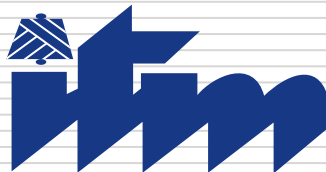


**IDREES**

**TEXTILE MILLS LIMITED**

CONDENSED INTERIM  
FINANCIAL STATEMENTS  
FOR THE HALF YEAR ENDED  
DECEMBER, 2025  
(UN-AUDITED)





## COMPANY INFORMATION

<b>BOARD OF DIRECTORS</b>	Mr. Rizwan Idrees Allawala	- Chairman
	Mr. S. M. Mansoor Allawala	- Executive Director / CEO
	Mr. Omair Idrees Allawala	- Executive Director
	Ms. Aamnah Mansoor	- Non - Executive Director
	Mr. Muhammad Beyaz Aftab	- Non - Executive Director
	Syed Masud Arif	- Independent Director
	Ms. Azra Yaqub Vawda	- Independent - Director
<b>COMPANY SECRETARY</b>	Syed Shahid Sultan	
<b>CHIEF FINANCIAL OFFICER</b>	Mr. Muhammad Jawaid	
<b>AUDITORS</b>	M/s. BDO Ebrahim & Co. Chartered Accountants	
<b>AUDIT COMMITTEE</b>	Ms. Azra Yaqub Vawda	- Chairperson
	Syed Masud Arif	- Member
	Ms. Aamnah Mansoor	- Member
	Syed Shahid Sultan	- Secretary
<b>HUMAN RESOURCE &amp; REMUNERATION COMMITTEE</b>	Syed Masud Arif	- Chairman
	Ms. Aamnah Mansoor	- Member
	Ms. Azra Yaqub Vawda	- Member
<b>BANKERS</b>	National Bank of Pakistan Bank Alfalah Limited Habib Metropolitan Bank Ltd. Meezan Bank Ltd. Bank of Punjab Ltd. BankIslami Pakistan Ltd. Askari Bank Limited Dubai Islamic Bank Pakistan Ltd. Samba Bank Limited Bank Al-habib Limited United Bank Limited	
<b>REGISTERED OFFICE</b>	6-C, Ismail Centre, 1st Floor, Central Commercial Area, Bahadurabad, Karachi - 74800.	
<b>MILLS</b>	Kot Shah Mohammad, Tehsil Nankana, District Nankana, Punjab. <a href="http://www.idreestextile.com">www.idreestextile.com</a>	
<b>SHARES REGISTRAR</b>	M/S. JWAFSS Registrar Services (Pvt) Ltd. 407-408, 4th Floor, Al-Ameera Centre, Shahrah-e-Iraq, Saddar, Karachi.	

The directors of your Company are pleased to present their review along with condensed interim financial statements for the half year ended December 31, 2025 duly reviewed by the external auditors.

The principal activity of the Company is manufacturing, processing and sale of all kinds of yarn and home textile. During the period under review, there has not been any material change in the Company's business activities.

## FINANCIAL AND OPERATIONAL PERFORMANCE

During the first half of FY26, the Company's turnover amounted to Rs. 2,151 million as compared to Rs. 2,476 million in the same period of last year (SPLY). Gross profit amounted to Rs. 220 million compared to Rs. 194 million in SPLY. Loss for the period amounted to Rs. 43 million compared to Rs. 179 million in SPLY. Finance cost amounted to Rs. 191 million (SPLY: Rs. 272 million) showing reduction of Rs. 81 million as compared to SPLY. Loss per share worked out to Rs. 2.15 (SPLY: Rs. 9.01).

During the period under review, the Company continued to operate in a complex and challenging environment but, despite of difficult circumstances, your Company demonstrated resilience. While revenue experienced a marginal contraction, primarily attributable to subdued demand, the operational performance showed improvement. By focusing on cost-efficiency, agility and margin preservation, your Company successfully narrowed its losses compared to SPLY. This trajectory demonstrates the effectiveness of the management's turnaround strategy based on cost optimization. Consequent to modest decline in the policy rate there has been a meaningful reduction in finance cost. Due to availability of cheaper imported yarn, the local yarn manufacturers faced significant pricing pressure. However, by refining our product mix, deepening market penetration, strengthening customer engagement and ensuring superior quality standards we were able to achieve sustainable volumes during the period under review.

While Pakistan's economy showed signs of recovery, supported by strong remittance inflows, agriculture recovery and continued IMF engagement under the Extended Fund Facility, the 'cost of doing business' remains a persistent challenge for the country. Our regional competitors like India, Bangladesh and Vietnam benefit from significantly lower energy tariffs, interest rate and more favorable taxation structures. Moreover, Pakistani businesses face delays in tax refunds and volatility in fuel prices which constrain industrial competitiveness and block liquidity. Inadequate domestic cotton production and quality concerns force the spinning sector to buy expensive imported cotton, straining margins and foreign exchange reserves.

International markets remained disrupted by geopolitical tensions and evolving tariff regimes by the United States. In the wake of subdued trade flows and supply chain disruptions, businesses worldwide are focusing on efficiency and resilience.

## FUTURE OUTLOOK

Following a period of significant volatility, Pakistan's economy is exhibiting signs of gradual stabilization on the back of improved fiscal discipline and a more predictable exchange rate. While welcoming rationalization of energy tariffs, the industry continues to advocate for long-term policy consistency and alignment of input costs with those of our regional peers. The outlook for the remainder of the year is characterized by 'cautious optimism'. While domestic conditions are improving, the international landscape remains fragmented as cautious consumer spending persists in the face of global economic uncertainty. The ongoing conflict in the

Middle East has disrupted oil and LNG shipments through the Strait of Hormuz, triggering a surge in fuel prices and a 'risk premium' on the cost of logistics.

In rapidly evolving global trade flows, we are actively diversifying the customer base, controlling waste and conserving energy, rather than pursuing aggressive capacity growth, while following a clear path to enhance shareholder value and ensure long-term sustainability. To counter the prevailing headwinds, we believe that immediate, state-level interventions are required to revitalize Pakistan's cotton crop both in terms of quality and output. Access to affordable working capital and consistency in policy implementation will remain critical for sustaining export-led growth. Your Company's management continues to closely monitor global and domestic developments and is adopting a proactive and disciplined approach to navigate market uncertainties.

## ACKNOWLEDGEMENT

The directors place on record their sincere appreciation for dedication and hard work by the Company's employees at all levels and also extend their gratitude to the valued customers, suppliers, bankers and shareholders for their confidence in the management and their ongoing commitment to the Company.

### For and on behalf of the Board



Rizwan Idrees Allawala  
**Chairman**



S.M. Mansoor Allawala  
**Chief Executive**

Karachi:  
March 31, 2026



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Pakistan

## INDEPENDENT AUDITOR'S REVIEW REPORT TO THE MEMBERS OF IDREES TEXTILE MILLS LIMITED

### Report on review of the unconsolidated condensed interim financial statements to the members

#### Introduction

We have reviewed the accompanying unconsolidated condensed interim statement of financial position of **IDREES TEXTILE MILLS LIMITED** ("the Company") as at December 31, 2025 and the related unconsolidated condensed interim statement of profit or loss, unconsolidated condensed interim statement of comprehensive loss, unconsolidated condensed interim statement of changes in equity, and unconsolidated condensed interim statement of cash flows and notes to the unconsolidated condensed interim financial statements for the half year then ended (here-in-after referred to as the "interim unconsolidated financial statements"). Management is responsible for the preparation and presentation of these unconsolidated condensed interim financial statements in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on these interim unconsolidated financial statements based on our review.

#### Scope of review

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of unconsolidated condensed interim financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

#### Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying unconsolidated condensed interim financial statements is not prepared, in all material respects, in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting.

#### Other matter

Pursuant to the requirement of Section 237 (1) (b) of the Companies Act, 2017, only cumulative figures for the half year, presented in the second quarter accounts are subject to limited scope review by the statutory auditors of the company. Accordingly, the figures of the unconsolidated condensed interim statement of profit or loss and unconsolidated condensed interim statement of comprehensive income for the three months period ended December 31, 2025 have not been reviewed by us.

The engagement partner on the review resulting in this independent auditor's review report is Tariq Feroz Khan.

**KARACHI**  
**DATED: April 01, 2026**  
**UDIN: RR202510166TQ9Ck01P6**

**BDO EBRAHIM & Co.**  
**CHARTERED ACCOUNTANTS**

**BDO Ebrahim & Co. Chartered Accountants**

BDO Ebrahim & Co., a Pakistan registered partnership firm, is a member of BDO International Limited, a UK company limited by guarantee, and forms part of the international BDO network of independent member firms.

