess Management against cotton cess, Collector of Customs against regulatory duty, Inspector General Frontier Corps KP (South), The President of Islamic Republic of Pakistan through the Controller of Military Accounts (Defence Purchase), Airport Security Force, Provincial Police Officer, Office of Inspector General of Police KPK and Inspector General of Punjab Police against fulfillment of sales orders, High Court of Sindh, Karachi against the matter of importation of LED lights, Faisalabad Electric Supply Company Limited (FESCO) and Lahore Electric Supply Company Limited (LESCO) against

Selected Notes to the Unconsolidated Condensed Interim Financial Statements

For the quarter ended 30 September 2025 (Un-audited)

installation of grid stations and to the bank of Hyundai Nishat Motor (Private) Limited (associated company) to secure financial assistance to the associated company. Further, the Company has issued cross corporate guarantees of Rupees 666.667 million (30 June 2025: Rupees 666.667 million) and Rupees 1,777.500 million (30 June 2025: Rupees 1,777.500 million) on behalf of Nishat Linen (Private) Limited - wholly owned subsidiary company and Nishat Sutas Dairy Limited - associated company respectively to secure the obligations of subsidiary company and associated company towards their lenders.

iv) Post dated cheques of Rupees 35,000 million (30 June 2025: Rupees 35,000 million) are issued to customs authorities in respect of duties on imported items availed on the basis of consumption and export plans. If documents of exports are not provided on due dates, cheques issued as security shall be encashable.

v) Post dated cheques of Rupees 204.374 million (30 June 2025: Rupees 153.935 million) are issued to Sui Northern Gas Pipeline Limited in pursuance of order of Lahore High Court, Lahore in the case of gas infrastructure development cess and captive power levy bills up to March 2025 and RLNG Tariff Actualization Arrears. Post dated cheques of Rupees 8.209 million (30 June 2025: Rupees 8.209 million) are issued to Lahore Electric Supply Company Limited (LESCO) and Faisalabad Electric Supply Company Limited (FESCO) in pursuance of order of Lahore High Court, Lahore in the case of income tax in electricity bills for the month of July 2021 and against differential of increased rates of fixed charges in electricity bills for the months from December 2024 to February 2025.

b) Commitments

i) Contracts for capital expenditure are approximately of Rupees 1,169.470 million (30 June 2025: Rupees 3,046.292 million).

ii) Letters of credit other than for capital expenditure are of Rupees 6,605.957 million (30 June 2025: Rupees 4,060.622 million).

iii) Outstanding foreign currency forward contracts of Rupees 4,408.527 million (30 June 2025: Rupees 899.667 million).

iv) Commitment arising from short-term leases recognized on a straight-line basis as expense under the practical expedients applied by the Company with respect to IFRS 16. The amount of future payments under these leases and the period in which these payments will become due are as follows:

	Note	Un-audited 30 September 2025	Audited 30 June 2025
		(Rupees in thousand)	
Not later than one year		2,922	665

7 PROPERTY, PLANT AND EQUIPMENT

	Note	Un-audited 30 September 2025	Audited 30 June 2025
Operating fixed assets	7.1	60,715,688	61,297,274
Capital work-in-progress	7.2	4,212,289	3,312,733
		64,927,977	64,610,007

	Note	Un-audited 30 September 2025	Audited 30 June 2025
		(Rupees in thousand)	
7.1 Operating fixed assets			
Opening book value		61,297,274	39,615,948
Add: Cost of additions during the period / year	7.1.1	919,126	26,348,775
		62,216,400	65,964,723
Less: Book value of deletions during the period / year	7.1.2	(42,209)	(135,036)
		62,174,191	65,829,687
Less: Depreciation charged during the period / year		(1,458,503)	(4,532,413)
		60,715,688	61,297,274

7.1.1 Cost of additions

Freehold land	263,434	7,682
Buildings on freehold land	-	8,320,047
Plant and machinery	531,557	16,495,406
Electric installations	562	836,929
Factory equipment	3,288	60,512
Furniture, fixtures and office equipment	10,312	247,408
Computer equipment	12,228	57,761
Vehicles	97,745	323,030
	919,126	26,348,775

7.1.2 Book value of deletions

Plant and machinery	36,831	39,511
Electric installations	-	525
Factory equipment	-	56
Furniture, fixtures and office equipment	-	384
Computer equipment	81	1,508
Vehicles	5,297	93,052
	42,209	135,036

7.2 Capital work-in-progress

Buildings on freehold land	687,662	502,374
Plant and machinery	3,370,815	2,377,290
Electric installations	51,755	20,752
Factory equipment	39,837	-
Advances against purchase of freehold land	-	263,434
Advances against furniture, fixtures and office equipment	10,050	41,451
Advances against purchase of vehicles	52,170	107,432
	4,212,289	3,312,733

Selected Notes to the Unconsolidated Condensed Interim Financial Statements

For the quarter ended 30 September 2025 (Un-audited)

8 REVENUE

8.1 In the following table, revenue from contracts with customers is disaggregated by primary geographical market, major products and service lines and timing of revenue recognition.

(Rupees in thousand)

Description	Spinning		Weaving		Dyeing		Denim		Workwear		Home Textile and Terry		Garments		Power Generation		Total - Company	
	Quarter ended		Quarter ended		Quarter ended		Quarter ended		Quarter ended		Quarter ended		Quarter ended		Quarter ended		Quarter ended	
	30-Sep-25	30-Sep-24	30-Sep-25	30-Sep-24	30-Sep-25	30-Sep-24	30-Sep-25	30-Sep-24	30-Sep-25	30-Sep-24	30-Sep-25	30-Sep-24	30-Sep-25	30-Sep-24	30-Sep-25	30-Sep-24	30-Sep-25	30-Sep-24
Region																		
Europe	71,536	34,207	4,665,081	4,945,473	36,734	77,948	18,426	-	28,761	-	5,565,491	5,765,325	772,077	1,465,262	-	-	11,158,106	12,288,215
America	215,177	142,879	170,867	215,645	7,658	-	-	-	-	-	2,050,436	1,986,403	4,438,887	2,433,452	-	-	6,883,025	4,778,379
Asia, Africa, Australia	1,275,778	1,559,214	988,559	1,083,386	3,858,297	4,302,491	528,526	-	22,150	-	433,886	590,776	56,328	10,524	-	-	7,163,524	7,546,391
Pakistan	11,043,782	10,788,514	3,758,886	3,022,414	2,229,378	3,504,965	615,716	-	420,487	-	1,571,580	1,240,092	120,384	232,436	48,301	43,469	19,808,514	18,831,890
	12,606,273	12,524,814	9,583,393	9,266,918	6,132,067	7,885,404	1,162,668	-	471,398	-	9,621,393	9,582,596	5,387,676	4,141,674	48,301	43,469	45,013,169	43,444,875
Timing of revenue recognition																		
Products and services transferred at a point in time	12,606,273	12,524,814	9,583,393	9,266,918	6,132,067	7,885,404	1,162,668	-	471,398	-	9,621,393	9,582,596	5,387,676	4,141,674	48,301	43,469	45,013,169	43,444,875
Products and services transferred over time	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	12,606,273	12,524,814	9,583,393	9,266,918	6,132,067	7,885,404	1,162,668	-	471,398	-	9,621,393	9,582,596	5,387,676	4,141,674	48,301	43,469	45,013,169	43,444,875
Major products / service lines																		
Yarn	12,606,273	12,524,814	-	-	-	-	-	-	-	-	-	-	-	-	-	-	12,606,273	12,524,814
Grey Cloth	-	-	9,583,393	9,266,918	-	-	-	-	-	-	-	-	-	-	-	-	9,583,393	9,266,918
Process Cloth	-	-	-	-	6,132,067	7,885,404	1,162,668	-	471,398	-	-	-	-	-	-	-	7,766,133	7,885,404
Made Ups	-	-	-	-	-	-	-	-	-	-	6,762,731	6,434,818	-	-	-	-	6,762,731	6,434,818
Garments	-	-	-	-	-	-	-	-	-	-	-	-	5,387,676	4,141,674	-	-	5,387,676	4,141,674
Towels and Bath Robes	-	-	-	-	-	-	-	-	-	-	2,858,662	3,147,778	-	-	-	-	2,858,662	3,147,778
Electricity	-	-	-	-	-	-	-	-	-	-	-	-	-	-	48,301	43,469	48,301	43,469
	12,606,273	12,524,814	9,583,393	9,266,918	6,132,067	7,885,404	1,162,668	-	471,398	-	9,621,393	9,582,596	5,387,676	4,141,674	48,301	43,469	45,013,169	43,444,875

8.2 Revenue is recognised at point in time as per the terms and conditions of underlying contracts with customers.

	Quarter Ended 30 September 2025	30 September 2024
	(Rupees in thousand)	
9 COST OF SALES		
Raw materials consumed	22,520,910	24,402,792
Processing charges	149,252	135,401
Salaries, wages and other benefits	4,482,506	4,060,678
Stores, spare parts and loose tools consumed	3,700,308	3,454,106
Packing materials consumed	832,480	848,624
Repair and maintenance	219,136	195,855
Fuel and power	4,976,691	5,417,137
Travelling and conveyance	138,259	126,124
Insurance	29,240	22,796
Other factory overheads	237,311	249,765
Depreciation on operating fixed assets	1,410,848	915,794
Depreciation on right-of-use-assets	24,090	-
	38,721,031	39,829,072
Work-in-process		
Opening stock	10,421,200	10,084,078
Closing stock	(9,409,381)	(9,119,366)
	1,011,819	964,712
Cost of goods manufactured	39,732,850	40,793,784
Finished goods		
Opening stock	13,600,154	10,738,990
Closing stock	(13,275,595)	(12,841,594)
	324,559	(2,102,604)
	40,057,409	38,691,180

		Quarter Ended 30 September 2025	30 September 2024
10 EARNINGS PER SHARE - BASIC AND DILUTED			
There is no dilutive effect on the basic earnings per share which is based on:			
Profit attributable to ordinary shareholders	(Rupees in thousand)	772,339	944,044
Weighted average number of ordinary shares	(Numbers)	351,599,848	351,599,848
Earnings per share	(Rupees)	2.20	2.68

Selected Notes to the Unconsolidated Condensed Interim Financial Statements

For the quarter ended 30 September 2025 (Un-audited)

	Note	Quarter Ended 30 September 2025	Quarter Ended 30 September 2024
		(Rupees in thousand)	
11 CASH GENERATED FROM OPERATIONS			
Profit before taxation and levy		1,758,018	1,604,226
Adjustments for non-cash charges and other items:			
Depreciation on investment properties		734	816
Depreciation on operating fixed assets		1,458,503	950,928
Gain on sale of property, plant and equipment		(36,806)	(7,129)
Depreciation on right-of-use assets		27,453	-
Dividend income		(907,468)	(1,478,935)
Net exchange gain		(151,763)	(365,686)
Reversal of fair value adjustment on margin against bank guarantee		(11,134)	(14,401)
Fair value adjustment on payable to Lars Lauridsen Holding ApS		10,635	13,895
Interest income on loan to Nishat Linen (Private) Limited - subsidiary company		(236,764)	(270,717)
Finance cost		1,728,950	2,708,794
Working capital changes	11.1	5,731,636	(2,846,645)
		9,371,994	295,146

11.1 Working capital changes

	30 September 2025	30 September 2024
(Increase) / decrease in current assets:		
- Stores, spare parts and loose tools	178,212	119,323
- Stock-in-trade	1,319,416	(4,659,457)
- Trade debts	1,580,656	(3,237,589)
- Loans and advances	(230,382)	(350,675)
- Short term deposits and prepayments	2,560	(6,126)
- Other receivables	1,993,663	1,230,453
	4,844,125	(6,904,071)
Increase in trade and other payables	887,511	4,057,426
	5,731,636	(2,846,645)

12 SEGMENT INFORMATION

12.1 The Company has following reportable business segments. The following summary describes the operation in each of the Company's reportable segments:

Spinning:	Producing different qualities of yarn including dyed yarn and sewing thread using natural and artificial fibers.
Weaving:	Producing different qualities of greige fabric using yarn.
Dyeing:	Producing dyed fabric using different qualities of greige fabric.
Denim:	Manufacturing of denim fabric using yarn.
Workwear:	Manufacturing of specialized processed workwear fabric using greige fabric.
Home Textile and Terry:	Manufacturing of home textile articles using processed fabric produced from greige fabric and manufacturing of terry and bath products.
Garments:	Manufacturing of garments using processed fabric.
Power Generation:	Generation and distribution of power using gas, oil, steam, coal, solar and biomass.

Transactions among the business segments are recorded at cost. Inter segment sales and purchases have been eliminated from the total.

Selected Notes to the Unconsolidated Condensed Interim Financial Statements

For the quarter ended 30 September 2025 (Un-audited)

12.2

	Spinning		Weaving		Dyeing		Denim		Workwear		Home Textile and Terry		Garments		Power Generation		Elimination of inter-segment transactions		Total - Company	
	Quarter ended		Quarter ended		Quarter ended		Quarter ended		Quarter ended		Quarter ended		Quarter ended		Quarter ended		Quarter ended		Quarter ended	
	Sep 2025	Sep 2024	Sep 2025	Sep 2024	Sep 2025	Sep 2024	Sep 2025	Sep 2024	Sep 2025	Sep 2024	Sep 2025	Sep 2024	Sep 2025	Sep 2024	Sep 2025	Sep 2024	Sep 2025	Sep 2024	Sep 2025	Sep 2024
	(Rupees in thousand)																			
Revenue from contracts with customers																				
External	12,606,273	12,524,814	9,583,393	9,266,918	6,132,067	7,885,404	1,162,668	-	471,398	-	9,621,393	9,582,596	5,387,676	4,141,674	48,301	43,469	-	-	45,013,169	43,444,875
Intersegment	5,065,741	3,385,436	6,031,179	6,921,532	587,174	910,376	18,903	-	46,557	-	190,862	112,842	1,719	1,745	5,471,661	5,210,395	(17,413,796)	(16,542,326)	-	-
	17,672,014	15,910,250	15,614,572	16,188,450	6,719,241	8,795,780	1,181,571	-	517,955	-	9,812,255	9,695,438	5,389,395	4,143,419	5,519,962	5,253,864	(17,413,796)	(16,542,326)	45,013,169	43,444,875
Cost of sales	(16,237,256)	(14,409,280)	(14,340,315)	(14,913,294)	(6,242,806)	(8,131,627)	(1,416,435)	-	(665,916)	-	(8,451,601)	(8,627,374)	(5,048,280)	(3,899,954)	(5,068,596)	(5,251,977)	17,413,796	16,542,326	(40,057,409)	(38,691,180)
Gross profit / (loss)	1,434,758	1,500,970	1,274,257	1,275,156	476,435	664,153	(234,864)	-	(147,961)	-	1,360,654	1,068,064	341,115	243,465	451,366	1,887	-	-	4,955,760	4,753,695
Distribution cost	(286,570)	(282,089)	(399,365)	(430,163)	(254,509)	(381,734)	(113,628)	-	(34,927)	-	(680,391)	(676,670)	(406,277)	(328,475)	(880)	-	-	-	(2,176,547)	(2,099,131)
Administrative expenses	(210,977)	(192,379)	(174,829)	(175,865)	(77,595)	(85,149)	(37,685)	-	(13,302)	-	(124,340)	(118,047)	(95,758)	(89,229)	(49,182)	(45,673)	-	-	(783,668)	(706,342)
	(497,547)	(474,468)	(574,194)	(606,028)	(332,104)	(466,883)	(151,313)	-	(48,229)	-	(804,731)	(794,717)	(502,035)	(417,704)	(50,062)	(45,673)	-	-	(2,960,215)	(2,805,473)
Profit / (loss) before taxation, levy and unallocated income and expenses	937,211	1,026,502	700,063	669,128	144,331	197,270	(386,177)	-	(196,190)	-	555,923	273,347	(160,920)	(174,239)	401,304	(43,786)	-	-	1,995,545	1,948,222
Unallocated income and expenses:																				
Other expenses																			(46,650)	(844)
Other income																			1,538,073	2,365,642
Finance cost																			(1,728,950)	(2,708,794)
Profit before taxation and levy																			1,758,018	1,604,226
Levy																			(515,438)	(357,311)
Profit before taxation																			1,242,580	1,246,915
Taxation																			(470,241)	(302,871)
Profit after taxation																			772,339	944,044

12.3 Reconciliation of reportable segment assets and liabilities

	Spinning		Weaving		Dyeing		Denim		Workwear		Home Textile and Terry		Garments		Power Generation		Total - Company	
	Un-audited	Audited	Un-audited	Audited	Un-audited	Audited	Un-audited	Audited	Un-audited	Audited	Un-audited	Audited	Un-audited	Audited	Un-audited	Audited	Un-audited	Audited
	Sep 2025	Jun 2025	Sep 2025	Jun 2025	Sep 2025	Jun 2025	Sep 2025	Jun 2025	Sep 2025	Jun 2025	Sep 2025	Jun 2025	Sep 2025	Jun 2025	Sep 2025	Jun 2025	Sep 2025	Jun 2025
	(Rupees in thousand)																	
Total assets for reportable segments	41,124,273	39,420,481	19,636,812	21,691,429	18,653,353	17,281,396	15,484,102	15,803,159	5,336,058	4,824,331	24,646,468	25,567,399	10,174,613	12,565,211	12,622,597	13,198,671	147,678,276	150,352,077
Unallocated assets:																		
Long term investments																	106,026,469	94,476,346
Other receivables																	7,506,685	9,489,952
Cash and bank balances																	584,836	886,185
Other corporate assets																	10,474,486	9,563,390
Total assets as per unconsolidated condensed interim statement of financial position																	272,270,752	264,767,950
Total liabilities for reportable segments	4,410,778	3,708,929	3,358,331	3,383,678	1,471,602	1,285,903	342,534	343,908	132,134	96,223	2,148,629	2,011,105	1,618,502	1,345,728	2,059,589	1,860,863	15,542,099	14,036,337
Unallocated liabilities:																		
Deferred liabilities																	11,835,761	10,498,792
Other corporate liabilities																	89,138,511	95,633,147
Total liabilities as per unconsolidated condensed interim statement of financial position																	116,516,371	120,168,276

13 RECOGNIZED FAIR VALUE MEASUREMENTS - FINANCIAL INSTRUMENTS

i) Fair value hierarchy

Judgements and estimates are made in determining the fair values of the financial instruments that are recognized and measured at fair value in these unconsolidated condensed interim financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the following three levels. An explanation of each level follows underneath the table.

Recurring fair value measurements At 30 September 2025	Level 1	Level 2	Level 3	Total
	(Rupees in thousand)			
Financial assets				
Fair value through other comprehensive income	85,889,097	-	13,590,630	99,479,727
Derivative financial assets	-	10,396	-	10,396
Total financial assets	85,889,097	10,396	13,590,630	99,490,123
Financial liabilities				
Derivative financial liabilities	-	18,552	-	18,552
Total financial liabilities	-	18,552	-	18,552

Recurring fair value measurements At 30 June 2025 - Audited	Level 1	Level 2	Level 3	Total
	(Rupees in thousand)			
Financial assets				
Fair value through other comprehensive income	74,375,974	-	13,553,628	87,929,602
Total financial assets	74,375,974	-	13,553,628	87,929,602
Financial liabilities				
Derivative financial liabilities	-	60,510	-	60,510
Total financial liabilities	-	60,510	-	60,510

The above table does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amounts are a reasonable approximation of fair value. Due to short term nature, carrying amounts of certain financial assets and financial liabilities are considered to be the same as their fair value. For the majority of the non-current receivables, the fair values are also not significantly different to their carrying amounts.

Selected Notes to the Unconsolidated Condensed Interim Financial Statements
For the quarter ended 30 September 2025 (Un-audited)

There were no transfers between levels 1 and 2 for recurring fair value measurements during the quarter ended 30 September 2025. Further there was no transfer out of level 3 measurements.

The Company's policy is to recognize transfers into and transfers out of fair value hierarchy levels as at the end of the reporting period.

Level 1: The fair value of financial instruments traded in active markets (such as publicly traded derivatives, and trading and equity securities) is based on quoted market prices at the end of the reporting period. The quoted market price used for financial assets held by the Company is the current bid price. These instruments are included in level 1.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities.

ii) Valuation techniques used to determine fair values

Specific valuation techniques used to value financial instruments include the use of quoted market prices or dealer quotes for similar instruments and the fair value of the remaining financial instruments is determined using discounted cash flow analysis and dividend growth model.

iii) Fair value measurements using significant unobservable inputs (level 3)

The following table presents the changes in level 3 items for the year ended 30 June 2025 and for the quarter ended 30 September 2025:

	Unlisted equity securities (Rupees in thousand)
Balance as on 30 June 2024 - Audited	10,128,247
Add: Investment made during the period	307,147
Less: Investment buy back during the period	(28,500)
Add: Fair Value adjustment recognized in other comprehensive income	3,901
Balance as on 30 September 2024 - Un-audited	10,410,795
Add: Investment made during the period	390,825
Add: Fair Value adjustment recognized in other comprehensive income	2,752,008
Balance as on 30 June 2025 - Audited	13,553,628
Add: Investment made during the period	35,613
Add: Fair Value adjustment recognized in other comprehensive income	1,389
Balance as on 30 September 2025 - Un-audited	13,590,630

iv) Valuation inputs and relationships to fair value

The following table summarizes the quantitative information about the significant unobservable inputs used in level 3 fair value measurements.

Description	Fair value at 30 September 2025	Fair value at 30 June 2025	Valuation technique	Unobservable inputs	Range of inputs (probability-weighted average) 30 September 2025	Relationship of unobservable inputs to fair value
	(Rupees in thousand)					
Fair value through other comprehensive income						
Nishat Packaging Limited	117,971	117,971	Present value techniques	Terminal growth factor	2.00%	Increase / decrease in terminal growth factor by 1% and decrease / increase in discount rate by 1% would increase / decrease fair value by Rupees +31.296 million / -23.385 million.
				Risk adjusted discount rate	15.49%	
Nishat Dairy (Private) Limited	555,038	555,038	Present value techniques	Terminal growth factor	2.00%	Increase / decrease in terminal growth factor by 1% and decrease / increase in discount rate by 1% would increase / decrease fair value by Rupees +48.735 million / -39.530 million.
				Risk adjusted discount rate	19.73%	
Security General Insurance Company Limited	2,618,225	2,618,225	Dividend growth model	Dividend growth rate	6.50%	Increase / decrease in dividend growth rate by 1% and decrease / increase in discount rate by 1% would increase / decrease fair value by Rupees +772.081 million / -493.007 million.
				Risk adjusted discount rate	15.57%	
Nishat Hotels and Properties Limited	1,934,219	1,934,219	Present value techniques	Terminal growth factor	2.00%	Increase / decrease in terminal growth factor by 1% and decrease / increase in discount rate by 1% would increase / decrease fair value by Rupees + 327.181 million / -249.457 million.
				Risk adjusted discount rate	16.12%	
Hyundai Nishat Motor (Private) Limited	4,274,754	4,274,754	Present value techniques	Terminal growth factor	2.00%	Increase / decrease in terminal growth factor by 1% and decrease / increase in discount rate by 1% would increase / decrease fair value by Rupees +523.487 million / -415.503 million.
				Risk adjusted discount rate	17.01%	
Nishat Sutas Dairy Limited	4,090,423	4,053,421	Present value techniques	Terminal growth factor	2.00%	Increase / decrease in terminal growth factor by 1% and decrease / increase in discount rate by 1% would increase / decrease fair value by Rupees + 846.430 million / -629.901 million.
				Risk adjusted discount rate	15.32%	
	13,590,630	13,553,628				

There were no significant inter-relationships between unobservable inputs that materially affect fair values.

Valuation processes

Independent valuer performs the valuations of non-property items required for financial reporting purposes, including level 3 fair values. The independent valuer reports directly to the Chief Financial Officer. Discussions of valuation processes and results are held between the Chief Financial Officer and the valuation team at least once in every six months.

The main level 3 inputs used by the Company are derived and evaluated as follows:

Discount rates for financial instruments are determined using a capital asset pricing model to calculate a rate that reflects current market assessments of the time value of money and the risk specific to the asset.

Earnings growth factor for unlisted equity securities are estimated based on market information for similar types of companies.

Dividend growth model for unlisted equity securities considers the present value of future dividends, discounted using weighted average cost of capital.

Changes in level 2 and 3 fair values are analyzed at the end of half yearly reporting period during the valuation discussion between the Chief Financial Officer and the independent valuer. As part of this discussion the independent valuer presents a report that explains the reason for the fair value movements.

Selected Notes to the Unconsolidated Condensed Interim Financial Statements

For the quarter ended 30 September 2025 (Un-audited)

14 TRANSACTIONS WITH RELATED PARTIES

The related parties comprise subsidiary companies, associated undertakings, other related parties, post employment benefit plan and key management personnel. The Company in the normal course of business carries out transactions with various related parties. Detail of transactions with related parties are as follows:

i) Transactions

	Quarter Ended	
	30 September 2025	30 September 2024
	(Rupees in thousand)	
Subsidiary companies		
Investment made	-	24,169
Short term loan given	10,316,320	11,580,761
Repayment of short term loan	9,132,149	13,532,167
Interest income	236,764	270,717
Rental income	9,622	27,196
Sale of goods and services	2,952,875	2,740,591
Purchase of goods and services	669,750	565,867
Associated companies		
Investment made	35,613	307,147
Investment buy back	-	28,500
Purchase of goods and services	33,287	12,265
Sale of goods and services	35,515	24,100
Purchase of operating fixed assets	-	53,929
Rental income	3,215	2,886
Dividend income	907,468	1,475,052
Insurance premium paid	97,501	125,552
Insurance claims received	27,261	36,190
Profit on bank deposit	-	539
Finance cost	11,674	21,679
Other related parties		
Purchase of goods and services	2,062	-
Rental income	19,683	-
Finance cost	5,646	-
Company's contribution to provident fund trust	174,965	145,549
Remuneration paid to Chief Executive Officer and Executives	931,335	531,434

ii) Period end balances

	As at 30 September 2025			
	Subsidiary companies	Associated companies	Other related parties	Total
	(Rupees in thousand)			
Long term financing	-	300,000	-	300,000
Trade and other payables	173,874	119,530	184	293,588
Accrued mark-up	-	12,941	5,646	18,587
Short term borrowings	-	1,042,388	-	1,042,388
Long term loans	-	-	333,595	333,595
Trade debts	1,537,174	23,961	10,009	1,571,144
Loans and advances	9,087,095	-	120,766	9,207,861
Accrued interest	78,674	-	-	78,674
Cash and bank balances	-	175,669	1,070	176,739

	As at 30 June 2025 (Audited)			
	Subsidiary companies	Associated companies	Other related parties	Total
	(Rupees in thousand)			
Trade and other payables	54,195	166,887	-	221,082
Accrued mark-up	-	8,815	-	8,815
Short term borrowings	-	1,494,506	-	1,494,506
Property, plant and equipment	-	15,853	-	15,853
Long term loans	-	-	323,431	323,431
Trade debts	1,000,572	73,590	-	1,074,162
Loans and advances	7,891,338	16,211	106,812	8,014,361
Accrued interest	72,057	-	-	72,057
Cash and bank balances	-	32,311	117,159	149,470

15 FINANCIAL RISK MANAGEMENT

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

16 DATE OF AUTHORIZATION FOR ISSUE

These unconsolidated condensed interim financial statements were approved by the Board of Directors and authorized for issue on 30 October 2025.

Selected Notes to the Unconsolidated Condensed Interim Financial Statements

For the quarter ended 30 September 2025 (Un-audited)

17 CORRESPONDING FIGURES

In order to comply with the requirements of International Accounting Standard (IAS) 34 "Interim Financial Reporting", the unconsolidated condensed interim financial position and unconsolidated condensed interim statement of changes in equity have been compared with the balances of annual audited financial statements of preceding financial year, whereas, the unconsolidated condensed interim statement of profit or loss, unconsolidated condensed interim statement of comprehensive income and unconsolidated condensed interim statement of cash flows have been compared with the balances of comparable period of immediately preceding financial year.

Corresponding figures have been re-arranged, wherever necessary, for the purpose of comparison. However, no significant re-arrangements have been made.