**UNCONSOLIDATED  
CONDENSED INTERIM  
FINANCIAL STATEMENTS**

FOR THE HALF YEAR ENDED DECEMBER, 2025 (UN-AUDITED)



		December 31, 2025	June 30, 2025
	Note	Un-audited	Audited
		----- (Rupees) -----	
<b>ASSETS</b>			
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment	8	3,221,276,393	3,287,274,093
Long-term deposits		3,713,631	3,713,631
Investment in subsidiary	9	-	-
		<u>3,224,990,024</u>	<u>3,290,987,724</u>
<b>CURRENT ASSETS</b>			
Stores, spares and loose tools		36,415,537	39,168,127
Stock-in-trade	10	2,015,932,948	1,983,572,957
Trade debts	11	2,050,314,240	1,678,572,119
Loans and advances		79,912,384	62,240,220
Prepayments		32,400,876	48,642,455
Other receivables	12	316,164,005	254,910,547
Short term investment	13	162,721,371	148,099,669
Advance tax		36,335,635	39,368,372
Cash and bank balances	14	166,860,153	88,970,607
		<u>4,897,057,149</u>	<u>4,343,545,073</u>
<b>TOTAL ASSETS</b>		<u>8,122,047,173</u>	<u>7,634,532,797</u>
<b>EQUITY AND LIABILITIES</b>			
<b>SHARE CAPITAL AND RESERVES</b>			
Authorized share capital 22,000,000 (June 30, 2025: 22,000,000) ordinary shares of Rs.10/- each		<u>220,000,000</u>	<u>220,000,000</u>
Issued, subscribed and paid-up capital 19,852,800 (June 30, 2025: 19,852,800) ordinary shares of Rs.10/- each		198,528,000	198,528,000
Capital reserves			
Surplus on revaluation of property, plant and equipment - net of tax		831,645,384	847,625,402
Equity portion of loan from related parties		165,158,842	164,408,050
Revenue reserves		<u>910,219,844</u>	<u>940,328,105</u>
		<u>2,105,552,070</u>	<u>2,150,889,557</u>
<b>NON-CURRENT LIABILITIES</b>			
Long-term finance	15	523,380,926	571,964,487
Deferred Government grant	16	40,058,597	49,646,844
Deferred taxation - net		116,635,698	128,891,442
Retirement benefit obligation		<u>104,766,606</u>	<u>88,473,344</u>
		784,841,827	838,976,117
<b>CURRENT LIABILITIES</b>			
Trade and other payables	17	2,538,944,887	2,125,570,240
Accrued mark-up		82,789,203	74,936,843
Short-term borrowings	18	2,282,884,014	2,062,819,156
Current portion of long-term finance		303,493,941	340,967,951
Current portion of deferred Government grant		20,802,163	23,752,731
Unclaimed dividend		2,739,068	2,739,068
Provision for taxation		-	13,881,134
		<u>5,231,653,276</u>	<u>4,644,667,123</u>
<b>TOTAL LIABILITIES</b>		<u>6,016,495,103</u>	<u>5,483,643,240</u>
<b>TOTAL EQUITY AND LIABILITIES</b>		<u>8,122,047,173</u>	<u>7,634,532,797</u>

**CONTINGENCIES AND COMMITMENTS**

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The annexed notes from 1 to 32 form an integral part of these unconsolidated condensed interim financial statements.

**DIRECTOR**

**CHIEF EXECUTIVE**

**CHIEF FINANCIAL OFFICER**

	Half-year ended		Quarter ended	
	December 31, 2025	December 31, 2024	December 31, 2025	December 31, 2024
	----- (Rupees) -----		----- (Rupees) -----	
Sales - net	2,151,076,241	2,475,923,185	1,216,420,455	1,231,524,440
Cost of sales	(1,930,916,578)	(2,281,848,797)	(1,109,497,083)	(1,071,310,811)
Gross profit	220,159,663	194,074,388	106,923,372	160,213,629
Distribution cost	(11,022,417)	(30,811,746)	(6,517,977)	(19,786,867)
Administrative expenses	(61,056,860)	(50,727,186)	(36,152,910)	(23,963,092)
	(72,079,277)	(81,538,932)	(42,670,887)	(43,749,959)
	148,080,386	112,535,456	64,252,485	116,463,670
Finance cost	(191,338,469)	(272,027,022)	(99,427,644)	(122,598,991)
Other operating expenses	(6,170,592)	(25,574,928)	(6,120,388)	(23,826,805)
	(49,428,675)	(185,066,494)	(41,295,546)	(29,962,126)
Other income	14,161,333	18,013,375	8,361,921	11,947,503
Loss before levy and income tax	(35,267,342)	(167,053,119)	(32,933,626)	(18,014,623)
Levy:				
Final tax	-	(8,101,916)	-	(6,335,872)
Minimum tax	(25,779,505)	(20,847,427)	(14,236,589)	(8,467,571)
	(25,779,505)	(28,949,343)	(14,236,589)	(14,803,443)
Loss before taxation	(61,046,847)	(196,002,462)	(47,170,215)	(32,818,066)
Taxation:				
Prior	2,702,823	104,695	2,702,823	104,695
Deferred	15,621,524	16,983,423	15,621,524	16,983,423
	18,324,347	17,088,118	18,324,347	17,088,118
Loss for the period	(42,722,500)	(178,914,344)	(28,845,868)	(15,729,948)
<b>Loss per share- basic and diluted (Rupees)</b>	<b>(2.15)</b>	<b>(9.01)</b>	<b>(1.45)</b>	<b>(0.79)</b>

The annexed notes from 1 to 32 form an integral part of these unconsolidated condensed interim financial statements.



DIRECTOR



CHIEF EXECUTIVE



CHIEF FINANCIAL OFFICER

	Half-year ended		Quarter ended	
	December 31, 2025	December 31, 2024	December 31, 2025	December 31, 2024
	(Rupees)		(Rupees)	
Loss for the period	(42,722,500)	(178,914,344)	(28,845,868)	(15,729,948)
<b>Item not to be classified subsequently in profit or loss:</b>				
Adjustment of surplus on revaluation of property, plant and equipment due to change in tax rate	(3,365,779)	-	(3,365,779)	-
Total comprehensive loss for the period	<u>(46,088,279)</u>	<u>(178,914,344)</u>	<u>(32,211,647)</u>	<u>(15,729,948)</u>

The annexed notes from 1 to 32 form an integral part of these unconsolidated condensed interim financial statements.



**DIRECTOR**



**CHIEF EXECUTIVE**



**CHIEF FINANCIAL OFFICER**

	Half - year ended	
	December 31, 2025	December 31, 2024
	Note----- (Rupees) -----	
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Loss before taxation	(61,046,847)	(196,002,462)
Adjustments for:		
Depreciation	8.1 66,282,883	63,840,261
Allowance for expected credit loss	15,116,082	-
Provision for retirement benefit obligation	18,455,712	14,351,400
Final tax	-	8,101,916
Minimum tax	25,779,505	20,847,427
Gain on sale of property, plant and equipment	(3,128,855)	(950,000)
Finance cost	191,338,469	272,027,022
Operating cash flows before working capital changes	252,796,949	182,215,564
<b>Increase in current assets</b>		
Stores, spares and loose tools	2,752,590	9,959,864
Stock-in-trade	(32,359,991)	(310,889,462)
Trade debts	(386,858,203)	(29,937,435)
Loans and advances	(17,672,164)	45,231,643
Deposits and short-term prepayments	(3,507,326)	(34,939,550)
Other receivables	(61,253,458)	(96,142,551)
	(498,898,551)	(416,717,491)
<b>Decrease in current liabilities</b>		
Trade and other payable	432,626,682	458,862,336
	(66,271,869)	42,144,845
Cash generated from operations	186,525,080	224,360,409
Income tax paid	(33,925,079)	(29,264,528)
Finance cost paid	(170,586,088)	(284,953,373)
Employees benefits paid	(2,162,451)	(1,670,700)
<b>Net cash used in operating activities</b>	(20,148,538)	(91,528,192)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of property, plant and equipment	(2,756,328)	(13,216,901)
Long-term deposits	-	475,050
Proceed from disposal of property, plant and equipment	5,600,000	950,000
Purchase of term deposit receipt - net	(14,621,702)	(27,761,560)
<b>Net cash used in investing activities</b>	(11,778,030)	(39,553,411)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Long-term finance repaid to financial institutions	(112,448,746)	(84,701,151)
Long-term finance obtained from a related party	2,200,000	141,000,000
Short-term borrowings - net	162,377,740	85,808,953
Proceeds from long-term finance	-	48,000,000
Net cash generated from financing activities	52,128,994	190,107,802
Net increase in cash and cash equivalents	20,202,426	59,026,199
Cash and cash equivalents at the beginning of the period	(484,863,644)	(600,675,546)
Cash and cash equivalents at the end of the period	19 (464,661,218)	(541,649,347)

The annexed notes from 1 to 32 form an integral part of these unconsolidated condensed interim financial statements.



DIRECTOR



CHIEF EXECUTIVE



CHIEF FINANCIAL OFFICER

UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)  
FOR THE HALF YEAR ENDED DECEMBER 31, 2025



	Capital reserves		Revenue reserves	Total		
	Share capital	Surplus on revaluation of property, plant and equipment - net of tax	Equity portion of loan from related Parties		Un-appropriated profit	
Note ----- (Rupees) -----						
Balance as at July 1, 2024 - (audited)	198,528,000	919,580,955	104,674,764	1,280,923,111	2,503,706,830	
<b>Total comprehensive loss for the period</b>						
Loss for the period	-	-	-	(178,917,344)	(178,917,344)	
Other comprehensive income	-	-	-	-	-	
	-	-	-	(178,917,344)	(178,917,344)	
Transfer from surplus on revaluation of property, plant and equipment on account of incremental depreciation - net of tax	-	(26,268,188)	-	26,268,188	-	
<b>Transactions with the owners of the Company:</b>						
Fair value effect of interest free loan	-	-	53,036,962	-	53,036,962	
Balance as at December 31, 2024 - (unaudited)	198,528,000	893,312,767	157,711,726	1,128,273,955	2,377,826,448	
Balance as at July 1, 2025 - (audited)	198,528,000	847,625,402	164,408,050	940,328,105	2,150,889,557	
<b>Total comprehensive loss for the period</b>						
Loss for the period	-	-	-	(42,722,500)	(42,722,500)	
Other comprehensive income	-	(3,365,779)	-	-	(3,365,779)	
	-	(3,365,779)	-	(42,722,500)	(46,088,279)	
Transfer from surplus on revaluation of property, plant and equipment on account of incremental depreciation - net of tax	-	(12,614,239)	-	12,614,239	-	
<b>Transactions with the owners of the Company:</b>						
Fair value effect of interest free loan	15	-	-	750,792	-	750,792
Balance as at December 31, 2025 - (unaudited)	198,528,000	831,645,384	165,158,842	910,219,844	2,105,552,070	

The annexed notes from 1 to 32 form an integral part of these unconsolidated condensed interim financial statements.

DIRECTOR

CHIEF EXECUTIVE

CHIEF FINANCIAL OFFICER

## 1. STATUS AND NATURE OF BUSINESS

Idrees Textile Mills Limited (the Company) was incorporated in Pakistan as an unquoted public limited company on June 05, 1990 under the repealed Companies Ordinance, 1984 (now Companies Act, 2017) and is listed on Pakistan Stock Exchange Limited effective from April 28, 1992. The principal activity of the Company is manufacturing, processing and sale of all kinds of yarn. The Company is also engaged in business of home textile.

These unconsolidated condensed interim financial statements represent standalone financial statements of the Company in which investment in subsidiary has been accounted for at cost less accumulated impairment losses, if any. Details of investment held by the Company in the Subsidiary Company has been given in Note 9.

## 2. GEOGRAPHICAL LOCATION AND ADDRESSES OF BUSINESS UNITS

The registered office of the Company is situated at 6-C, Ismail Centre, 1st floor, Central Commercial Area, Bahadurabad, Karachi, Pakistan. The Company's manufacturing facility is located at Kot Shah Muhammad, District Nankana in the Province of Punjab.

The geographical location and address of the Company's business units, including mill / plants is under:

<p><b>Karachi</b> 6-C, Ismail Centre, 1st floor, Central Commercial Area, Bahadurabad</p>	<p><b>Purpose</b> Head office</p>
<p><b>Nankana Sahib</b> Kot Shah Muhammad, Tehsil &amp; District Nankana Punjab</p>	<p><b>Purpose</b> Regional Office and Production Plant / Factory</p>

## 3. BASIS OF PREPARATION

### 3.1 Statement of compliance

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

- International Accounting Standards (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 from the requirements of IAS 34, the provisions of and directives issued under the Companies Act, 2017 have been followed.

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

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

### 3.4 Basis of measurement

These unconsolidated condensed interim financial statements have been prepared under the historical cost convention unless stated otherwise.

### 3.5 Functional and presentation currency

These unconsolidated condensed interim financial statements have been presented in Pakistani Rupee, which is the functional and presentation currency of the Company.

## 4. MATERIAL ACCOUNTING POLICY INFORMATION

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

## 5. USE OF ACCOUNTING ESTIMATES AND JUDGEMENTS

Estimates and judgements made by the management in applying the accounting policies and the key sources of estimation uncertainty are the same as those applied to the annual audited financial statements for the year ended June 30, 2025.

## 6. INITIAL APPLICATION OF STANDARDS, AMENDMENTS OR AN INTERPRETATION TO EXISTING STANDARDS

### 6.1 Standards, amendments and interpretations to accounting standards that are effective in the current period

There are certain amendments to the published accounting and reporting and reporting standards that are mandatory for the Company's annual accounting period beginning on July 01, 2025. However, these do not have any material impact on the Company's financial statements and, therefore, have not been detailed in these unconsolidated condensed interim financial statements.

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

There are certain new standards and amendments to the published accounting and reporting standards that will be applicable to the Company for its annual periods beginning on or after July 1, 2026. However, these are not considered to be relevant or will not have any material effect on the unconsolidated condensed interim financial statements except for:

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

Amendments to IFRS 9 'Financial Instruments' which clarify the date of recognition and derecognition of a financial asset or financial liability including settlement of liabilities through banking instruments and channels including electronic transfers with effective date of January 01, 2026. The amendment when applied may impact the timing of recognition and derecognition of financial liabilities.

## 7. RISK MANAGEMENT POLICIES

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

	December 31, 2025 (Un-audited)	June 30, 2025 (Audited)
Note	----- (Rupees) -----	
<b>8. PROPERTY, PLANT AND EQUIPMENT</b>		
Operating fixed assets		
- Owned	8.1 3,209,636,359	3,275,634,059
Capital work in progress:		
- Building	2,197,962	2,197,962
- Capital spares	9,442,072	9,442,072
	11,640,034	11,640,034
	3,221,276,393	3,287,274,093
<b>8.1 Operating fixed assets:</b>		
Balance at beginning of the period / year	3,275,634,059	3,363,126,162
Additions during the period / year	2,756,328	45,467,134
Disposals during the period / year	(2,471,145)	(3,059,493)
Depreciation charged during the period / year	(66,282,883)	(129,899,744)
Balance at end of the period / year	3,209,636,359	3,275,634,059

## 8.2 Fair value measurement

The assets include land, building, labour colony and machinery, electric installations and mill equipment are carried at revalued amount. The valuations was based on the calculations carried out by an independent valuer "Tristar International Consultant (Private) Limited" on January 2, 2024 on the basis of market value. As at reporting date, the management has determined that there is no material change in the aforementioned fair value of property, plant and equipment and accordingly no adjustment has been incorporated in these unconsolidated condensed interim financial statements.

## 9. INVESTMENT IN SUBSIDIARY

ORA HOME LLC - at cost	-	-
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- 9.1 On January 5, 2022, the Company acquired 100% ownership in the subsidiary incorporated in New Jersey, United States of America (USA). The Company has not paid any consideration for the acquisition of subsidiary due to net liability position in the books of subsidiary and accordingly assumed all liabilities of the subsidiary as on acquisition date i.e. January 5, 2022.



		December 31, 2025 (Un-audited)	June 30, 2025 (Audited)
	Note	----- (Rupees) -----	
<b>10. STOCK-IN-TRADE</b>			
Raw material	10.1	1,450,303,785	1,413,851,808
Work-in-process			
- Yarn		81,217,573	111,511,263
- Home textile		88,555,503	91,383,644
		169,773,076	202,894,907
Finished goods-yarn		387,582,496	353,228,959
Waste-yarn		8,273,591	13,597,283
		2,015,932,948	1,983,572,957

10.1 This includes raw material in transit amounting to Rs. 8.095 million (June 2025: 406.421 million).

#### 11. TRADE DEBTS

Considered good

Secured :

Export	83,517,391	15,848,225
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Unsecured:

Export - due from a related party	10,695,927	8,807,530
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Local	1,956,100,922	1,653,916,364
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	2,050,314,240	1,678,572,119
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Considered doubtful

Local	59,633,884	44,517,802
-------	------------	------------

	2,109,948,124	1,723,089,921
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Less: Allowance for expected loss	(59,633,884)	(44,517,802)
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	2,050,314,240	1,678,572,119
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#### 12. OTHER RECEIVABLES

Sales tax		238,984,124	192,602,793
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Cotton claim receivable	12.1	49,618,941	39,831,812
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Export rebate - considered doubtful	12.2	10,353,624	11,114,893
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Duty draw back receivable	12.3	5,872,932	5,872,932
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Profit on deposit		8,724,141	4,086,290
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Others		2,610,243	1,401,827
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		316,164,005	254,910,547
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- 12.1 This represents claim regarding discrepancies related to cotton weight and quality.
- 12.2 Export rebate comprises of incentives/discounts/refunds and other benefits granted by Government of Pakistan.
- 12.3 This represents receivable from the Government of Pakistan since 2021.

		<b>December 31, 2025 (Un-audited)</b>	<b>June 30, 2025 (Audited)</b>
	<b>Note</b>	<b>----- (Rupees) -----</b>	
<b>13. SHORT TERM INVESTMENT</b>			
At amortized cost			
Term deposit receipts (TDR)	13.1	<u>162,721,371</u>	<u>148,099,669</u>

- 13.1 These represents investments in Term deposit receipts with various banks. These carries profit ranging from 6.61% to 9.5% (June 30, 2025: 6.93% to 20.50%) per annum. The banks have lien on these term deposit receipts on account of guarantee provided.