18 GENERAL

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

CHIEF EXECUTIVE OFFICER

DIRECTOR

CHIEF FINANCIAL OFFICER

Consolidated Condensed Interim
Financial Statements of

Nishat Mills Limited
and its Subsidiary Companies

For the quarter ended 30 September 2025

Consolidated Condensed Interim Statement of Financial Position

As at 30 September 2025

	Note	Un-audited 30 September 2025	Audited 30 June 2025
		(Rupees in thousand)	
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorized share capital			
1,100,000,000 (30 June 2025: 1,100,000,000) ordinary shares of Rupees 10 each		11,000,000	11,000,000
Issued, subscribed and paid-up share capital			
351,599,848 (30 June 2025: 351,599,848) ordinary shares of Rupees 10 each		3,515,999	3,515,999
Reserves		163,416,206	153,017,700
Equity attributable to equity holders of the Holding Company		166,932,205	156,533,699
Non-controlling interest		13,990,863	13,704,614
Total equity		180,923,068	170,238,313
LIABILITIES			
NON-CURRENT LIABILITIES			
Long term financing- secured	6	25,253,871	25,376,756
Lease liabilities		2,138,109	2,237,585
Security deposits		357,660	357,660
Retirement benefit obligation		69,311	70,107
Deferred liabilities		11,358,582	10,314,427
		39,177,533	38,356,535
CURRENT LIABILITIES			
Trade and other payables		20,398,634	20,439,377
Accrued mark-up		1,246,177	1,135,594
Short term borrowings		61,484,476	61,794,524
Current portion of non-current liabilities		5,818,389	5,891,372
Unclaimed dividend		148,755	148,922
Provision for taxation and levy - net		1,974,001	2,264,240
		91,070,432	91,674,029
TOTAL LIABILITIES		130,247,965	130,030,564
CONTINGENCIES AND COMMITMENTS	7		
TOTAL EQUITY AND LIABILITIES		311,171,033	300,268,877

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

CHIEF EXECUTIVE OFFICER

	Note	Un-audited 30 September 2025	Audited 30 June 2025
		(Rupees in thousand)	
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	8	75,832,167	75,599,389
Intangible Assets		677,647	677,647
Right-of-use assets		2,865,106	3,018,360
Long term investments		97,945,259	85,408,552
Long term loans		613,487	596,780
Long term deposits		519,968	623,200
		178,453,634	165,923,928
CURRENT ASSETS			
Stores, spare parts and loose tools		7,501,330	7,680,677
Stock-in-trade		64,881,406	65,630,926
Trade debts		25,657,117	28,277,755
Loans and advances		1,732,492	1,030,627
Short term deposits and prepayments		1,013,066	755,392
Other receivables		7,642,968	9,707,042
Accrued interest		13,332	5,174
Short term investments		21,421,965	18,106,520
Cash and bank balances		2,853,723	3,150,836
		132,717,399	134,344,949
TOTAL ASSETS		311,171,033	300,268,877

DIRECTOR

CHIEF FINANCIAL OFFICER

Consolidated Condensed Interim Statement of Profit or Loss

For the quarter ended 30 September 2025 (Un-audited)

	Note	Quarter ended 30 September 2025	Quarter ended 30 September 2024
		(Rupees in thousand)	
REVENUE	9	51,013,903	53,152,648
COST OF SALES	10	(43,776,739)	(44,860,298)
GROSS PROFIT		7,237,164	8,292,350
DISTRIBUTION COST		(3,678,881)	(3,397,332)
ADMINISTRATIVE EXPENSES		(1,201,510)	(1,111,442)
OTHER EXPENSES		(45,917)	(13,092)
		(4,926,308)	(4,521,866)
		2,310,856	3,770,484
OTHER INCOME		1,713,735	1,963,168
PROFIT FROM OPERATIONS		4,024,591	5,733,652
FINANCE COST		(1,861,422)	(2,842,048)
		2,163,169	2,891,604
SHARE OF NET PROFIT OF ASSOCIATES ACCOUNTED FOR USING THE EQUITY METHOD		827,755	1,212,092
PROFIT BEFORE LEVY AND TAXATION		2,990,924	4,103,696
LEVY		(698,006)	(519,019)
PROFIT BEFORE TAXATION		2,292,918	3,584,677
TAXATION		(600,195)	(438,694)
PROFIT AFTER TAXATION		1,692,723	3,145,983
SHARE OF PROFIT ATTRIBUTABLE TO:			
EQUITY HOLDERS OF HOLDING COMPANY		1,406,474	2,336,233
NON-CONTROLLING INTEREST		286,249	809,750
		1,692,723	3,145,983
EARNINGS PER SHARE - BASIC AND DILUTED (RUPEES)	11	4.00	6.64

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

CHIEF EXECUTIVE OFFICER

DIRECTOR

CHIEF FINANCIAL OFFICER

Consolidated Condensed Interim Statement of Comprehensive Income

For the quarter ended 30 September 2025 (Un-audited)

	Quarter ended 30 September 2025	Quarter ended 30 September 2024
	(Rupees in thousand)	
PROFIT AFTER TAXATION	1,692,723	3,145,983
OTHER COMPREHENSIVE INCOME		
Items that will not be reclassified to profit or loss:		
Surplus arising on remeasurement of investments at fair value through other comprehensive income	6,546,359	1,100,866
Share of surplus on remeasurement of investments at fair value through other comprehensive income of associates - net of tax	3,294,935	355,970
Deferred income tax relating to investments at fair value through other comprehensive income	(827,091)	(117,087)
	9,014,203	1,339,749
Items that may be reclassified subsequently to profit or loss:		
Exchange differences on translating foreign operations	(22,171)	32,525
Other comprehensive income for the period - net of tax	8,992,032	1,372,274
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	10,684,755	4,518,257
SHARE OF TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:		
Equity holders of holding company	10,398,506	3,708,507
Non-controlling interest	286,249	809,750
	10,684,755	4,518,257

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

CHIEF EXECUTIVE OFFICER

DIRECTOR

CHIEF FINANCIAL OFFICER

Consolidated Condensed Interim Statement of Changes in Equity

For the quarter ended 30 September 2025 (Un-audited)

	Attributable to Equity Holders of the Holding Company														Non-controlling Interest	Total Equity
	Share Capital	Capital Reserves								Revenue Reserves			Total Reserves	Shareholders' Equity		
		Premium on Issue of Right Shares	Fair Value Reserve FVTOCI Investments	Exchange Translation Reserve	Statutory Reserve	Capital Redemption Reserve Fund	Maintenance Reserve	Overhauling Reserve	Sub Total	General Reserve	Unappropriated Profit	Sub Total				
	(Rupees in thousand)															
Balance as at 30 June 2024- (Audited)	3,515,999	5,499,530	15,590,436	662,964	14,443	111,002	1,078,330	-	22,956,705	107,251,214	8,145,282	115,396,496	138,353,201	141,869,200	15,978,611	157,847,811
Profit for the period	-	-	-	-	-	-	-	-	-	-	2,336,233	2,336,233	2,336,233	2,336,233	809,750	3,145,983
Other comprehensive income for the period	-	-	1,339,749	32,525	-	-	-	-	1,372,274	-	-	-	1,372,274	1,372,274	-	1,372,274
Total comprehensive income for the period	-	-	1,339,749	32,525	-	-	-	-	1,372,274	-	2,336,233	2,336,233	3,708,507	3,708,507	809,750	4,518,257
Transfer of Maintenance Reserve	-	-	-	-	-	-	(10,300)	-	(10,300)	-	10,300	10,300	-	-	-	-
Balance as at 30 September 2024- (Un-audited)	3,515,999	5,499,530	16,930,185	695,489	14,443	111,002	1,068,030	-	24,318,679	107,251,214	10,491,815	117,743,029	142,061,708	145,577,707	16,788,361	162,366,068
Transaction with owners- Final dividend for the year ended 30 June 2024 @ Rupees 3.00 per share	-	-	-	-	-	-	-	-	-	-	(1,054,800)	(1,054,800)	(1,054,800)	(1,054,800)	-	(1,054,800)
Transferred to general reserve	-	-	-	-	-	-	-	-	-	7,090,000	(7,090,000)	-	-	-	-	-
Transfer of maintenance reserve	-	-	-	-	-	-	(2,754)	-	(2,754)	-	2,754	2,754	-	-	-	-
Transferred to statutory reserve	-	-	-	-	1,026	-	-	-	1,026	-	(1,026)	(1,026)	-	-	-	-
Extinguishment of maintenance reserve for the purpose of creating the overhauling reserve pursuant to the Amendment Agreement	-	-	-	-	-	-	(1,065,276)	-	(1,065,276)	-	1,065,276	1,065,276	-	-	-	-
Transfer to overhauling reserve	-	-	-	-	-	-	-	3,228,157	3,228,157	-	(3,228,157)	(3,228,157)	-	-	-	-
Transaction with owners- Dividend relating to year 2024 paid to non-controlling interest	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(1,908,148)	(1,908,148)
Transfer of gain on sale of FVTOCI investments to unappropriated profit	-	-	(116,059)	-	-	-	-	-	(116,059)	-	116,059	116,059	-	-	-	-
Profit for the period	-	-	-	-	-	-	-	-	-	-	2,768,058	2,768,058	2,768,058	2,768,058	(1,175,599)	1,592,459
Other comprehensive income for the period	-	-	9,176,357	33,973	-	-	-	-	9,210,330	-	32,404	32,404	9,242,734	9,242,734	-	9,242,734
Total comprehensive income / (loss) for the period	-	-	9,176,357	33,973	-	-	-	-	9,210,330	-	2,800,462	2,800,462	12,010,792	12,010,792	(1,175,599)	10,835,193
Balance as at 30 June 2025- (Audited)	3,515,999	5,499,530	25,990,483	729,462	15,469	111,002	-	3,228,157	35,574,103	114,341,214	3,102,383	117,443,597	153,017,700	156,533,699	13,704,614	170,238,313
Transfer of gain on sale of FVTOCI investment to unappropriated profit	-	-	(52,414)	-	-	-	-	-	(52,414)	-	52,414	52,414	-	-	-	-
Profit for the period	-	-	-	-	-	-	-	-	-	-	1,406,474	1,406,474	1,406,474	1,406,474	286,249	1,692,723
Other comprehensive income / (loss) for the period	-	-	9,014,203	(22,171)	-	-	-	-	8,992,032	-	-	-	8,992,032	8,992,032	-	8,992,032
Total comprehensive income / (loss) for the period	-	-	9,014,203	(22,171)	-	-	-	-	8,992,032	-	1,406,474	1,406,474	10,398,506	10,398,506	286,249	10,684,755
Balance as at 30 September 2025- (Un-audited)	3,515,999	5,499,530	34,952,272	707,291	15,469	111,002	-	3,228,157	44,513,721	114,341,214	4,561,271	118,902,485	163,416,206	166,932,205	13,990,863	180,923,068

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

CHIEF EXECUTIVE OFFICER | DIRECTOR | CHIEF FINANCIAL OFFICER

Consolidated Condensed Interim Statement of Cash Flows

For the quarter ended 30 September 2025 (Un-audited)

	Note	Quarter ended 30 September 2025	Quarter ended 30 September 2024
		(Rupees in thousand)	
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash generated from operations	12	9,297,858	4,245,818
Finance cost paid		(1,740,204)	(2,856,595)
Levy and income tax paid - net		(1,245,555)	(922,775)
Long term security deposits - net		-	37,400
Exchange gain on forward exchange contracts (paid) / received		(33,008)	87,207
Net (decrease) / increase in retirement benefit obligation		(796)	2,795
Net (increase) / decrease in long term loans		(15,356)	4,120
Net decrease in long term deposits		106,702	267,709
Net cash generated from operating activities		6,369,641	865,679
CASH FLOWS FROM INVESTING ACTIVITIES			
Capital expenditure on property, plant and equipment		(1,957,562)	(4,010,306)
Proceeds from sale of property, plant and equipment		79,282	25,849
Dividends received		907,468	1,478,935
Loans and advances to associated company		(500,000)	-
Repayment of loan by associated company		-	8,000
Interest received		7,342	119,974
Proceeds from sale of investments		14,566,619	7,117,856
Investments made		(19,370,104)	(11,044,817)
Net cash used in investing activities		(6,266,955)	(6,304,509)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from long term financing		600,000	-
Repayment of long term financing		(703,099)	(708,035)
Repayment of lease liabilities		(374,086)	(267,000)
Exchange differences on translation of net investments in foreign subsidiaries		(22,171)	32,525
Short term borrowings - net		97,505	2,242,741
Dividend paid		(167)	(892)
Net cash (used in) / from financing activities		(402,018)	1,299,339
Net decrease in cash and cash equivalents		(299,332)	(4,139,491)
Net foreign exchange difference on translating cash and bank balances		2,219	3,013
Cash and cash equivalents at the beginning of the period		3,150,836	11,180,968
Cash and cash equivalents at the end of the period		2,853,723	7,044,490

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

CHIEF EXECUTIVE OFFICER	DIRECTOR	CHIEF FINANCIAL OFFICER

Selected Notes to the Consolidated Condensed Interim Financial Statements

For the quarter ended 30 September 2025 (Un-audited)

1 THE GROUP AND ITS OPERATIONS

The Group consists of:

Holding Company

-Nishat Mills Limited

Subsidiary Companies

-Nishat Power Limited
-Nishat Linen (Private) Limited
-Nishat USA, Inc.
-Nishat Linen Trading LLC
-Nishat International FZE
-China Guangzhou Nishat Global Co., Ltd.
-Nishat Commodities (Private) Limited
-Nishat UK (Private) Limited
-Wernerfelt A/S
-Wernerfelt Sverige AB

NISHAT MILLS LIMITED

Nishat Mills Limited is a public limited Company incorporated in Pakistan under the repealed Companies Act, 1913 (Now Companies Act, 2017) and listed on Pakistan Stock Exchange Limited. Its registered office is situated at 53-A, Lawrence Road, Lahore. The Company is engaged in the business of textile manufacturing and of spinning, combing, weaving, bleaching, dyeing, printing, stitching, apparel, buying, selling and otherwise dealing in yarn, linen, cloth and other goods and fabrics made from raw cotton, synthetic fibre and cloth and to generate, accumulate, distribute, supply and sell electricity.