**14. CASH AND BANK BALANCES**

Cash in hand		16,434,843	280,531
Cash at banks:			
Current account		87,092,216	4,369,873
Saving account	14.1	<u>63,333,094</u>	<u>84,320,203</u>
		<u>166,860,153</u>	<u>88,970,607</u>

- 14.1 These banks carry profit rate from 5.21% to 8.5% (June 30, 2025: 5.36% to 10.05%) per annum.

**15. LONG TERM FINANCE**

From financial institutions - secured	15.1	367,919,304	428,692,191
Related parties - unsecured	15.2	<u>155,461,622</u>	<u>143,272,296</u>
		<u>523,380,926</u>	<u>571,964,487</u>

- 15.1 From financial institutions

Liabilities under diminishing musharaka	15.1.1	221,051,883	254,228,628
Loan against Temporary Economic Refinance Facility	15.1.2	298,763,315	337,855,363
Term Finance Facility	15.1.3	108,462,686	135,457,543
Long term financing facility	15.1.4	<u>15,044,336</u>	<u>16,187,520</u>
		643,322,220	743,729,054
Current portion shown under current liabilities			
From financial institutions		<u>(275,402,916)</u>	<u>(315,036,832)</u>
		<u>367,919,304</u>	<u>428,692,191</u>

- 15.1.1 These represent diminishing musharaka obtained for plant, machinery and vehicles. The rates of mark-up ranges from 12.65% to 13.44% (June 30, 2025: 13.94% to 22.24%).
- 15.1.2 These represents Temporary Economic Refinance Facility with an Islamic bank and commercial banks, with the total limit aggregating to Rs. 298.763 million (June 30, 2025: Rs. 337.850 million). These facilities carry mark up of SBP Base Rate + 4%. The tenure of these facilities ranges from 5 to 10 years with grace period 1 to 2 years. This is measured at present value using discounting factor ranging from 7.39% to 15.91%. The loan is secured against 1st exclusive charge over specific plant and machinery.
- 15.1.3 These represents term finance which is secured against 1st specific charge over imported plant and machinery aggregating to Rs. 108.46 million (June 30, 2025: 135.46 million). The facilities carry markup at 3 month KIBOR plus 1.50% to 5.00% per annum and are payable in quarterly installments within a period of 4 to 5 years. The loan is secured by way of 1st exclusive charge over specific machinery over landed cost with a margin of 25%.
- 15.1.4 These represents long-term finance facilities obtained by the Company from various banks for the purpose of procurement of plant and machinery. The facilities carry markup at KIBOR +1.5% to 4.00% per annum and are payable in fixed monthly/quarterly installments within a period of 4 to 5 years.

	December 31, 2025 (Un-audited)	June 30, 2025 (Audited)
Note	----- (Rupees) -----	-----
<b>15.2 From related parties Unsecured - At amortized cost</b>		
Balance at beginning of the period / year	169,203,415	58,272,948
Receipts during the period / year	2,200,000	154,210,474
Unwinding of discount	12,900,021	16,453,279
Less: Fair value adjustment	(750,792)	(59,733,286)
	183,552,644	169,203,415
Less: Current maturity portion	(28,091,022)	(25,931,119)
Balance at end of the period / year	<u>155,461,622</u>	<u>143,272,296</u>

- 15.2.1 These loans are unsecured and interest free and are expected to be repaid by the end of June 30, 2029, furthermore, they are extendable by mutual agreement. The interest (i.e. unwinding of the difference between present value on initial recognition and the amount received) is being recognized on the amount of loan in the statement of profit or loss using the effective interest method.

## 16. DEFERRED GOVERNMENT GRANT

Deferred Government grant against

temporary economic refinance facility	60,860,760	73,399,575
Less: current portion	(20,802,163)	(23,752,731)
	<u>40,058,597</u>	<u>49,646,844</u>



- 16.1 This relates to the difference between the fair value of the loan and total loan amount received under the State Bank of Pakistan (SBP) Temporary Economic Refinance Facility (TERF) scheme. The loan is amortized by discounting the total loan amount received over the period of 10 years from the date of loan disbursed and the difference between the total amount and its disbursed value recognized as deferred government grant .

	<b>December 31, 2025 (Un-audited)</b>	<b>June 30, 2025 (Audited)</b>
Note	----- (Rupees) -----	

## 17. TRADE AND OTHER PAYABLES

Contract liabilities	1,853,158,642	1,490,772,454
Accrued liabilities	244,211,622	205,100,769
Infrastructure cess	17.1 187,322,419	184,437,105
Creditors	182,973,998	156,885,716
Worker's welfare fund	25,729,586	25,729,585
Levy payable	17.2 25,779,505	45,031,540
Withholding tax payable	7,847,356	5,639,492
Gratuity due but not yet paid	5,971,710	5,971,710
Provision for gas infrastructure development cess	5,403,945	5,403,945
Payable to provident fund	546,104	597,924
	<u>2,538,944,887</u>	<u>2,125,570,240</u>

- 17.1 The Government of Sindh through Sindh Finance Act, 1994 provided for imposition of an infrastructure fee for the development and maintenance of infrastructure on goods entering or leaving the Province through air or sea at prescribed rates. The levy was challenged by the Company along with other companies in the High Court of Sindh through civil suits which were dismissed by the single judge of the High Court of Sindh through its decision in October 2003. On appeal filed there against, the High Court of Sindh has held through an order passed in September 2008 that the levy as imposed through the Sindh Finance Act, 1994 (amended time to time) was not valid till December 28, 2006, however, thereafter on account of an amendment in the Sindh Finance (Amendment) Ordinance, 2006, it had become valid and is payable by the Appellants. The Company, along with other companies, filed an appeal in the Supreme Court of Pakistan against the aforementioned order of the High Court of Sindh. The Supreme Court granted stay by passing an interim order on January 22, 2009. The order passed by the High Court of Sindh was set aside by the Supreme Court vide its order dated May 20, 2011. Consequently, a new petition has been filed in the High Court of Sindh. Through the interim order passed on May 31, 2011, the High Court has ordered that for every consignment cleared after December 28, 2006, 50% of the value of infrastructure fee should be paid in cash and a bank guarantee for the remaining amount should be submitted until the final order is passed.



On April 06, 2021, the High Court of Sindh vide order C.P.No D-3309 / 2011, summoned to encash all the bank guarantees furnished by the petitioners. The SHC issued this order reasoning that the entire cargo being imported in the Country routes through the Province of Sindh, and for that the Provincial Legislature thought it appropriate to impose a certain amount of tax in the form of a cess. It is though being collected from an importer of goods; but in essence it is not on imports; but for maintenance and development of infrastructure on imported goods. However, during the year ended June 30, 2022, the Supreme Court of Pakistan vide its order dated September 01, 2021, suspended the order issued by SHC stating that it suffers from constitutional and legal defects and granted the interim relief to the Company and other petitioners. The order issued by the Supreme Court of Pakistan states that the petitioners shall keep the bank guarantees already submitted pursuant to the earlier order of SHC and shall furnish the fresh bank guarantees equivalent to the amount of levy claimed by the Sindh Government against release of all future consignments of imported goods.

A writ petition No. 42176 / 2020 was filed by All Pakistan Textile Mills Association (APTMA) (where the Company is also a party to the petition). The Management is confident for a favorable outcome. However, as a matter of prudence, the Company has made provision as follows:

	<b>December 31, 2025</b>	<b>June 30, 2025</b>
	----- (Rupees) -----	
Balance at beginning of the period / year	184,437,105	166,078,418
Provision for the period / year	2,885,314	18,358,687
Balance at end of the period / year	<u>187,322,419</u>	<u>184,437,105</u>
<b>17.2 Levy:</b>		
Minimum tax	25,779,505	38,305,127
Final tax	-	6,726,413
	<u>25,779,505</u>	<u>45,031,540</u>
<b>18. SHORT TERM BORROWINGS</b>		
From banking companies - secured		
Running finance	631,521,371	573,834,251
Cash finance	904,730,410	853,090,093
Finance against imported merchandise	746,632,233	635,894,812
	<u>2,282,884,014</u>	<u>2,062,819,156</u>



- 18.1 Facilities for running finance, cash finance, Finance against imported merchandise and Murabaha are available from various commercial banks up to Rs. 3,600 million (June 30, 2025: Rs. 3,600 million). These facilities are subject to markup at the rates of 3 month KIBOR plus 1% to 2.5% (June 30, 2025: 3 month KIBOR plus 1% to 2.5%) per annum payable quarterly. These are secured against various assets including first pari passu hypothecation charge over present and future stock-in-trade, pledge of cotton, first hypothecation charge over present and future book debts, ranking charge on the stocks and receivables of the Company, equitable mortgage on various properties and personal guarantees of all the Executive directors of the Company.
- 18.2 The aggregate unavailed short-term borrowing facilities amounted to Rs. 1,317 million (June 30, 2025: Rs. 1,538 million).