NISHAT POWER LIMITED

Nishat Power Limited is a public limited Company incorporated in Pakistan under the Companies Ordinance, 1984 (Now Companies Act, 2017) and listed on Pakistan Stock Exchange Limited. The Company is a subsidiary of Nishat Mills Limited. The principal activity of the Company is to build, own, operate and maintain a fuel fired power station having gross capacity of 200 MW in Jamber Kalan, Tehsil Pattoki, District Kasur, Punjab, Pakistan. Its registered office is situated at 53-A, Lawrence Road, Lahore. Ownership interest held by non-controlling interests in Nishat Power Limited is 48.99% (30 June 2025: 48.99%).

The Subsidiary Company had a Power Purchase Agreement (‘PPA’) with its sole customer, National Transmission and Despatch Company Limited (‘NTDC’) for twenty five years which commenced from 09 June 2010. On 12 February 2021, the Subsidiary Company entered into a Novation Agreement to the PPA with NTDC and Central Power Purchasing Agency (Guarantee) Limited (‘CPPA-G’ and also referred to as the ‘Power Purchaser’), whereby, NTDC irrevocably transferred all of its rights, obligations and liabilities under the PPA to CPPA-G and thereafter, NTDC ceased to be a party to the PPA, and CPPA-G became a party to the PPA in place of NTDC. Further, on the same day, the Subsidiary Company entered into the PPA Amendment Agreement, whereby, the Agreement Year that was ending on 08 June 2021 was extended by sixty eight (68) days to 15 August 2021.

In August 2024, the Prime Minister of Pakistan constituted a Task Force to identify and oversee implementation of structural reforms in the power sector of Pakistan. After several rounds of discussions with the Task Force, the Nishat Power Limited - Subsidiary Company, along with other

Independent Power Producers, consented to amend the Power Purchase Agreement, Implementation Agreement and to convert the existing tariff to 'Hybrid Take and Pay' tariff model as proposed by the Task Force. As a result, the Nishat Power Limited - Subsidiary Company signed an Amendment Agreement in February 2025 to implement the aforementioned amendments with effect from 01 November 2024.

NISHAT LINEN (PRIVATE) LIMITED

Nishat Linen (Private) Limited, a wholly owned subsidiary of Nishat Mills Limited, is a private limited company incorporated in Pakistan under the repealed Companies Ordinance, 1984 (Now Companies Act, 2017) on 15 March 2011. The registered office of Nishat Linen (Private) Limited is situated at 7-Main, Gulberg Lahore. The principal objects of the Company are to operate retail outlets for sale of textile and other products and to sell the textile products by processing the textile goods in own and outside manufacturing facility.

NISHAT USA, INC.

Nishat USA, Inc. is a foreign subsidiary incorporated under the Business Corporation Laws of the State of New York. The registered office of Nishat USA, Inc. is situated at 230 5th Avenue, Suite 600 - 601, New York, NY 10001, U.S.A. The principal business of the Company is to provide marketing services to Nishat Mills Limited - Holding Company and sale of textile and related products in entire USA through USA based E-commerce platform, managing fulfilling center, and retail operations. Nishat Mills Limited acquired 100% shareholding of Nishat USA, Inc. on 01 October 2008.

NISHAT LINEN TRADING LLC

Nishat Linen Trading LLC is a limited liability company formed in pursuance to statutory provisions of the United Arab Emirates (UAE) Federal Law No. (8) of 1984 as amended and registered with the Department of Economic Development, Government of Dubai. Nishat Linen Trading LLC is a subsidiary of Nishat Mills Limited as Nishat Mills Limited, through the powers given to it under Article 11 of the Memorandum of Association, exercise full control on the management of Nishat Linen Trading LLC. Date of incorporation of the Company was 29 December 2010. The principal business of Nishat Linen Trading LLC is to operate retail outlets in UAE for sale of textile and related products. The registered address of Nishat Linen Trading LLC in U.A.E. is Shop No. SC 128, Dubai Festival City, P.O. Box 28189 Dubai, United Arab Emirates.

NISHAT INTERNATIONAL FZE

Nishat International FZE is incorporated as free zone establishment with limited liability in accordance with the Law No. 9 of 1992 and licensed by the Registrar of Jebel Ali Free Zone Authority. Nishat International FZE is a wholly owned subsidiary of Nishat Mills Limited. Date of incorporation of the Company was 07 February 2013. The registered office of Nishat International FZE is situated at P.O. Box 114622, Jebel Ali Free Zone, Dubai. The principal business of the Company is trading in textile and related products.

CHINA GUANGZHOU NISHAT GLOBAL CO., LTD.

China Guangzhou Nishat Global Co., Ltd. is a Company incorporated in People's Republic of China on 25 November 2013. It is a wholly owned subsidiary of Nishat International FZE which is a wholly owned subsidiary of Nishat Mills Limited. The primary function of China Guangzhou Nishat Global Co., Ltd. is to competitively source products for the retail outlets operated by Group companies in Pakistan and the UAE. The registered office of Nishat Global China Company Limited is situated at N801, No. 371-375 East Huanshi Road, Yuexiu District, Guangzhou City, China.

Selected Notes to the Consolidated Condensed Interim Financial Statements
For the quarter ended 30 September 2025 (Un-audited)

NISHAT COMMODITIES (PRIVATE) LIMITED
Nishat Commodities (Private) Limited is a private limited Company incorporated in Pakistan on 16 July 2015 under the repealed Companies Ordinance, 1984 (Now Companies Act, 2017). It is a wholly owned subsidiary of Nishat Mills Limited. Its registered office is situated at 53-A, Lawrence Road, Lahore. The principal object of the Company is to carry on the business of trading of commodities including fuels, coals, building material in any form or shape manufactured, semi-manufactured, raw materials and their import and sale in Pakistan.

NISHAT UK (PRIVATE) LIMITED
Nishat UK (Private) Limited is a private limited company incorporated in England and Wales on 15 October 2024. It is a wholly owned subsidiary of Nishat International FZE which is a wholly owned subsidiary of Nishat Mills Limited. The primary function of Nishat UK (Private) Limited is sale of textile and related products in England and Wales through UK based E-commerce platform, managing fulfilling center, and retail operations. The registered office of Nishat UK (Private) Limited is situated at 19 Pavement Square, Croydon, England, CR0 6TL.

WERNERFELT A/S
Wernerfelt A/S is a public limited company incorporated and existing under the laws of Denmark, having its principal place of business at Energivej 10, 8500 Grenaa, Denmark. Authorised as well as issued, subscribed and fully paid-up share capital of Wernerfelt A/S stand at 500,000 DKK (Danish Krone Five Hundred Thousand Only), divided into 50 ordinary shares of face value DKK 10,000 (Danish Krone Ten Thousand) each. Nishat Mills Limited acquired all of the aforementioned 50 ordinary shares of Wernerfelt A/S on 24 June 2024, representing the entire ownership and voting interest in Wernerfelt A/S and 100% of total issued and paid-up share capital of Wernerfelt A/S. Established more than 90 years ago, Wernerfelt A/S has a wealth of experience and knowledge in developing and supplying high quality fabrics for personal protection and workwear.

WERNERFELT SVERIGE AB
Wernerfelt Sverige AB is a limited company incorporated and existing under the laws of Sweden, having its principal place of business at Box 8000 - 50118 Borås, Skaraborgsvägen 3A, SE-506 30 Borås, Sweden. Wernerfelt Sverige AB is a wholly owned subsidiary of Wernerfelt A/S which is a wholly owned subsidiary of Nishat Mills Limited. Principal business of Wernerfelt Sverige AB is to conduct the sale of textiles and related activities.

2 BASIS OF PREPARATION

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

- International Accounting Standard (IAS) 34, Interim Financial Reporting, issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017; 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 Companies Act, 2017 have been followed.

2.2 These consolidated condensed interim financial statements are un-audited and do not include all the information and disclosures required in annual financial statements and should be read in conjunction with the annual audited published financial statements of the Group for the year ended 30 June 2025.

3 MATERIAL ACCOUNTING POLICY INFORMATION

The material accounting policy information and methods of computations adopted for the preparation of these consolidated condensed interim financial statements are the same as applied in the preparation of the preceding audited annual published financial statements of the Group for the year ended 30 June 2025.

4 CONSOLIDATION

a) Subsidiaries

Subsidiaries are all entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

The assets and liabilities of Subsidiary Companies have been consolidated on a line by line basis and carrying value of investments held by the Holding Company is eliminated against Holding Company's share in paid up capital of the Subsidiary Companies.

Intragroup balances and transactions have been eliminated.

Non-controlling interests are that part of net results of the operations and of net assets of Subsidiary Companies attributable to interest which are not owned by the Holding Company. Non-controlling interests are presented as separate item in the consolidated financial statements.

b) Associates

Associates are all entities over which the Group has significant influence but not control or joint control. Investments in associates are accounted for using the equity method of accounting, after initially being recognised at cost.

Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise the Group’s share of the post-acquisition profits or losses of the investee in profit or loss, and the Group’s share of movements in other comprehensive income of the investee in other comprehensive income. Dividends received or receivable from associates are recognised as a reduction in the carrying amount of the investment.

When the Group’s share of losses in an equity-accounted investment equals or exceeds its interest in the entity, including any other unsecured long-term receivables, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the other entity.

Selected Notes to the Consolidated Condensed Interim Financial Statements
For the quarter ended 30 September 2025 (Un-audited)

Unrealised gains on transactions between the Group and its associates are eliminated to the extent of the Group's interest in these entities. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of equity accounted investees have been changed where necessary to ensure consistency with the policies adopted by the Group.

Investments in equity method accounted for associates are tested for impairment in accordance with the provision of IAS 36 `Impairment of Assets`.

5 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of these consolidated condensed interim financial statements in conformity with the approved accounting standards requires the use of certain critical accounting estimates. It also requires the management to exercise its judgment in the process of applying the Group's accounting policies. Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

During preparation of these consolidated condensed interim financial statements, the significant judgments made by the management in applying the Group's accounting policies and the key sources of estimation and uncertainty were the same as those that applied in the preceding audited annual published consolidated financial statements of the Group for the year ended 30 June 2025.

	Note	Un-audited 30 September 2025	Audited 30 June 2025
		(Rupees in thousand)	
6 LONG TERM FINANCING - SECURED			
Opening balance		28,672,212	26,566,394
Add: Obtained during the period / year		600,000	5,000,000
Less: Repaid during the period / year		(703,099)	(2,906,554)
Add: Deferred income amortized during the period / year	6.1	2,756	12,372
		28,571,869	28,672,212
Less: Current portion shown under current liabilities		(3,317,998)	(3,295,456)
		25,253,871	25,376,756

6.1 This represents net impact of benefit of loans obtained under the schemes of State Bank of Pakistan at below market rate of interest.

7 CONTINGENCIES AND COMMITMENTS

a) Contingencies

i) Nishat Mills Limited - Holding Company was contesting various sales tax demands amounting to Rupees 214.158 million and related default surcharge and penalties under the Sales Tax Act, 1990 before Appellate Tribunal Inland Revenue (ATIR) which vide orders dated 30 August 2024 and 22 October 2024 allowed partial relief to the Holding Company and remanded back the remaining matters to assessing officer for consideration afresh. No provision there against has been recognized in these consolidated condensed interim financial statements as the Holding Company, based on advice of the tax advisor, is confident of favorable outcome of the appeals.

ii) Deputy Commissioner Inland Revenue (DCIR) passed an order dated 08 October 2018 under various sections of the Sales Tax Act, 1990 by disallowing inputs tax adjustments and raised sales tax demand of Rupees 41.661 million. Being aggrieved, the Nishat Mills Limited - Holding Company filed an appeal before Commissioner Inland Revenue (Appeals) (CIRA) who vide order dated 27 December 2018 remanded back the case to concerned DCIR. The DCIR vide order dated 26 June 2025 confirmed the demand of Rupees 41.661 million and further charged the penalty of Rupees 2.083 million. Being aggrieved, the Holding Company has filed an appeal before CIRA which is pending for adjudication. No provision there against has been recognized in these consolidated condensed interim financial statements as the Holding Company, based on advice of the tax advisor, is confident of favorable outcome of the appeal.

iii) Guarantees of Rupees 6,315.358 million (30 June 2025: Rupees 6,277.815 million) are given by the banks of the Holding Company to Sui Northern Gas Pipelines Limited against gas connections, Shell Pakistan Limited and Pakistan State Oil Limited against purchase of furnace oil, Director Excise and Taxation, Karachi against infrastructure cess, Chairman Punjab Revenue Authority, Lahore against infrastructure cess, Directorate of Cotton Cess Management against cotton cess, Collector of Customs against regulatory duty, Inspector General Frontier Corps KP (South), The President of Islamic Republic of Pakistan through the Controller of Military Accounts (Defence Purchase), Airport Security Force, Provincial Police Officer, Office of Inspector General of Police KPK and Inspector General of Punjab Police against fulfillment of sales orders, High Court of Sindh, Karachi against the matter of importation of LED lights, Faisalabad Electric Supply Company Limited (FESCO) and Lahore Electric Supply Company Limited (LESCO) against installation of grid stations and to the bank of Hyundai Nishat Motor (Private) Limited - associated company to secure financial assistance to the associated company. Further, the Holding Company has issued cross corporate guarantees of Rupees 666.667 million (30 June 2025: Rupees 666.667 million) and Rupees 1,777.500 million (30 June 2025: Rupees 1,777.500 million) on behalf of Nishat Linen (Private) Limited - wholly owned subsidiary company and Nishat Sutas Dairy Limited - associated company respectively to secure the obligations of subsidiary company and associated company towards their lenders.

iv) Post dated cheques of Rupees 35,000 million (30 June 2025: Rupees 35,000 million) are issued by the Holding Company to customs authorities in respect of duties on imported items availed on the basis of consumption and export plans. If documents of exports are not provided on due dates, cheques issued as security shall be encashable.

v) Post dated cheques of Rupees 204.374 million (30 June 2025: Rupees 153.935 million) are issued by the Holding Company to Sui Northern Gas Pipeline Limited in pursuance of order of Lahore High Court, Lahore in the case of gas infrastructure development

Selected Notes to the Consolidated Condensed Interim Financial Statements

For the quarter ended 30 September 2025 (Un-audited)

cess and captive power levy bills up to March 2025 and RLNG tariff actualization arrears. Post dated cheques of Rupees 8.209 million (30 June 2025: Rupees 8.209 million) are issued to Lahore Electric Supply Company Limited (LESCO) and Faisalabad Electric Supply Company Limited (FESCO) in pursuance of order of Lahore High Court, Lahore in the case of income tax in electricity bills for the month of July 2021 and against differential of increased rates of fixed charges in electricity bills for the months from December 2024 to February 2025.

vi) Holding Company's share in contingencies of associates accounted for under equity method is Rupees 7,415.255 million (30 June 2025: Rupees 7,854.969 million).

vii) Bank guarantee of Rupees 1.900 million (30 June 2025: Rupees 1.900 million) is given by the bank of Nishat Commodities (Private) Limited - Subsidiary Company in favour of Director, Excise and Taxation, Karachi to cover the disputed amount of Sindh infrastructure cess.

viii) Deputy Commissioner Inland Revenue (DCIR) passed order dated 27 June 2023 against Nishat Commodities (Private) Limited - Subsidiary Company under Sections 161 and 205 under the Income Tax Ordinance, 2001 and raised a demand of Rupees 2.549 million (including default surcharge of Rupees 1.116 million) in respect of non deduction of withholding tax at source against various payments for the tax year 2017. Being aggrieved, the Nishat Commodities (Private) Limited - Subsidiary Company has filed an appeal which is pending for adjudication. Based on the advice of the legal counsel, the Nishat Commodities (Private) Limited - Subsidiary Company is hopeful for the favourable outcome of the matter. Hence, no provision has been made in these consolidated condensed interim financial statements.

ix) Guarantees of Rupees 194.350 million (30 June 2025: Rupees 194.350 million) are given by Nishat Linen (private) Limited - Subsidiary Company to Director Excise and Taxation, Karachi against infrastructure cess, Chairman Punjab Revenue Authority, Lahore against infrastructure cess and Collectors of Customs against import consignments.

x) Assessment for the tax year 2017 was amended by Assistant Commissioner Inland Revenue (ACIR) through order dated 31 May 2021 issued under sections 122(5) / 214C of the Income Tax Ordinance, 2001, whereby tax demand of Rupees 2,436.967 million was raised on various grounds. Being aggrieved by the order of ACIR, Nishat Linen (Private) Limited - Subsidiary Company filed an appeal before Commissioner Inland Revenue (Appeals) [CIR(A)] who vide order dated 13 September 2021 granted significant relief to the Subsidiary Company. Against the order of CIR(A)], both Nishat Linen (Private) Limited - Subsidiary Company and the department have filed cross appeals before Appellate Tribunal Inland Revenue (ATIR). The ATIR vide order dated 3 February 2025 remand back the case to ACIR by directing that the taxpayer be afforded an opportunity of being heard and that a reasoned, speaking order be issued subsequent to complete examination of evidence, being aggrieved by the order of ATIR, Nishat Linen (Private) Limited - Subsidiary Company has filed an appeal before Honorable Lahore High Court, Lahore which is pending for adjudication. Based on the advice of the legal counsel, Nishat Linen (Private) Limited - Subsidiary Company is hopeful for the favourable outcome of the matter, hence, no provision has been made in these consolidated condensed interim financial statements.

xi) Assessment for the tax year 2013 was amended by the Additional Commissioner Inland Revenue (ACIR) by disallowing certain expenses of Rupees 512.348 million through order dated 27 May 2016 issued under Section 122(5A) of the Income Tax Ordinance, 2001 which was set aside for de-novo consideration by the concerned Commissioner Inland Revenue vide order dated 16 June 2016 issued under Section 122A of the Income Tax Ordinance 2001. Being aggrieved, Nishat Linen (Private) Limited - Subsidiary Company has filed an appeal before the Commissioner Inland Revenue (Appeals) [CIR(A)] who vide order dated 20 September 2016 granted relief to Subsidiary Company. Against the order of CIR(A), the tax department has filed an appeal before Appellate Tribunal Inland Revenue (ATIR). The ATIR vide order dated 18 January 2024 dismissed the departmental appeal and upheld the order of CIR(A). Against the order of ATIR, the Commissioner Inland Revenue (CIR) has filed reference application under section 133 of the Income Tax Ordinance, 2001 in the Honorable Lahore High Court, Lahore which is pending for adjudication. Based on the advice of the legal counsel, Nishat Linen (Private) Limited - Subsidiary Company is hopeful for the favourable outcome of the matter, hence, no provision has been made in these consolidated condensed interim financial statements. Based on the advice of the legal counsel, Subsidiary Company is hopeful for the favourable outcome of the matter, hence, no provision has been made in these consolidated condensed interim financial statements.

xii) Assessment for the tax year 2014 was amended by the Additional Commissioner Inland Revenue (ACIR) through order dated 29 December 2016 issued under Section 122(5A) of the Income Tax Ordinance, 2001 whereby demand of Rupees 374.884 million was created by disallowing certain expenses and tax credits. Being aggrieved, Nishat Linen (Private) Limited - Subsidiary Company filed an appeal before the Commissioner Inland Revenue (Appeals) [CIR(A)] who vide order dated 23 February 2017 granted partial relief to Nishat Linen (Private) Limited - Subsidiary Company. Against the order of CIR(A), the department has filed an appeal before Appellate Tribunal Inland Revenue (ATIR). The ATIR vide order dated 17 January 2024 dismissed the appeal and upheld the order of CIR(A). Against the order of ATIR, the Commissioner Inland Revenue (CIR) has filed reference application under Section 133 of the Income Tax Ordinance, 2001 in the honorable Lahore High Court, Lahore which is pending for adjudication.

xiii) Assessment for the tax year 2015 was amended by the tax department through order dated 31 March 2017 issued under Section 122(5) of the Income Tax Ordinance, 2001 by disallowing certain expenses. Being aggrieved by the order, Nishat Linen (Private) Limited - Subsidiary Company filed an appeal before Commissioner Inland Revenue (Appeals) [CIR(A)] who vide order dated 11 May 2017 granted significant relief to the Subsidiary Company. Against the order of CIR(A), the tax department has filed an appeal before Appellate Tribunal Inland Revenue (ATIR). The ATIR vide order dated 22 January 2024 dismissed the departmental appeal and upheld the order of CIR(A). The Additional Commissioner Inland Revenue (ACIR) vide order dated 13 June 2025 demanded income tax amounting to Rupees 20.618 million under Section 122(5A) of the Income Tax Ordinance, 2001 without taken into account the earlier order dated 22 January 2024 of

Selected Notes to the Consolidated Condensed Interim Financial Statements
For the quarter ended 30 September 2025 (Un-audited)

ATIR. An application for rectification in terms of Section 221 of the Income Tax Ordinance, 2001 has been filed by Nishat Linen (Private) Limited - Subsidiary Company which is currently pending adjudication. Based on the advice of the legal counsel, Nishat Linen (Private) Limited - Subsidiary Company is hopeful for the favourable outcome of the matter, hence, no provision has been made in these consolidated condensed interim financial statements.

xiv) On 19 August 2014, the department raised a demand of Rupees 1,722.811 million relating to apportionment of input sales tax under section 8 of the Sales Tax Act, 1990 for tax years 2010 to 2013. The disallowance was primarily made on the grounds that since revenue derived by Nishat Power Limited - Subsidiary Company on account of 'capacity revenue' was not chargeable to sales tax, input sales tax claimed by the Subsidiary Company was required to be apportioned with only the input sales tax attributable to other revenue stream i.e. 'energy revenue' admissible to the Subsidiary Company. Nishat Power Limited - Subsidiary Company assailed the underlying proceedings before Honourable Lahore High Court, Lahore ('LHC') directly and in this respect, vide order dated 31 October 2016, LHC accepted the Subsidiary Company's stance and annulled the proceedings. The department has challenged the decision of LHC before Supreme Court of Pakistan and has also preferred an Intra Court Appeal against such order which are pending adjudication.

In respect of tax periods from July 2016 to June 2017, Nishat Power Limited - Subsidiary Company's case was selected for 'audit' involving input sales tax amounting to Rupees 541.091 million, on the same grounds as explained above and Rupees 49.774 million on other matters. Being aggrieved, Nishat Power Limited - Subsidiary Company filed an appeal before Commissioner Inland Revenue (Appeals) [CIR(A)]. On 25 February 2022, CIR(A) passed an order and provided partial relief to the Company. Being aggrieved with the order of CIR(A), Nishat Power Limited - Subsidiary Company preferred an appeal before Appellate Tribunal Inland Revenue (ATIR) who vide order dated 15 April 2022 decided the matter in favour of the Subsidiary Company. Against the order of CIR(A), the department has also filed an appeal in ATIR which is pending adjudication.

On 29 May 2024, Deputy Commissioner Inland Revenue (DCIR) passed an assessment order relating to tax periods from July 2018 to June 2019 involving input sales tax on 'capacity purchase price' amounting to Rupees 530.024 million on the same grounds as explained above and disallowance of input sales tax on goods / services amounting to Rupees 6.107 million under various provisions of Sales Tax Act, 1990. Nishat Power Limited - Subsidiary Company paid the impugned sales tax demand of Rupees 6.107 million in protest. However, recovery of input sales tax attributable to 'capacity purchase price' was held in abeyance till the decision of the case by Supreme Court of Pakistan as explained above. Nishat Power Limited - Subsidiary Company preferred an appeal before CIR(A) on 24 June 2024 relating to disallowance of input sales tax on goods / services. On 27 February 2025, CIR(A) principally upheld the findings of the assessment order. Being aggrieved with the order of CIR(A), Nishat Power Limited - Subsidiary Company has filled a reference application before the honourable Lahore High Court, Lahore which is pending adjudication. Based on the tax advisor opinion, there exists reasonable grounds to defend these cases. Therefore, no provision has been made in these consolidated condensed interim financial statements.

xv) On 16 April 2019, the Commissioner Inland Revenue (CIR) through an order raised a demand of Rupees 179.046 million against Nishat Power Limited - Subsidiary Company, mainly on account of input sales tax claimed on inadmissible expenses in sales tax return for the tax periods of July 2014 to June 2017 and sales tax default on account of suppression of sales related to tax period of June 2016. Being aggrieved with the order of CIR, the Subsidiary Company filed an appeal before CIR(A). On 07 May 2020, CIR(A) declared that the admissible forum of appeal against the order of CIR is ATIR. Nishat Power Limited - Subsidiary Company filed application for grant of stay before the ATIR against recovery of the aforesaid demand that was duly granted on 28 January 2021. Further, the Subsidiary Company has filed an appeal before ATIR against the order of CIR which is pending adjudication. Based on the tax advisor opinion, management has strong grounds to believe that the case will be decided in Nishat Power Limited - Subsidiary Company's favour. Therefore, no provision has been made in these consolidated condensed interim financial statements.

xvi) On 27 February 2015, Additional Commissioner Inland Revenue (ACIR) created a demand of Rupees 282.377 million for tax year 2013 under section 122(5A) of the Income Tax Ordinance, 2001. Aggrieved with the order of the ACIR, Nishat Power Limited - Subsidiary Company preferred an appeal before CIR(A) who granted partial relief to the Subsidiary Company, while upheld the decision of ACIR in certain matters aggregating to Rupees 31.355 million inter-alia on tax credit claimed by the Subsidiary Company under section 65B of the Income Tax Ordinance, 2001. Nishat Power Limited - Subsidiary Company and tax department filed appeals before ATIR against the order of CIR(A). On 02 November 2017, ATIR restated the demand to Rupees 14.072 million. The Subsidiary Company filed application before ATIR for rectification of order dated 02 November 2017 on non-adjudication of issue of disallowance of tax loss on disposal of fixed assets. On 30 March 2021, ATIR passed the rectification order with certain legal disputes. On 24 January 2022, the Subsidiary Company filed another application for rectification of order dated 30 March 2021. On 06 May 2024, ATIR rectified the order passed on 30 March 2021 as per the request of Nishat Power Limited - Subsidiary Company. Being aggrieved with the order of ATIR, the Subsidiary Company and tax department have filed appeals before Honourable Lahore High Court, Lahore which are pending for adjudication. Based on the tax advisor opinion, management has strong grounds to believe that the case will be decided in Nishat Power Limited - Subsidiary Company's favour. Therefore, no provision has been made in these consolidated condensed interim financial statements.

xvii) On 13 February 2019, National Electric Power Regulatory Authority ('NEPRA') issued a show cause notice to Nishat Power Limited - Subsidiary Company along with other Independent Power Producers to provide rationale of abnormal profits earned since commercial operation date (COD) that eventually led to initiation of proceedings against the Subsidiary Company by NEPRA on 18 March 2019. Nishat Power Limited - Subsidiary Company challenged the authority of NEPRA to take suo moto action before the Islamabad High Court (IHC) wherein, on 01 April 2019, IHC provided interim relief by suspending the suo moto proceedings. The case is currently pending adjudication before IHC. On 27 May 2025, NEPRA has withdrawn and recalled the public notice and, hence,

Selected Notes to the Consolidated Condensed Interim Financial Statements
For the quarter ended 30 September 2025 (Un-audited)

the suo moto proceedings stand closed. However, the Subsidiary Company has not formally withdrawn the application filed before IHC yet. Based on the facts and law, there will be no adverse implications for the Subsidiary Company. Therefore, no provision has been made in these consolidated condensed interim financial statements.