		<b>Half - year ended</b>	
		<b>December 31,</b>	<b>December 31,</b>
		<b>2025</b>	<b>2024</b>
<b>Note</b>		-----	-----
		<b>(Rupees)</b>	
<b>19.</b>	<b>CASH AND CASH EQUIVALENTS</b>		
	Cash and bank balances	14      166,860,153	18,548,454
	Short term running finance	18      (631,521,371)	(560,197,801)
		<u>(464,661,218)</u>	<u>(541,649,347)</u>

**20. CONTINGENCIES AND COMMITMENTS**

- 20.1 Status of contingencies is the same as disclosed in note 24 to the annual unconsolidated financial statements of the Company for the year ended June 30, 2025.

		<b>December 31,</b>	<b>June 30,</b>
		<b>2025</b>	<b>2025</b>
		-----	-----
		<b>(Rupees)</b>	
<b>20.2</b>	<b>Commitments</b>		
	Letters of guarantee issued by banks on behalf of the company to :		
	Excise and Taxation Office	<u>184,437,105</u>	<u>184,437,105</u>
	Letters of credit opened and outstanding for import of :		
	Stores and spares	<u>5,928,406</u>	<u>3,207,423</u>
	Raw material	<u>176,977,446</u>	<u>226,882,018</u>



	Half year ended		Quarter ended	
	December 31, 2025	December 31, 2024	December 31, 2025	December 31, 2024
	----- (Rupees) -----		----- (Rupees) -----	
<b>21. SALES - NET</b>				
Yarn & Home Textile				
-Local	2,123,466,205	1,545,393,906	1,123,608,798	769,533,034
- Export	451,032,960	810,191,568	394,970,377	619,056,999
	2,574,499,165	2,355,585,474	1,518,579,175	1,388,590,033
Raw material - Local				
- Cotton / viscose	108,710,032	430,526,801	79,977,762	21,583,091
- Waste	101,797,580	169,358,017	59,048,274	101,321,045
	210,507,612	599,884,818	139,026,036	122,904,136
	2,785,006,777	2,955,470,292	1,657,605,211	1,511,494,169
Less:				
Sales return	(326,710,028)	(155,081,860)	(326,710,028)	(154,878,900)
Sales tax	(306,192,783)	(322,488,325)	(113,478,268)	(124,599,472)
Brokerage & commission	(1,027,725)	(1,976,922)	(996,460)	(491,357)
	(633,930,536)	(479,547,107)	(441,184,756)	(279,969,729)
	2,151,076,241	2,475,923,185	1,216,420,455	1,231,524,440
<b>22. COST OF SALES</b>				
Raw material consumed	1,207,939,407	1,366,205,481	698,758,523	783,884,166
Manufacturing expenses:				
Salaries, wages and benefits	172,573,347	125,653,472	88,457,328	70,520,586
Fuel and power	501,016,163	507,815,517	266,494,674	297,918,365
Depreciation	63,824,302	60,799,319	33,080,386	30,461,037
Stores and spares consumed	32,776,330	32,805,766	18,785,034	16,625,187
Packing material	35,989,392	34,201,124	22,086,848	21,956,059
Insurance	9,000,000	8,000,000	6,000,000	5,000,000
Repairs and maintenance	2,077,729	1,453,860	966,332	1,074,606
Vehicle running and maintenance	2,828,680	2,088,571	1,171,215	456,603
Other manufacturing overheads	2,151,909	2,213,226	938,434	1,759,672
	822,237,852	775,030,855	437,980,251	445,772,115
Cost of production	2,030,177,259	2,141,236,336	1,136,738,774	1,229,656,281

	Half-year ended		Quarter ended	
	December 31, 2025	December 31, 2024	December 31, 2025	December 31, 2024
	----- (Rupees) -----		----- (Rupees) -----	
Work-in-process				
Opening stock	111,511,263	91,441,947	93,036,810	106,234,547
Closing stock	(81,217,573)	(120,355,769)	(81,217,573)	(120,355,769)
	30,293,690	(28,913,822)	11,819,237	(14,121,222)
Cost of goods manufactured	2,060,470,949	2,112,322,514	1,148,558,011	1,215,535,059
Finished goods				
Opening stock	366,826,242	252,289,028	462,945,205	360,242,355
Yarn transferred	(17,921,000)	(15,461,500)	(257,000)	(9,660,500)
Yarn purchased	-	19,000,000	-	-
Closing stock	(395,856,087)	(415,539,082)	(395,856,087)	(415,539,082)
	(46,950,845)	(159,711,554)	66,832,118	(64,957,227)
Cost of Home Textile	54,781,173	35,790,017	54,781,173	35,237,633
Cost of raw material	22.1 (137,384,700)	293,447,820	(160,674,220)	(114,504,654)
	1,930,916,578	2,281,848,797	1,109,497,083	1,071,310,811
22.1 Cost of raw material sold				
Cost of sales	88,787,298	425,022,573	65,497,778	17,070,099
Cost of sales return	(226,171,998)	(131,574,753)	(226,171,998)	(131,574,753)
	(137,384,700)	293,447,820	(160,674,220)	(114,504,654)
<b>23. OTHER OPERATING EXPENSES</b>				
Infrastructure cess	2,885,314	16,589,211	2,885,314	16,589,211
Exchange loss	3,285,278	8,985,717	3,235,074	7,237,594
	6,170,592	25,574,928	6,120,388	23,826,805
<b>24. OTHER INCOME</b>				
Profit on deposits with bank	8,631,684	16,977,720	5,913,537	10,938,897
Export rebate	2,343,417	-	1,346,744	-
Gain on disposal of property, plant and equipment	3,128,855	950,000	1,100,000	950,000
Scrap sales	57,377	85,655	1,640	58,606
	14,161,333	18,013,375	8,361,921	11,947,503
<b>25. LOSS PER SHARE - BASIC AND DILUTED</b>				
Loss for the period	(42,722,500)	(178,914,344)	(33,323,345)	(15,729,948)
Weighted average number of ordinary shares	19,852,800	19,852,800	19,852,800	19,852,800
Loss per share	(2.15)	(9.01)	(1.68)	(0.79)

25.1 There is no dilutive effect on the basic loss per share of the Company



## 26. FAIR VALUE ESTIMATION

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i.e. an exit price) regardless of whether that price is directly observable or estimated using another valuation technique.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

The different levels of fair valuation method have been defined as follows:

Level 1: Quoted prices in active markets for identical assets or liabilities;

Level 2: Inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices); and

Level 3: Inputs for the asset or liability that are not based on observable market data

As at reporting date, there are no financial asset which have been carried at fair value.

- 26.1 There are no other assets or liabilities to classify under above levels except the Company's land, mill building, labour colony, plant and machinery, electric installations and factory equipment are stated at revalued amounts, being the fair value at the date of revaluation, less subsequent depreciation and subsequent accumulated impairment losses, if any.

## 27. TRANSACTIONS AND BALANCES WITH RELATED PARTIES

Related parties comprise associated companies where directors hold common directorship, key management personnel, directors and their close family members and staff retirement benefit funds. Transactions and balances with related parties during the period, other than those which have been disclosed elsewhere in these unconsolidated condensed interim financial statements, are as follows:



27.1 Related parties	Basis of relationship	% of shareholding in the company
ORA Home LLC	Subsidiary Company	100.00%
Mr. Rizwan Idrees Allawala	Chairman	27.84%
Mr. S. M. Mansoor Allawala	Executive Director	21.82%
Mr. Omair Idrees Allawala	Executive Director	28.99%
Ms. Aamnah Mansoor	Non-Executive Director	0.01%
Mr. Muhammad Beyaz Aftab	Non-Executive Director	0.003%
Syed Masud Arif	Independent Director	0.003%
Ms. Azra Yaqub Vawda	Independent Director	0.003%
Mrs. Ambreen Mansoor w/o S.M Mansoor Allawala	Spouse of Director	7.26%

27.2 Transaction during the half year	Nature of transactions	Half - year ended		Quarter ended	
		December 31, 2025	December 31, 2024	December 31, 2025	December 31, 2024
		----- (Rupees) -----		----- (Rupees) -----	
<b>Subsidiary company</b>					
ORA Home LLC	Sales	5,799,329	44,660,405	5,799,329	35,416,666
	Amount received during the period	4,033,582	37,689,627	4,033,582	-
<b>Key management personnel</b>	Salaries & benefits	8,121,780	12,251,438	4,060,890	6,125,719
	Meeting fee	30,000	30,000	30,000	30,000
	Receipts of long term finance during the half year period	2,200,000	141,000,000	2,200,000	141,000,000
	Unwinding of discount				
<b>Other related parties</b>	on loan from directors	750,792	5,630,504	750,792	3,260,651
	Contribution made to provident fund	1,124,231	1,110,170	567,143	519,677

27.3 Balances with related parties	Nature of transactions	December 31, 2025	June 30, 2025
		----- (Rupees) -----	
<b>Subsidiary Company</b>			
ORA Home LLC	Receivable against sale of goods	10,695,927	8,930,180
<b>Key management personnel</b>	Loan payable to directors	183,552,644	169,203,415
	Equity portion loan from related parties	165,158,842	86,198,059
<b>Other related parties</b>			
Provident fund	Payable to provident fund	546,104	597,924

27.4 All transactions with related parties have been carried out on commercial terms and conditions as approved by the Board of Directors.