xviii) On 16 March 2020, Government of Pakistan ('GoP') issued a report through which it was alleged that savings were made by the Independent Power Producers ('IPPs'), including the Nishat Power Limited - Subsidiary Company, in the tariff components in violation of applicable GoP Policies, tariff determined by National Electric Power Regulatory Authority ('NEPRA') and the relevant Project Agreements. Nishat Power Limited - Subsidiary Company rejected such claims, and discussions were made with the GoP to resolve the dispute. On 12 February 2021, the Subsidiary Company under the 'Master Agreement', agreed that the above mentioned dispute will be resolved through arbitration under the 'Arbitration Submission Agreement' between the Subsidiary Company and GoP. On 15 June 2022, Nishat Power Limited - Subsidiary Company and the GoP signed the 'Arbitration Submission Agreement'. During the year ended 30 June 2023, Arbitration Tribunal was constituted under the terms of 'Arbitration Submission Agreement'. On 29 September 2023, mutually agreed Terms of Reference were formally adapted and proceedings under these terms of Reference were initiated. During the year ended 30 June 2025, the Government of Pakistan (‘GoP’) through 'Amendment Agreement' has unconditionally and irrevocably agreed to withdraw and extinguish all claims against Nishat Power Limited - Subsidiary Company under the ‘Arbitration Submission Agreement’ after its formal approval from the Cabinet. After the execution of the 'Amendment Agreement', the ‘Arbitration Submission Agreement’ stands terminated. However, both parties shall issue a joint communication to the tribunal established under the ‘Arbitration Submission Agreement’ requesting its termination and the relinquishment of arbitration. Based on the facts stated above, no provision in respect of this matter has been made in these consolidated condensed interim financial statements.

xix) On 28 April 2022, National Electric Power Regulatory Authority (NEPRA) issued a notice of hearing to all the RFO based IPPs under the 2002 Power Policy regarding application of highest lab tested Calorific Value (CV) for calculation of CV adjustment instead of average CV as per existing mechanism.Nishat Power Limited - Subsidiary Company vide its letter dated 16 May 2022 replied to NEPRA to refrain from re-initiating the subject proceedings which has already been finalized and implemented by NEPRA vide its letter dated 01 September 2021. Contrary to the reply of the Nishat Power Limited - Subsidiary Company, NEPRA held its hearing on 17 May 2022 and verbally directed to Nishat Power Limited - Subsidiary Company to provide its comments in 15 days failing which the proceedings would be concluded on ex-parte basis. Against the directions of NEPRA, Nishat Power Limited - Subsidiary Company filed a petition in Honourable Lahore High Court, Lahore (LHC) on 06 June 2022, for restraining NEPRA to take any adverse action in this regard, which is pending adjudication. LHC vide its interim order dated 06 June 2022, suspended the impugned notice of hearing. On 18 November 2022, NEPRA determined that although CV adjustment is computed on the basis of average of two CV results, the said CV adjustment shall be subject to the final outcome of the suit pending before LHC. NEPRA has set out further amendment (change of one of the labs) in methodology for CV adjustment, however the Subsidiary Company has replied to NEPRA that aforementioned matter, being similar in nature, is sub-judice before LHC. The management based on the advice of its legal counsel, has strong grounds to believe that the case will be decided in favour of Nishat Power Limited - Subsidiary Company. Further, its financial impact cannot be reasonably estimated at this stage, therefore, no provision has been made in these consolidated condensed interim financial statements.

xx) On 31 August 2016, Additional Commissioner Inland Revenue (ACIR) passed an amendment order under section 122(5A) of the Income Tax Ordinance, 2001 relating to tax year 2014 whereby tax demand aggregating to Rupees 107.822 million has been raised on various issues. Being aggrieved with the order of ACIR, Nishat Power Limited - Subsidiary Company preferred an appeal before CIR(A) on 23 September 2016. CIR(A) passed an order on 29 November 2016 whereby relief was granted on various issues whereas matter relating to disallowance of tax credit under section 65B of the Income Tax Ordinance, 2001 was decided against the Subsidiary Company. Being aggrieved with the order of CIR(A), both department and Nishat Power Limited - Subsidiary Company preferred appeals before ATIR on 11 December 2016 and 18 January 2017 respectively. On 12 October 2023, ATIR dismissed the department appeal on the issues taken up by the department. Whereas, on 14 September 2023, ATIR passed an order on Nishat Power Limited - Subsidiary Company's appeal and remanded back the case to assessing officer for fresh consideration. However, there were certain apparent factual/legal omissions in the order dated 14 September 2023. Nishat Power Limited - Subsidiary Company filed a rectification application before ATIR. On 08 April 2024, ATIR passed rectification order with the directions to assessing officer to proceed strictly in accordance with the ratio settled by ATIR on the matter in case of another taxpayer as prayed by the Subsidiary Company. Further, the department filed an appeal before Honourable Lahore High Court, Lahore on 04 April 2024 against the order passed by ATIR dated 12 October 2023 which is pending for hearing. On 29 June 2025, remand back proceedings were concluded wherein tax credit under section 65B of the IncomeTax Ordinance, 2001 has again been disallowed whilst the relief allowed by CIR(A) initially was also disregarded inadvertantly creating a demand of Rupees 107.822 million. On 03 July 2025, subsequent to the reporting period, the Subsidiary Company filled a rectification application. On 23 July 2025, subsequent to the reporting period, the aforesaid order has been rectified. However, in the matter of disallowance of tax credit, Nishat Power Limited - Subsidiary Company has preferred an appeal before CIR(A) which has not been taken up for hearing yet. Based on the advice of tax advisor, the management is confident of favourable outcome the matter. Therefore, no provision has been made in these consolidated condensed interim financial statements.

xxi) On 27 November 2024, Additional Commissioner Inland Revenue ('ACIR') passed an order for tax year 2023 under section 122(5A) of the Income Tax Ordinance, 2001 raising a tax demand of Rupees 32.527 million. On 20 December 2024, being aggrieved with the order, Nishat Power Limited - Subsidiary Company has filed an appeal before Appellate Tribunal Inland Revenue ('ATIR') which is pending for adjudication. Based on the advice of tax advisor, the management expects favorable outcome of the matter. Accordingly, no provision has been recognized in these consolidated condensed interim financial statements.

xxii) On 06 February 2013, National Electric Power Regulatory Authority ('the Authority') determined an amount of Rupees 290.423 million to be payable on account of calorific value adjustment. Being aggrieved with the order of the Authority, Nishat Power

Selected Notes to the Consolidated Condensed Interim Financial Statements
For the quarter ended 30 September 2025 (Un-audited)

Limited - Subsidiary Company filed writ petition before Honourable Islamabad High Court who vide its order dated 14 April 2016 upheld the decision of the Authority. On 20 June 2016, Nishat Power Limited - Subsidiary Company filed writ petition before Honourable Supreme Court of Pakistan which is pending adjudication. The management, based on the advice of legal counsel, is confident of favourable outcome of the matter. Therefore, no provision thereagainst has been made in these consolidated condensed interim financial statements.

xxiii) The banks have issued the following on behalf of Nishat Power Limited - Subsidiary Company:

a) Guarantees of Rupees 11.5 million (30 June 2025: Rupees 11.5 million) and Rupees 27.55 million (30 June 2025: Rupees 27.55 million) are given by the bank of Nishat Power Limited - Subsidiary Company in favour of Director Excise and Taxation, Karachi, under directions of Sindh High Court and Supreme Court of Pakistan respectively, in respect of suit filed for levy of infrastructure cess.

b) Guarantee of Rupees 1.5 million (30 June 2025: Rupees 1.5 million) is given by the bank of Nishat Power Limited - Subsidiary Company in favour of Punjab Revenue Authority, Lahore under the direction of Honourable Lahore High Court, Lahore in respect of suit filed for levy of infrastructure cess.

b) Commitments

i) Contracts for capital expenditure of the Group are approximately of Rupees 1,272.500 million (30 June 2025: Rupees 3,116.096 million).

ii) Letters of credit other than for capital expenditure of the Group are of Rupees 6,605.957 million (30 June 2025: Rupees 4,347.176 million).

iii) Outstanding foreign currency forward contracts of the Group are Rupees 4,408.527 million (30 June 2025: Rupees 899.667 million).

iv) This represents commitment recognized on a straight-line basis as expense under the practical expedients applied by the Group with respect to IFRS 16. The amount of future payments under this lease and the period in which these payments will become due are as follows:

	Note	Un-audited 30 September 2025	Audited 30 June 2025
		(Rupees in thousand)	
Not later than one year		2,922	665

8 PROPERTY, PLANT AND EQUIPMENT

	Note	Un-audited 30 September 2025	Audited 30 June 2025
Operating fixed assets	8.1	70,769,387	71,533,810
Capital work in progress	8.2	4,993,023	3,995,822
Major spare parts and standby equipments		69,757	69,757
		75,832,167	75,599,389

	Note	Un-audited 30 September 2025	Audited 30 June 2025
		(Rupees in thousand)	
8.1 Operating fixed assets			
Opening book value		71,533,810	50,648,415
Add: Cost of additions during the period / year	8.1.1	968,000	27,464,714
Less: Assets derecognized upon sale of Nishat Hospitality (Private) Limited		-	(925,044)
		72,501,810	77,188,085
Less: Book value of deletions during the period / year	8.1.2	(42,428)	(154,025)
		72,459,382	77,034,060
Less: Depreciation charged for the period / year		(1,688,758)	(5,501,471)
(Less) / Add: Currency retranslation		(1,237)	1,221
		70,769,387	71,533,810

8.1.1 Cost of additions

Freehold land		263,434	397,489
Buildings		-	8,540,049
Plant and machinery		531,962	16,638,412
Electric installations		3,457	839,107
Factory equipment		3,288	61,789
Furniture, fixtures and office equipment		27,986	343,179
Computer equipment		27,409	124,153
Vehicles		110,464	520,536
		968,000	27,464,714

8.1.2 Book value of deletions

Plant and machinery		36,831	43,296
Electric installations		-	525
Factory equipment		-	56
Furniture, fixtures and office equipment		-	384
Computer equipment		82	2,207
Vehicles		5,515	107,557
		42,428	154,025

8.2 Capital work-in-progress

Buildings on freehold land		1,452,885	1,121,535
Plant and machinery		3,380,033	2,399,730
Electric installations		51,755	24,516
Factory equipment		39,837	-
Advances for purchase of freehold land		-	263,434
Advances for purchase of furniture, fixtures and office equipment		11,348	61,721
Advances for purchase of vehicles		57,165	124,886
		4,993,023	3,995,822

Selected Notes to the Consolidated Condensed Interim Financial Statements
For the quarter ended 30 September 2025 (Un-audited)

9 REVENUE

9.1 In the following table, revenue from contracts with customers is disaggregated by primary geographical market, major products and service lines and timing of revenue recognition.

(Rupees in thousand)

Description	Spinning		Weaving		Dyeing		Denim		Workwear		Home Textile and Terry		Garments		Power Generation		Room Rental Services		Other Hotel Ancillary Services		Total - Group	
	Quarter ended		Quarter ended		Quarter ended		Quarter ended		Quarter ended		Quarter ended		Quarter ended		Quarter ended		Quarter ended		Quarter ended		Quarter ended	
	30-Sep-25	30-Sep-24	30-Sep-25	30-Sep-24	30-Sep-25	30-Sep-24	30-Sep-25	30-Sep-24	30-Sep-25	30-Sep-24	30-Sep-25	30-Sep-24	30-Sep-25	30-Sep-24	30-Sep-25	30-Sep-24	30-Sep-25	30-Sep-24	30-Sep-25	30-Sep-24	30-Sep-25	30-Sep-24
Region																						
Europe	71,536	34,207	4,665,081	4,945,473	460,530	574,180	18,426	-	14,326	-	5,571,404	5,765,325	772,077	1,465,262	-	-	-	-	-	-	11,573,380	12,784,447
America	215,177	142,879	170,867	215,645	78,117	37,573	-	-	-	-	2,054,858	1,962,588	4,212,311	2,433,452	-	-	-	-	-	-	6,731,330	4,792,137
Asia, Africa, Australia	1,275,778	1,559,214	988,559	1,083,386	3,858,297	4,302,491	528,526	-	177	-	1,188,933	829,359	56,328	10,524	-	-	-	-	-	-	7,896,598	7,784,974
Pakistan	11,037,396	13,148,025	2,390,468	2,140,236	2,229,378	3,504,965	615,716	-	420,487	-	6,293,844	5,789,437	105,713	232,436	1,719,593	2,774,767	-	165,234	-	35,990	24,812,595	27,791,090
	12,599,887	14,884,325	8,214,975	8,384,740	6,626,322	8,419,209	1,162,668	-	434,990	-	15,109,039	14,346,709	5,146,429	4,141,674	1,719,593	2,774,767	-	165,234	-	35,990	51,013,903	53,152,648
Timing of revenue recognition																						
Products and services transferred at a point in time	12,599,887	14,884,325	8,214,975	8,384,740	6,626,322	8,419,209	1,162,668	-	434,990	-	15,109,039	14,346,709	5,146,429	4,141,674	1,071,280	1,698,026	-	165,234	-	35,990	50,365,590	52,075,907
Products and services transferred over time	-	-	-	-	-	-	-	-	-	-	-	-	-	-	648,313	1,076,741	-	-	-	-	648,313	1,076,741
	12,599,887	14,884,325	8,214,975	8,384,740	6,626,322	8,419,209	1,162,668	-	434,990	-	15,109,039	14,346,709	5,146,429	4,141,674	1,719,593	2,774,767	-	165,234	-	35,990	51,013,903	53,152,648
Major products / service lines																						
Yarn	12,599,887	14,884,325	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	12,599,887	14,884,325
Grey Cloth	-	-	8,214,975	8,384,740	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	8,214,975	8,384,740
Processed Cloth	-	-	-	-	6,626,322	8,402,202	1,162,668	-	434,990	-	4,055,143	3,350,484	-	-	-	-	-	-	-	-	12,279,123	11,752,686
Cosmetics	-	-	-	-	-	-	-	-	-	-	23,518	25,316	-	-	-	-	-	-	-	-	23,518	25,316
Waste	-	-	-	-	-	-	-	-	-	-	23,410	76,171	-	-	-	-	-	-	-	-	23,410	76,171
Others	-	-	-	-	-	-	-	-	-	-	312,409	88,627	-	-	-	-	-	-	-	-	312,409	88,627
Made Ups	-	-	-	-	-	17,007	-	-	-	-	7,835,897	7,660,745	-	-	-	-	-	-	-	-	7,835,897	7,677,752
Garments	-	-	-	-	-	-	-	-	-	-	-	-	5,146,429	4,141,674	-	-	-	-	-	-	5,146,429	4,141,674
Towels and Bath Robes	-	-	-	-	-	-	-	-	-	-	2,858,662	3,145,366	-	-	-	-	-	-	-	-	2,858,662	3,145,366
Electricity	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1,719,593	2,774,767	-	-	-	-	1,719,593	2,774,767
Room Rental Services	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	165,234	-	-	-	165,234
Other Hotel Ancillary Services	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	35,990	-	35,990
	12,599,887	14,884,325	8,214,975	8,384,740	6,626,322	8,419,209	1,162,668	-	434,990	-	15,109,039	14,346,709	5,146,429	4,141,674	1,719,593	2,774,767	-	165,234	-	35,990	51,013,903	53,152,648

9.2 Revenue is mainly recognised at point in time as per the terms and conditions of underlying contracts with customers.

	Quarter Ended 30 September 2025	Quarter Ended 30 September 2024
	(Rupees in thousand)	
10 COST OF SALES		
Raw materials consumed	28,229,414	32,170,867
Processing charges	549,643	501,399
Salaries, wages and other benefits	5,131,996	4,625,710
Stores, spare parts and loose tools consumed	3,729,564	3,486,602
Packing materials consumed	952,447	958,388
Repair and maintenance	259,594	243,900
Fuel and power	5,017,777	5,488,780
Insurance	160,369	141,566
Depreciation on operating fixed assets	1,575,834	1,102,583
Depreciation on right-of-use assets	31,009	7,756
Travelling and conveyance	173,715	165,847
Other factory overheads	280,476	357,650
	46,091,838	49,251,048
Work-in-process		
Opening stock	11,358,624	10,817,097
Closing stock	(10,806,990)	(10,221,391)
	551,634	595,706
Cost of goods manufactured	46,643,472	49,846,754
Finished goods		
Opening stock	21,088,366	15,780,455
Closing stock	(23,955,099)	(20,766,911)
	(2,866,733)	(4,986,456)
	43,776,739	44,860,298

		Quarter Ended 30 September 2025	Quarter Ended 30 September 2024
11 EARNINGS PER SHARE - BASIC AND DILUTED			
There is no dilutive effect on the basic earnings per share which is based on:			
Profit attributable to ordinary shareholders of Holding Company	(Rupees in thousand)	1,406,474	2,336,233
Weighted average number of ordinary shares of Holding Company	(Numbers)	351,599,848	351,599,848
Earnings per share	(Rupees)	4.00	6.64

Selected Notes to the Consolidated Condensed Interim Financial Statements

For the quarter ended 30 September 2025 (Un-audited)

	Note	Quarter Ended 30 September 2025	Quarter Ended 30 September 2024
		(Rupees in thousand)	
12 CASH GENERATED FROM OPERATIONS			
Profit before taxation and levy		2,990,924	4,103,696
Adjustments for non-cash charges and other items:			
Depreciation on operating fixed assets		1,688,758	1,203,795
Depreciation on right-of-use assets		323,757	241,715
Gain on sale of property, plant and equipment		(36,854)	(15,161)
Dividend income		(856,337)	(860,168)
Profit on deposits with banks		(15,169)	(157,486)
Interest income on advance to associated company		(331)	-
Gain on disposal of short term investments		(430,749)	(372,697)
Share of profit from associates		(827,755)	(1,212,092)
Net exchange gain		(153,195)	(367,665)
Reversal of fair value adjustment on margin against bank guarantee		(11,134)	(14,401)
Finance cost		1,861,422	2,842,048
Working capital changes	12.1	4,764,521	(1,145,766)
		9,297,858	4,245,818

12.1 Working capital changes

(Increase) / decrease in current assets:		
- Stores, spare parts and loose tools	179,347	93,472
- Stock-in-trade	749,520	(2,420,627)
- Trade debts	2,345,880	(2,650,077)
- Loans and advances	(203,216)	(487,700)
- Short term deposits and prepayments	(254,355)	15,703
- Other receivables	2,074,470	1,376,737
	4,891,646	(4,072,492)
(Decrease) / increase in trade and other payables	(127,125)	2,926,726
	4,764,521	(1,145,766)

13 SEGMENT INFORMATION

13.1 The Group has following reportable business segments. The following summary describes the operation in each of the Group's reportable segments:

Spinning:	Producing different qualities of yarn including dyed yarn and sewing thread using natural and artificial fibers.
Weaving:	Producing different qualities of greige fabric using yarn.
Dyeing:	Producing dyed fabric using different qualities of greige fabric.
Denim:	Manufacturing of denim fabric using yarn.
Workwear:	Manufacturing of specialized processed workwear fabric using greige fabric.
Home Textile and Terry:	Manufacturing of home textile articles using processed fabric produced from greige fabric and manufacturing of terry and bath products.
Garments :	Manufacturing of garments using processed fabric.
Power Generation:	Generation, transmission and distribution of power using gas, oil, steam, coal, solar and biomass.
Hotel :	Carrying on the business of hotel and allied services.

Transactions among the business segments are recorded at cost. Inter segment sales and purchases have been eliminated from the total.

Selected Notes to the Consolidated Condensed Interim Financial Statements

For the quarter ended 30 September 2025 (Un-audited)

13.2

	Spinning		Weaving		Dyeing		Denim		Workwear	
	Quarter ended		Quarter ended		Quarter ended		Quarter ended		Quarter ended	
	Sep 2025	Sep 2024	Sep 2025	Sep 2024	Sep 2025	Sep 2024	Sep 2025	Sep 2024	Sep 2025	Sep 2024
	(Rupees in thousand)									
Revenue										
External	12,599,887	14,884,325	8,214,975	8,384,740	6,626,322	8,419,209	1,162,668	-	434,990	-
Intersegment	5,072,128	3,394,703	7,399,597	7,803,710	640,370	930,942	18,903	-	82,965	-
	17,672,015	18,279,028	15,614,572	16,188,450	7,266,692	9,350,151	1,181,571	-	517,955	-
Cost of sales	(16,237,256)	(16,434,784)	(14,340,315)	(14,913,294)	(6,629,178)	(8,631,212)	(1,416,435)	-	(665,916)	-
Gross profit / (loss)	1,434,759	1,844,244	1,274,257	1,275,156	637,514	718,939	(234,864)	-	(147,961)	-
Distribution cost	(286,571)	(280,805)	(399,365)	(430,163)	(422,349)	(423,363)	(112,716)	-	(33,817)	-
Administrative expenses	(210,977)	(192,505)	(174,829)	(175,865)	(87,794)	(95,807)	(37,685)	-	(13,302)	-
	(497,548)	(473,310)	(574,194)	(606,028)	(510,143)	(519,170)	(150,401)	-	(47,119)	-
Profit / (loss) before taxation, levy and unallocated income and expenses	937,211	1,370,934	700,063	669,128	127,371	199,769	(385,265)	-	(195,080)	-

	Home Textile and Terry		Garments		Power Generation		Hotel		Elimination of inter-segment transactions		Total - Group	
	Quarter ended		Quarter ended		Quarter ended		Quarter ended		Quarter ended		Quarter ended	
	Sep 2025	Sep 2024	Sep 2025	Sep 2024	Sep 2025	Sep 2024	Sep 2025	Sep 2024	Sep 2025	Sep 2024	Sep 2025	Sep 2024
	(Rupees in thousand)											
Revenue												
External	15,109,039	14,346,709	5,146,429	4,141,674	1,719,593	2,774,767	-	201,224	-	-	51,013,903	53,152,648
Intersegment	476,770	139,226	242,966	1,745	5,471,661	5,210,395	-	-	(19,405,360)	(17,480,721)	-	-
	15,585,809	14,485,935	5,389,395	4,143,419	7,191,254	7,985,162	-	201,224	(19,405,360)	(17,480,721)	51,013,903	53,152,648
Cost of sales	(12,494,622)	(11,749,206)	(5,048,280)	(3,899,954)	(6,350,097)	(6,572,403)	-	(140,166)	19,405,360	17,480,721	(43,776,739)	(44,860,298)
Gross profit / (loss)	3,091,187	2,736,729	341,115	243,465	841,157	1,412,759	-	61,058	-	-	7,237,164	8,292,350
Distribution cost	(2,016,906)	(1,934,526)	(406,277)	(328,475)	(880)	-	-	-	-	-	(3,678,881)	(3,397,332)
Administrative expenses	(402,717)	(361,927)	(95,758)	(89,229)	(178,448)	(169,178)	-	(26,931)	-	-	(1,201,510)	(1,111,442)
	(2,419,623)	(2,296,453)	(502,035)	(417,704)	(179,328)	(169,178)	-	(26,931)	-	-	(4,880,391)	(4,508,774)
Profit / (loss) before taxation, levy and unallocated income and expenses	671,564	440,276	(160,920)	(174,239)	661,829	1,243,581	-	34,127	-	-	2,356,773	3,783,576
Unallocated income and expenses:												
Other expenses											(45,917)	(13,092)
Other income											1,713,735	1,963,168
Finance cost											(1,861,422)	(2,842,048)
Share of net profit of associates accounted for using the equity method											827,755	1,212,092
Profit before levy and taxation											2,990,924	4,103,696
Levy											(698,006)	(519,019)
Profit before taxation											2,292,918	3,584,677
Taxation											(600,195)	(438,694)
Profit after taxation											1,692,723	3,145,983

13.3 **Reconciliation of reportable segment assets and liabilities**

	Spinning		Weaving		Dyeing		Denim		Workwear	
	Un-audited	Audited	Un-audited	Audited	Un-audited	Audited	Un-audited	Audited	Un-audited	Audited
	Sep 2025	Jun 2025	Sep 2025	Jun 2025	Sep 2025	Jun 2025	Sep 2025	Jun 2025	Sep 2025	Jun 2025
	(Rupees in thousand)									
Total assets for reportable segments	41,122,248	39,451,293	19,118,618	21,460,474	19,665,912	18,174,468	15,484,102	15,803,159	5,280,353	4,824,331
Total liabilities for reportable segments	4,863,794	4,107,315	3,358,331	3,383,678	2,236,434	2,403,319	342,534	343,908	132,134	96,223

	Home Textile and Terry		Garments		Power Generation		Hotel		Total - Group	
	Un-audited	Audited	Un-audited	Audited	Un-audited	Audited	Un-audited	Audited	Un-audited	Audited
	Sep 2025	Jun 2025	Sep 2025	Jun 2025	Sep 2025	Jun 2025	Sep 2025	Jun 2025	Sep 2025	Jun 2025
	(Rupees in thousand)									
Total assets for reportable segments	42,900,218	42,943,351	10,069,782	12,464,600	23,970,610	24,100,839	-	-	177,611,843	179,222,515
Unallocated assets:										
Long term investments									97,945,259	85,408,552
Short term investments									21,421,965	18,106,520
Other receivables									7,642,968	9,707,042
Cash and bank balances									2,853,723	3,150,836
Other corporate assets									3,695,275	4,673,412
Total assets as per consolidated condensed interim statement of financial position									311,171,033	300,268,877
Total liabilities for reportable segments	5,602,478	6,027,469	1,618,502	1,345,728	2,210,730	3,036,061	-	-	20,364,937	20,743,701
Unallocated liabilities:										
Deferred liabilities									11,358,582	10,314,427
Other corporate liabilities									98,524,446	98,972,436
Total liabilities as per consolidated condensed interim statement of financial position									130,247,965	130,030,564

14 FAIR VALUE MEASUREMENTS - FINANCIAL INSTRUMENTS

i) Fair value hierarchy

Judgments and estimates are made in determining the fair values of the financial instruments that are recognised and measured at fair value in these consolidated condensed interim financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Group has classified its financial instruments into the following three levels. An explanation of each level follows underneath the table.

Recurring fair value measurements At 30 September 2025	Level 1	Level 2	Level 3	Total
	(Rupees in thousand)			
Financial assets				
Fair value through other comprehensive income	33,965,310	-	-	33,965,310
Fair value through profit or loss	21,421,965	-	-	21,421,965
Derivative financial assets	-	10,396	-	10,396
Total financial assets	55,387,275	10,396	-	55,397,671
Financial liabilities				
Derivative financial liabilities	-	18,552	-	18,552
Total financial liabilities	-	18,552	-	18,552

Recurring fair value measurements At 30 June 2025 - Audited	Level 1	Level 2	Level 3	Total
	(Rupees in thousand)			
Financial assets				
Fair value through other comprehensive income	27,535,773	-	-	27,535,773
Fair value through profit or loss	18,106,520	-	-	18,106,520
Total financial assets	45,642,293	-	-	45,642,293
Financial liabilities				
Derivative financial liabilities	-	60,510	-	60,510
Total financial liabilities	-	60,510	-	60,510

The above table does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amounts are a reasonable approximation of fair value. Due to short term nature, carrying amounts of certain financial assets and financial liabilities are considered to be the same as their fair value. For the majority of the non-current receivables, the fair values are also not significantly different to their carrying amounts.

There were no transfers between levels 1 and 2 for recurring fair value measurements during the period. Further there was no transfer out of level 3 measurements.

The Group's policy is to recognise transfers into and transfers out of fair value hierarchy levels as at the end of the reporting period.

Level 1: The fair value of financial instruments traded in active markets (such as publicly traded derivatives, and equity securities) is based on quoted market prices at the end of the

Selected Notes to the Consolidated Condensed Interim Financial Statements

For the quarter ended 30 September 2025 (Un-audited)

reporting period. The quoted market price used for financial assets held by the Group is the current bid price. These instruments are included in level 1.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities.

ii) Valuation techniques used to determine fair values

Specific valuation techniques used to value financial instruments include the use of quoted market prices or dealer quotes for similar instruments.