## 28. OPERATING SEGMENTS

These unconsolidated condensed interim financial statements have been prepared on the basis of a single reportable segment.

All non-current assets of the Company as at December 31, 2025 and 2024 are located in Pakistan.

Significant sales are made by Company in the following countries:

	2025	2024
	----- (Rupees) -----	
Pakistan	1,701,071,006	1,667,248,893
China	333,986,545	643,749,373
Other countries	116,018,690	164,924,919
	<u>2,151,076,241</u>	<u>2,475,923,185</u>

## 29. SHARIAH COMPLIANCE DISCLOSURE

Following information has been disclosed as required under amended part I clause VII of Fourth Schedule to the Companies Act ,2017 as amended via S.R.O.1278(I)/2024 dated August 15, 2024.

		December 31, 2025 (Un-audited)	June 30, 2025 (Audited)
		-----Rupees-----	
		Note	
<b>Statement of Financial Position</b>			
<b>Assets</b>			
Short-term Investment	Shariah compliant	15,209,000	15,209,000
	Non - Shariah	<u>147,512,371</u>	<u>132,890,669</u>
		<u>162,721,371</u>	<u>148,099,669</u>
Cash and bank balances	Shariah compliant	84,696	81,771
	Non - Shariah	<u>166,775,457</u>	<u>88,888,836</u>
		14 <u>166,860,153</u>	<u>88,970,607</u>
<b>Liabilities</b>			
Long-term financing	Shariah compliant	526,216,334	587,794,964
	Non - Shariah	<u>300,658,533</u>	<u>325,137,474</u>
		<u>826,874,867</u>	<u>912,932,438</u>
Short-term borrowings	Shariah compliant	507,911,457	567,552,289
	Non - Shariah	<u>1,774,972,557</u>	<u>1,495,266,867</u>
		18 <u>2,282,884,014</u>	<u>2,062,819,156</u>
Interest and mark-up accrued	Shariah compliant	33,512,683	38,061,816
	Non - Shariah	<u>49,276,520</u>	<u>36,875,027</u>
		<u>82,789,203</u>	<u>74,936,843</u>

			December 31, 2025	December 31, 2024
		Note	(Un-audited)	(Un-audited)
		-----Rupees-----		
<b>Statement of Profit or Loss</b>				
Sales - net	Shariah compliant	21	<u>2,151,076,241</u>	<u>2,475,923,185</u>
Finance cost	Shariah compliant		71,386,006	104,776,269
	Non - Shariah		<u>119,952,463</u>	<u>167,250,753</u>
			<u>191,338,469</u>	<u>272,027,022</u>
Profit on bank deposit	Shariah compliant		551,985	567,585
	Non - Shariah		<u>8,079,699</u>	<u>16,410,135</u>
		24	<u>8,631,684</u>	<u>16,977,720</u>

**29.1** The Company has relationships with banks, having Islamic window operations, in respect of availing borrowing facilities amounting to Rs. 1,247 million (June 30, 2025: Rs 1,292 million).

### 30. CORRESPONDING FIGURES

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

### 31. GENERAL

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

### 32. DATE OF AUTHORIZATION FOR ISSUE

These unconsolidated condensed interim financial statements have been authorized for issue on March 31, 2026 by the Board of Directors of the Company.



**DIRECTOR**



**CHIEF EXECUTIVE**



**CHIEF FINANCIAL OFFICER**

اور سپلائی چین میں رکاوٹوں کے پیش نظر دنیا بھر کے کاروبار کارکردگی اور مضبوطی پر توجہ مرکوز کر رہے ہیں۔

## مستقبل کا منظر نامہ

شدید اتار چڑھاؤ کے بعد پاکستان کی معیشت بتدریج استحکام کی جانب گامزن ہے، جس کی بنیاد بہتر مالی نظم و ضبط اور نسبتاً مستحکم شرح مبادلہ ہے۔ توانائی نرخوں میں بہتری کا خیر مقدم کیا جاتا ہے، تاہم صنعت طویل مدتی پالیسی استحکام اور علاقائی حریفوں کے برابر لاگت کے تقاضے پر زور دیتی ہے۔ آئندہ مدت کے لیے منظر نامہ "مخاطا امید" پر مبنی ہے۔

اگرچہ ملکی حالات بہتر ہو رہے ہیں، لیکن عالمی سطح پر غیر یقینی صورتحال کے باعث صارفین کے محتاط رویے برقرار ہیں۔ مشرق وسطیٰ میں جاری تنازعے نے آبنائے ہرمز کے ذریعے تیل اور ایل این جی کی ترسیل کو متاثر کیا ہے، جس سے ایندھن کی قیمتوں میں اضافہ اور لاجسٹکس کی لاگت میں "رسک پریمیم" شامل ہو گیا ہے۔

تیزی سے بدلتے ہوئے عالمی تجارتی رجحانات کے تناظر میں ہم اپنی کسٹمر بیس کو متنوع بنا رہے ہیں، ضیاع کو کم کر رہے ہیں اور توانائی کے تحفظ پر توجہ دے رہے ہیں، بجائے اس کے کہ جارحانہ توسیع کی جائے۔ ہمارا مقصد شیئر ہولڈرز کی قدر میں اضافہ اور طویل مدتی پائیداری کو یقینی بنانا ہے۔

موجودہ چیلنجز سے نمٹنے کے لیے ہم سمجھتے ہیں کہ کپاس کی پیداوار اور معیار کو بہتر بنانے کے لیے حکومتی سطح پر فوری اقدامات ضروری ہیں۔ سستے ورکنگ کیپٹل تک رسائی اور پالیسیوں کا تسلسل برآمدات پر مبنی ترقی کے لیے نہایت اہم ہے۔ کمپنی کی انتظامیہ ملکی و عالمی حالات پر گہری نظر رکھے ہوئے ہے اور غیر یقینی حالات سے نمٹنے کے لیے فعال اور منظم حکمت عملی اپنارہی ہے۔

## اظہار تشکر

ڈائریکٹرز کمپنی کے تمام ملازمین کی محنت اور لگن کو سراہتے ہیں اور صارفین، سپلائرز، بینکارز اور شیئر ہولڈرز کا بھی شکریہ ادا کرتے ہیں جنہوں نے انتظامیہ پر اعتماد اور مسلسل تعاون فراہم کیا۔

## بحکم بورڈ آف ڈائریکٹرز



ایس ایم منصور اللہ والا

چیف ایگزیکٹو



رضوان ادريس اللہ والا

چیرمین

کراچی: 31 مارچ 2026

آپ کی کمپنی کے ڈائریکٹرز 31 دسمبر 2025 کو ختم ہونے والی ششماہی مدت کے لیے بیرونی آڈیٹرز سے جائزہ شدہ مختصر عبوری مالیاتی گوشواروں کے ساتھ اپنی رپورٹ پیش کرتے ہوئے خوشی محسوس کرتے ہیں۔

کمپنی کی بنیادی سرگرمی ہر قسم کے دھاگے اور گھریلو ٹیکسٹائل کی تیاری، پراسیسنگ اور فروخت ہے۔ زیر جائزہ مدت کے دوران کمپنی کی کاروباری سرگرمیوں میں کوئی نمایاں تبدیلی واقع نہیں ہوئی۔

## مالیاتی اور آپریشنل کارکردگی کا جائزہ

مالی سال 2026 کی پہلی ششماہی کے دوران کمپنی کا ٹرن اوور 2,151 ملین روپے رہا جبکہ گزشتہ سال کی اسی مدت میں یہ 2,476 ملین روپے تھا۔ مجموعی منافع 220 ملین روپے رہا جو کہ گزشتہ سال کی اسی مدت کے 194 ملین روپے کے مقابلے میں زیادہ ہے۔ زیر جائزہ مدت میں نقصان 43 ملین روپے رہا جبکہ گزشتہ سال کی اسی مدت میں یہ 179 ملین روپے تھا۔ مالیاتی لاگت 191 ملین روپے رہی گزشتہ سال: 272 ملین روپے جس میں 81 ملین روپے کی کمی واقع ہوئی۔ فی حصص نقصان 2.15 روپے رہا گزشتہ سال: 9.01 روپے۔