15 TRANSACTIONS WITH RELATED PARTIES

The related parties comprise associated undertakings, other related companies, post employment benefit plan and key management personnel. The Group in the normal course of business carries out transactions with various related parties. Detail of transactions with related parties is as follows:

i) Transactions

	Quarter ended	
	30 September 2025	30 September 2024
	(Rupees in thousand)	
Associated companies		
Investment made	35,613	307,147
Investment buy back	-	28,500
Short term loans made	-	-
Short term loans received	-	8,000
Purchase of goods and services	111,860	95,194
Sharing of expenses	-	918
Sale of goods and services	35,515	56,397
Purchase of operating fixed assets	-	53,929
Rental income	3,215	2,886
Rent paid	39,539	27,561
Dividend income	856,336	856,285
Insurance premium paid	266,079	265,787
Insurance claims received	41,545	47,381
Interest income	8,687	46,883
Finance cost	35,024	44,709
Other related parties		
Purchase of goods and services	2,103	-
Sale of goods and services	-	278
Rental income	19,683	-
Interest income	354	23,138
Finance cost	5,679	40
Group's contribution to provident fund trust	212,336	181,687
Remuneration paid to Chief Executive Officer and Executives of the Holding Company	931,335	531,434

ii) Period end balances

	As at 30 September 2025		
	Associated companies	Other related parties	Total
	(Rupees in thousand)		
Long term financing	300,000	-	300,000
Trade and other payables	149,384	184	149,568
Accrued mark-up	12,941	5,646	18,587
Short term borrowings	1,042,388	-	1,042,388
Long term loans	-	445,338	445,338
Trade debts	23,961	10,009	33,970
Loans and advances	16,896	637,772	654,668
Other receivables	148,456	-	148,456
Accrued interest	10,250	1,929	12,179
Cash and bank balances	1,173,138	3,285	1,176,423

	As at 30 June 2025 (Audited)		
	Associated companies	Other related parties	Total
	(Rupees in thousand)		
Trade and other payables	192,156	-	192,156
Accrued mark-up	8,815	-	8,815
Short term borrowings	1,494,506	-	1,494,506
Property, plant and equipment	15,853	-	15,853
Long term loans	-	429,222	429,222
Trade debts	73,590	-	73,590
Loans and advances	18,009	126,995	145,004
Accrued interest	4,657	-	4,657
Cash and bank balances	1,555,951	119,301	1,675,252

16 FINANCIAL RISK MANAGEMENT

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

17 DATE OF AUTHORIZATION FOR ISSUE

These consolidated condensed interim financial statements were approved by the Board of Directors and authorized for issue on 30 October 2025.

Selected Notes to the Consolidated Condensed Interim Financial Statements

For the quarter ended 30 September 2025 (Un-audited)

18 CORRESPONDING FIGURES

In order to comply with the requirements of International Accounting Standard (IAS) 34 "Interim Financial Reporting", the consolidated condensed interim statement of financial position and consolidated condensed interim statement of changes in equity have been compared with the balances of annual audited consolidated financial statements of preceding financial year, whereas, the consolidated condensed interim statement of profit or loss, consolidated condensed interim statement of comprehensive income and consolidated condensed interim statement of cash flows have been compared with the balances of comparable period of immediately preceding financial year.

Corresponding figures have been re-arranged, wherever necessary, for the purpose of comparison. However, no significant re-arrangement have been made.

19 GENERAL

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

CHIEF EXECUTIVE OFFICER | DIRECTOR | CHIEF FINANCIAL OFFICER

2 مسز سارہ عقیل (چیئرپرسن/رکن)

3 جناب محمود اختر (رکن)

ڈائریکٹرز کا مشاہرہ

بورڈ آف ڈائریکٹرز نے ڈائریکٹرز کے معاوضہ کی پالیسی کی منظوری دی ہے۔ پالیسی کی بنیادی خصوصیات مندرجہ ذیل ہیں:

☆ کمپنی بورڈ اور اس کی کمیٹیوں کے اجلاسوں میں شرکت کی فیس کے سوائے آزاد ڈائریکٹرز سمیت اپنے نان ایگزیکٹو ڈائریکٹرز کو معاوضہ ادا نہیں کرے گی۔

☆ کمپنی بورڈ اور اس کی کمیٹیوں کے اجلاسوں میں شرکت کے سلسلے میں ڈائریکٹرز کے سفر اور رہائش کے اخراجات ادا کرے گی۔

☆ بورڈ آف ڈائریکٹرز وقتاً فوقتاً، ڈائریکٹرز معاوضہ پالیسی کا جائزہ اور اس کی منظوری دے گا۔

اظہار تشکر۔

بورڈ انتظامیہ، عملہ اور کارکنوں کی کوششوں کو سراہتا ہے۔

منجانب بورڈ آف ڈائریکٹرز

میاں عمر منشاء
چیف ایگزیکٹو آفیسر

فرید نور علی فضل
ڈائریکٹر

30 اکتوبر 2025ء

لاہور

ذیلی کمپنیاں اور کنسولیڈیٹڈ مالیاتی گوشوارے

نشاط پاور لمیٹڈ، نشاط لینن (پرائیویٹ) لمیٹڈ، نشاط کموڈٹیز (پرائیویٹ) لمیٹڈ، نشاط یو ایس اے انکارپوریٹڈ، نشاط لینن ٹریڈنگ ایل ایل سی، نشاط انٹرنیشنل ایف زیڈ ای، چائنا گوانگ ذو نشاط گلوبل کمپنی لمیٹڈ، نشاط یو کے (پرائیویٹ) لمیٹڈ، ورنر فیلٹ اے/ ایس اور ورنر فیلٹ سویریج اے بی، کمپنی کی پورٹ فولیو میں ذیلی کمپنیاں ہیں۔ اس لیے کمپنی نے انٹرنیشنل فائننشل رپورٹنگ سٹینڈرڈز کے مطابق علیحدہ جامع فائننشل اسٹیٹمینٹس کے ساتھ، یکجا جامع فائننشل اسٹیٹمینٹس کو بھی منسلک کیا ہے۔

بورڈ کی ساخت

بورڈ کی ساخت درج ذیل ہے:

ڈائریکٹرز کی کل تعداد

(ا) مرد	5
(ب) خواتین	2

تشکیل

(i) آزاد ڈائریکٹرز	2
(ii) نان ایگزیکٹو ڈائریکٹرز	4
(iii) ایگزیکٹو ڈائریکٹر	1

بورڈ کی کمیٹیاں

آڈٹ کمیٹی

نمبر شمار	نام ڈائریکٹر
1	مسز مہک عادل (چیئر پرسن/ رکن)
2	سید زاہد حسین (رکن)
3	جناب فرید نور علی فضل (رکن)

ہیومن ریسورس اور معاوضہ (HR&R) کمیٹی

نمبر شمار	نام ڈائریکٹرز
1	میاں عمر منشاء (رکن)

خریداروں نے صرف محدود آرڈرز دیے۔

ملکی سطح پر، پاکستان کی معیشت میں استحکام کے آثار نظر آئے، جو شرح سود میں نمایاں کمی اور افراطِ زر میں کمی کی بدولت ممکن ہوا۔ ان عوامل نے برآمدی شعبہ جات، خصوصاً ٹیکسٹائل کے لیے نسبتاً سازگار ماحول فراہم کیے۔ تاہم، پائیدار ترقی کا انحصار حکومتی توجہ پر ہے کہ وہ بڑھتے ہوئے ٹیکس اور ایندھن کی غیر مستحکم قیمتوں کو کم کرے، جو صنعتی مسابقت کے لیے خطرہ بنے ہوئے ہیں۔

ٹیکسٹائل صنعت کو موسمیاتی تبدیلیوں سے پیدا ہونے والے خلل کی وجہ سے اضافی چیلنجز کا سامنا کرنا پڑا۔ غیر متوقع سیلابی صورت حال نے زرعی شعبے کو شدید متاثر کیا، خاص طور پر کپاس کی پیداوار کو، جو ٹیکسٹائل مینوفیکچرنگ کے لیے ایک بنیادی خام مال ہے۔ بڑھتے ہوئے درجہ حرارت، غیر متوقع بارش، اور پانی کی قلت نے کپاس کی پیداوار کو مزید کم کر دیا ہے، جس کے نتیجے میں درآمدات پر انحصار بڑھ گیا ہے اور پیداواری لاگت میں اضافہ ہوا ہے۔

پاکستانی ٹیکسٹائل برآمد کنندگان کو مسلسل ایسے مسائل کا سامنا ہے جو انہیں بھارت، بنگلہ دیش اور ویتنام جیسے علاقائی ممالک کے مقابلے میں کم مسابقتی بنا رہے ہیں۔ یہ مسائل کئی عوامل کے امتزاج سے پیدا ہوتے ہیں، جن میں بلند شرحِ ٹیکس، توانائی کے مہنگے نرخ، مہنگی مالی سہولیات، اجرتوں کا دباؤ، اور مراعاتی نظام کی عدم موجودگی شامل ہیں۔ اس کے علاوہ، امریکہ کی جانب سے عائد کردہ محصولات نے پاکستانی ٹیکسٹائل صنعت پر مزید دباؤ ڈال دیا ہے، کیونکہ بین الاقوامی برانڈز قیمتوں کے اہداف مقرر کر کے یہ بوجھ سپلائرز پر منتقل کر رہے ہیں۔ ان بڑھتے ہوئے محصولات کے نتیجے میں خریداروں کی جانب سے آرڈرز کی مقدار میں کمی آئی ہے، جو کہ اب انتظار اور مشاہدے کی پالیسی پر عمل کر رہے ہیں۔

کمپنی اس وقت متعدد اسٹریٹجک سرمایہ کاریوں میں مصروف ہے تاکہ مصنوعات اور صارفین کی تنوع کو فروغ دیا جا سکے۔ اسپننگ ڈویژن اوپن اینڈ یارن (Open-end Yarn) کی تیاری، خاص طور پر پی سی او ای یارن (PC OE Yarn) میں سرمایہ کاری کرنے کا منصوبہ بنا رہی ہے تاکہ مسابقت میں بہتری لائی جا سکے۔ ویونگ ڈویژن 47 تیز رفتار اور توانائی بچانے والی لومز کی تنصیب کے ذریعے پیداواری صلاحیت بڑھا رہی ہے اور لاگت میں کمی لا رہی ہے۔ کمپنی اپنے مختلف یونٹس میں قابلِ تجدید توانائی کے منصوبہ جات میں سرمایہ کاری کر رہی ہے، جن میں شمسی توانائی کی پیداوار اور بیٹری انرجی اسٹوریج سسٹمز شامل ہیں۔ یہ اقدامات روایتی توانائی کے ذرائع پر انحصار کم کرنے اور لاگت کی مؤثر بچت کو یقینی بنانے کے لیے کیے جا رہے ہیں۔ مجموعی طور پر، یہ تمام کوششیں کمپنی کی مارکیٹ میں پوزیشن کو مضبوط بنانے، صارفین کی تعداد بڑھانے، اور طویل مدتی ترقی کو یقینی بنانے کے لیے کی جا رہی ہیں۔

خلاصہ یہ کہ اگرچہ ٹیکسٹائل صنعت کو کئی نمایاں چیلنجز کا سامنا ہے، تاہم کمپنی کی حکمت عملی پر مبنی سرمایہ کاری، مارکیٹ میں تنوع، اور آپریشنل بہتری نے اسے اس قابل بنا دیا ہے کہ وہ ابھرتے ہوئے مواقع سے بھرپور فائدہ اٹھا سکے اور مستقبل میں پائیدار ترقی کو یقینی بنا سکے۔

ڈائریکٹرز کی رپورٹ

نشاط ملز لمیٹڈ ("کمپنی") کے ڈائریکٹرز 30 ستمبر 2025 کو اختتام شدہ سہ ماہی کے لیے ڈائریکٹرز کی رپورٹ پیش کرتے ہوئے خوشی محسوس کر رہے ہیں۔

آپریٹنگ مالی نتائج

کمپنی کی آمدنی میں 1.568 ارب روپے (3.61 فیصد) کا اضافہ ہوا، جو کہ 30 ستمبر 2024 کو ختم ہونے والی سہ ماہی میں 43.445 ارب روپے سے بڑھ کر موجودہ سہ ماہی میں 45.013 ارب روپے تک پہنچ گئی۔ یہ مستحکم آمدنی کی عکاسی کرتا ہے، جو بنیادی طور پر زیادہ حجم (Volumes) کی وجہ سے ہے۔

نتیجتاً، مجموعی منافع میں 202 ملین روپے (4.25 فیصد) کا اضافہ ہوا، جو مستحکم منافع کے مارجن کی نشاندہی کرتا ہے۔ مالیاتی اخراجات میں بھی 980 ملین روپے کی کمی واقع ہوئی، جو گزشتہ سہ ماہی میں 2.709 ارب روپے سے کم ہو کر موجودہ سہ ماہی میں 1.729 ارب روپے رہ گئے۔ اس کمی کی بنیادی وجوہات قلیل مدتی قرضوں میں کمی اور اوسط قرض کی شرح سود میں کمی تھی۔ تاہم، دیگر آمدنی (Dividend Income) میں 571 ملین روپے کی کمی واقع ہوئی، جس نے مجموعی منافع پر منفی اثر ڈالا۔

مالی جھلکیاں	30 ستمبر کو اختتام شدہ سہ ماہی		اضافہ / (کمی) فیصد
	2025	2024	
آمدنی (روپے '000')	45,013,169	43,444,875	3.61
مجموعی منافع (روپے '000')	4,955,760	4,753,695	4.25
بعد از ٹیکس منافع (روپے '000')	772,339	944,044	(18.19)
مجموعی منافع (فیصد)	11.01	10.94	
بعد از ٹیکس منافع (فیصد)	1.72	2.17	
منافع فی حصص - (روپے)	2.20	2.68	

مستحکم مارجنز اور بہتر مالیاتی نظم و نسق کے باوجود بعد از ٹیکس منافع 944 ملین روپے سے کم ہو کر 772 ملین روپے رہ گیا، جس کی بنیادی وجہ زیادہ محصولات اور ٹیکس تھے۔

مارکیٹ کا عمومی جائزہ اور مستقبل کے امکانات

مالی سال (2026–2025) کی پہلی سہ ماہی کمپنی کے لیے ایک مخلوط منظر نامہ لے کر آئی، جو عالمی اور ملکی اقتصادی عوامل سے تشکیل پایا۔ بین الاقوامی سطح پر، سست معاشی سرگرمی، تجارتی کشیدگی، اور محصولاتی تبدیلیوں نے سپلائی چینز (Supply Chains) کو متاثر کیا اور ٹیکسٹائل مارکیٹس میں طلب کو کمزور کیا۔ امریکہ کی جانب سے نئے محصولات کے نفاذ اور ایشیاء میں تجارتی پالیسیوں میں تبدیلی نے عالمی خریداروں کو محتاط رویہ اختیار کرنے پر مجبور کیا، جس کے نتیجے میں بہت سے

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