زیر جائزہ مدت کے دوران کمپنی نے ایک پیچیدہ اور چیلنجنگ ماحول میں کام جاری رکھا، تاہم مشکل حالات کے باوجود کمپنی نے مضبوطی کا مظاہرہ کیا۔ اگرچہ آمدنی میں معمولی کمی واقع ہوئی، جس کی بنیادی وجہ کمزور طلب تھی، تاہم عملی کارکردگی میں بہتری آئی۔ لاگت میں کمی، تیز رفتار حکمت عملی اور منافع کے تحفظ پر توجہ دے کر کمپنی نے گزشتہ سال کے مقابلے میں اپنے نقصانات کو کم کرنے میں کامیابی حاصل کی۔ یہ رجحان انتظامیہ کی لاگت میں کمی پر مبنی حکمت عملی کی کامیابی کو ظاہر کرتا ہے۔ پالیسی ریٹ میں معمولی کمی کے باعث مالی اخراجات میں بھی خاطر خواہ کمی واقع ہوئی۔

درآمد شدہ سستے سوت کی دستیابی کی وجہ سے مقامی سوت بنانے والوں کو قیمتوں کے شدید دباؤ کا سامنا رہا۔ تاہم مصنوعات کے امتزاج میں بہتری، مارکیٹ میں رسائی بڑھانے، صارفین سے تعلق مضبوط بنانے اور اعلیٰ معیار کو یقینی بنا کر ہم اس مدت میں مستحکم حجم حاصل کرنے میں کامیاب رہے۔

پاکستان کی معیشت میں بہتری کے آثار نظر آئے، جس میں ترسیلات زر میں اضافہ، زرعی بحالی اور آئی ایم ایف کے توسیعی فنڈ سہولت پروگرام کے تحت مسلسل تعاون شامل ہیں، تاہم "کاروبار کرنے کی لاگت" اب بھی ایک بڑا چیلنج ہے۔ ہمارے علاقائی حریف جیسے بھارت، بنگلہ دیش اور ویتنام کم توانائی نرخوں، شرح سود اور بہتر ٹیکس نظام سے فائدہ اٹھا رہے ہیں۔ مزید برآں، پاکستان میں ٹیکس ریفرنڈز میں تاخیر اور ایندھن کی قیمتوں میں اتار چڑھاؤ صنعتی مسابقت کو متاثر کرتے ہیں اور لیکویڈیٹی کو محدود کرتے ہیں۔ مقامی کپاس کی کم پیداوار اور معیار کے مسائل کی وجہ سے اسپننگ سیکٹر کو مہنگی درآمد شدہ کپاس خریدنا پڑتی ہے، جو مارجن اور زر مبادلہ کے ذخائر پر دباؤ ڈالتی ہے۔

بین الاقوامی منڈیوں میں جغرافیائی سیاسی کشیدگی اور امریکہ کی جانب سے بدلتے ہوئے ٹیرف نظام کے باعث خلل رہا۔ کمزور تجارتی بہاؤ

**CONSOLIDATED  
CONDENSED INTERIM  
FINANCIAL STATEMENTS**

FOR THE HALF YEAR ENDED DECEMBER, 2025 (UN-AUDITED)

**CONSOLIDATED CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION (UN-AUDITED)**  
**AS AT DECEMBER 31, 2025**



	December 31, 2025 (Un-audited)	June 30, 2025 (Audited)
	----- (Rupees) -----	
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	3,221,276,393	3,287,274,093
Long-term deposits	3,713,631	3,713,631
Long term investment	-	-
	<b>3,224,990,024</b>	<b>3,290,987,724</b>
<b>Current assets</b>		
Stores, spares and loose tools	36,415,538	39,168,127
Stock-in-trade	2,023,217,855	1,983,572,957
Trade debts	2,039,765,428	1,669,653,228
Loans and advances	82,712,884	62,240,220
Prepayments	32,400,876	48,642,455
Other receivables	316,164,005	254,910,547
Short term investment	162,721,371	148,099,670
Advance tax	36,335,635	39,368,371
Cash and bank balances	181,005,977	112,174,039
	<b>4,910,739,569</b>	<b>4,357,829,614</b>
<b>Total assets</b>	<b>8,135,729,593</b>	<b>7,648,817,338</b>
<b>EQUITY AND LIABILITIES</b>		
<b>EQUITY</b>		
<b>Share capital and reserves</b>		
Authorized		
22,000,000 ordinary shares of Rs.10/- each	220,000,000	220,000,000
Issued, subscribed and paid-up capital	198,528,000	198,528,000
<b>Capital reserves</b>		
Surplus on revaluation of property, plant and equipment - net of tax	831,645,384	847,625,402
Equity portion of loan from related parties	165,158,842	164,408,050
<b>Revenue reserves</b>		
Exchange translation reserve	(8,068,667)	(8,196,792)
Unappropriated profit	904,732,792	938,586,460
<b>Total equity</b>	<b>2,091,996,351</b>	<b>2,140,951,120</b>
<b>LIABILITIES</b>		
<b>Non-current liabilities</b>		
Long-term finance	523,380,926	571,964,487
Deferred government grant	40,058,597	49,646,844
Deferred tax liability	116,635,698	128,891,442
Retirement benefit obligation	104,766,606	88,473,344
	<b>784,841,827</b>	<b>838,976,117</b>
<b>Current liabilities</b>		
Trade and other payables	2,566,183,028	2,149,793,219
Accrued mark-up	82,789,203	74,936,843
Short-term borrowings	2,282,884,014	2,062,819,156
Current portion of long-term finance	303,493,938	340,967,951
Current portion of deferred government grant	20,802,163	23,752,731
Unclaimed dividend	2,739,068	2,739,068
Provision for taxation	-	13,881,133
	<b>5,258,891,414</b>	<b>4,668,890,101</b>
<b>Total liabilities</b>	<b>6,043,733,241</b>	<b>5,507,866,218</b>
<b>Total equity and liabilities</b>	<b>8,135,729,593</b>	<b>7,648,817,338</b>
<b>CONTINGENCIES AND COMMITMENTS</b>		

The annexed notes from 1 to 31 form an integral part of these condensed interim financial information.

**CHAIRMAN**

**CHIEF EXECUTIVE**

**CHIEF FINANCIAL OFFICER**

	Half-year Ended		Quarter Ended	
	December 31, 2025	December 31, 2024	December 31, 2025	December 31, 2024
	----- (Rupees) -----		----- (Rupees) -----	
Sales - net	2,151,076,241	2,478,456,717	1,225,664,194	1,243,301,711
Cost of sales	(1,930,916,578)	(2,276,374,035)	(1,118,740,822)	(1,075,079,788)
Gross profit	220,159,663	202,082,682	106,923,372	168,221,923
Distribution cost	(11,304,241)	(31,570,968)	(6,181,051)	(20,546,090)
Administrative expenses	(64,146,423)	(51,533,145)	(36,244,652)	(23,936,120)
	(75,450,665)	(83,104,113)	(42,425,703)	(44,482,210)
	144,708,998	118,978,569	64,497,669	123,739,713
Finance cost	(191,382,746)	(272,079,352)	(99,455,046)	(122,623,566)
Other operating expenses	(6,170,592)	(25,574,928)	(5,942,187)	(23,624,971)
	(52,844,339)	(178,675,711)	(40,899,563)	(22,508,824)
Other income	13,852,735	18,013,375	8,053,323	6,065,872
(Loss) / Profit before taxation	(38,991,605)	(160,662,336)	(32,846,240)	(16,442,952)
Levy:				
Final	-	(7,767,200)	-	(6,001,156)
Minimum tax differencial	(25,800,649)	(20,847,427)	(14,257,733)	(8,467,571)
	(25,800,649)	(28,614,627)	(14,257,733)	(14,468,727)
(Loss before Taxation)	(64,792,254)	(189,276,963)	(47,103,973)	(30,911,679)
Prior	2,702,823	104,695	2,702,823	104,695
Deferred	15,621,524	16,983,423	15,621,524	16,983,423
	18,324,347	17,088,118	18,324,347	17,088,118
(Loss) / Profit for the period	(46,467,907)	(172,188,845)	(28,779,626)	(13,823,561)
<b>Earnings per share - basic and diluted (Rupees)</b>	<b>(2.34)</b>	<b>(8.67)</b>	<b>(1.45)</b>	<b>(0.70)</b>



CHAIRMAN



CHIEF EXECUTIVE



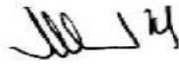
CHIEF FINANCIAL OFFICER

Note	Half-year Ended		Quarter Ended	
	December 31, 2025	December 31, 2024	December 31, 2025	December 31, 2024
	(Rupees)		(Rupees)	
(Loss) / Profit for the period	(46,467,907)	(172,188,846)	(28,779,626)	(13,823,561)
<b>Items that will not be transferred subsequently to profit or loss</b>				
Foreign operations - Foreign currency translation difference	128,125	2,881	128,125	2,881
Adjustment of surplus on revaluation of property, plant and equipment due to change in tax rate	(3,365,779)	-	(3,365,779)	-
<b>Total comprehensive income / (loss) for the period</b>	<b>(49,705,561)</b>	<b>(172,185,965)</b>	<b>(32,017,280)</b>	<b>(13,820,680)</b>
<b>Earnings per share - basic and diluted (Rupees)</b>	<b>(2.34)</b>	<b>(8.67)</b>	<b>(1.45)</b>	<b>(0.70)</b>

The annexed notes from 1 to 31 form an integral part of these condensed interim financial information.



CHAIRMAN / DIRECTOR



CHIEF EXECUTIVE



CHIEF FINANCIAL OFFICER

**CONSOLIDATED CONDENSED INTERIM STATEMENT OF CASH FLOWS (UN-AUDITED)**  
**FOR THE HALF YEAR AND QUARTER ENDED DECEMBER 31, 2025**



	Half - year Ended	
	December 31, 2025	December 31, 2024
	----- (Rupees) -----	
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
(Loss) / Profit before taxation	(64,792,254)	(189,276,963)
Adjustments for:		
Depreciation	66,282,883	63,840,261
Allowance for expected credit loss	15,116,082	-
Provision for retirement benefit obligation	18,455,712	14,351,400
Final tax	-	8,101,916
Minimum tax differential	25,800,649	20,847,427
Gain on sale of property, plant and equipment	(3,128,855)	(950,000)
Expected credit loss - other receivable	-	-
Finance cost	191,382,746	272,079,352
Profit on deposits	-	-
Unrealized loss on other financial Assets	-	-
Finance cost on unwinding of discount on long-term finance from related parties	-	-
Operating cash flows before working capital changes	<u>249,116,963</u>	<u>188,993,393</u>
<b>(Increase) / decrease in current assets</b>		
Stores, spares and loose tools	2,752,588	9,959,864
Stock-in-trade	(39,644,898)	(328,491,692)
Trade debts	(385,228,283)	(26,801,743)
Loans and advances	(20,472,664)	45,231,643
Deposits and short-term prepayments	(3,507,326)	(4,035,337)
Other receivables	(61,253,458)	(96,142,549)
	<u>(507,354,040)</u>	<u>(400,279,814)</u>
<b>Increase / (decrease) in current liabilities</b>		
Trade and other payable	435,641,845	439,905,012
Cash generated / (used) from operations	177,404,768	228,618,591
Finance cost paid	(170,630,365)	(285,005,703)
Income tax paid	(33,946,223)	(29,264,528)
	<u>(27,171,819)</u>	<u>(85,651,640)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of property, plant and equipment	(2,756,328)	(13,216,901)
Long-term deposits	0	475,050
Proceed from disposal of property, plant and equipment	5,600,000	950,000
Other financial asset - net	(14,621,701)	(27,761,560)
<b>Net cash used in investing activities</b>	<u>(11,778,029)</u>	<u>(39,553,411)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Long-term finance paid	(112,448,746)	(95,617,447)
Employee benefits paid	(2,162,451)	(1,670,700)
Long-term finance obtained/(paid) to related party	2,200,000	141,000,000
Short-term borrowings - net	162,377,738	85,809,174
Proceeds from long-term finance	-	48,000,000
Lease rental paid - net	-	-
Dividend paid	-	-
<b>Net cash generated from / (used in) financing activities</b>	<u>49,966,541</u>	<u>177,521,027</u>
<b>Net increase / (decrease) in cash and cash equivalents</b>	<u>11,016,693</u>	<u>52,315,976</u>
<b>Cash and cash equivalents at the beginning of the period</b>	<u>(461,660,212)</u>	<u>(593,368,902)</u>
<b>Effect of exchange rate changes in cash and cash equivalents</b>	<u>128,125</u>	<u>2,869</u>
<b>Cash and cash equivalents at the end of the period</b>	<u>(450,515,394)</u>	<u>(541,050,057)</u>
<b>CASH AND CASH EQUIVENTS</b>		
Cash and bank balances	181,005,977	19,147,744
Short-term borrowings	(631,521,371)	(560,197,801)
	<u>(450,515,394)</u>	<u>(541,050,057)</u>

The annexed notes from 1 to 31 form an integral part of these condensed interim financial information.

  
**CHAIRMAN**

  
**CHIEF EXECUTIVE**

  
**CHIEF FINANCIAL OFFICER**

CONSOLIDATED CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)  
FOR THE HALF YEAR ENDED DECEMBER 31, 2025



	Capital reserves		Equity portion of loan from related Parties	Revenue reserves		Total
	Issued, subscribed and paid up capital	surplus on revaluation of property, plant and equipment - net of tax		Un-appropriated profit	Exchange translation reserve	
	(Rupees)					
Balance as at July 1, 2024 (audited)	198,528,000	919,580,955	104,674,764	1,271,889,720	(7,944,267)	2,486,729,172
<b>Total comprehensive income for the period</b>						
Profit for the period	-	-	-	(172,188,846)	-	(172,188,846)
Other comprehensive income	-	-	-	-	(2,869)	(2,869)
	-	-	-	(172,188,846)	(2,869)	(172,191,715)
<b>Transfer from surplus on revaluation of property, plant and equipment on account:</b>						
- incremental depreciation charge thereon - net of tax	-	(26,268,188)	-	26,268,188	-	-
- disposals - net of tax	-	-	-	-	-	-
	-	(26,268,188)	-	26,268,188	-	-
<b>Transactions with related parties / owners</b>						
Unwinding of discount on long-term loan from related parties	-	-	(5,705,694)	5,705,694	-	3,365,139,668
Balance as at December 31, 2024	198,528,000	893,312,767	98,969,070	1,131,674,756	(7,947,136)	5,679,677,125
<b>Balance as at July 1, 2025 (audited)</b>	<b>198,528,000</b>	<b>847,625,402</b>	<b>164,408,050</b>	<b>938,586,460</b>	<b>(8,196,792)</b>	<b>2,140,951,120</b>
<b>Total comprehensive income for the period</b>						
Profit for the period	-	-	-	(46,467,907)	-	(46,467,907)
Other comprehensive income	-	(3,365,779)	-	-	128,125	(3,237,654)
	-	(3,365,779)	-	(46,467,907)	128,125	(49,705,561)
<b>Transfer from surplus on revaluation of property, plant and equipment on account:</b>						
- incremental depreciation charge thereon - net of tax	-	(12,614,239)	-	12,614,239	-	-
- disposals - net of tax	-	-	-	-	-	-
	-	(12,614,239)	-	12,614,239	-	-
<b>Transactions with related parties / owners</b>						
Fair value effect of interest free loan provided			750,792			750,792
Unwinding of discount on long-term loan from related parties	-	-	-	-	-	-
Balance as at December 31, 2025	198,528,000	831,645,384	165,158,842	904,732,792	(8,068,667)	2,091,996,351

The annexed notes from 1 to 31 form an integral part of these condensed interim financial information.

CHAIRMAN

CHIEF EXECUTIVE

CHIEF FINANCIAL OFFICER

## 1. STATUS AND NATURE OF BUSINESS

- 1.1** The Group consists of Idrees Textile Mills Limited (the Holding Company) and its 100% owned subsidiary ORA Home LLC (ORA) (the Subsidiary). Together referred to as "the Group" and individually as "Group entities".

Idrees Textile Mills Limited (the Company) was incorporated in Pakistan as an unquoted public limited company on June 5, 1990 under the repealed Companies Ordinance, 1984 (now Companies Act, 2017) and is listed on Pakistan Stock Exchange Limited effective from April 28, 1992. The principal activity of the Company is manufacturing, processing and sale of all kinds of yarn.

ORA Home LLC (ORA), a limited liability company (the subsidiary) incorporated in New Jersey, USA on January 5, 2022. The principal activity of the subsidiary is trading of Home textile.

## 2. GEOGRAPHICAL LOCATION AND ADDRESSES OF BUSINESS UNITS

The registered office of the Company is situated at 6-C, Ismail Centre, 1st floor, Central Commercial Area, Bahadurabad, Karachi Pakistan. The Company's manufacturing facility is located at Kot Shah Muhammad, District Nankana in the Province of Punjab.

The geographical location and address of the Company's business units, including mill / plants, is under:

<b>Karachi</b>	<b>Purpose</b>
6-C, Ismail Centre, 1st floor, Central Commercial Area, Bahadurabad	Head office
<b>Nankana Sahib</b>	<b>Purpose</b>
Kot Shah Muhammad, Tehsil & District Nankana Punjab	Regional Office and Production Plant / Factory
<b>New Jersey, USA</b>	<b>Purpose</b>
1215 Livingstn Avnue, STE 4 North Brunswick, NJ 08902	Registered office

## 3. BASIS OF PREPARATION

### 3.1 Statement of compliance

These condensed interim consolidated financial statements for the half year ended December 31, 2025 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 Standard Board (IASB) as notified under the Companies Act, 2017 and provisions of and directives issued under the Companies Act, 2017.



3.2 These condensed interim consolidated financial statements do not include all the statements and disclosures required for full annual consolidated financial statements and should be read in conjunction with the annual consolidated financial statements of the Company as at and for the year ended June 30, 2024 which have been prepared in accordance with accounting standards as applicable in Pakistan. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Company's financial position and performance since the last annual consolidated financial statements.

### 3.3 Basis of measurement

These condensed interim consolidated financial statements have been prepared under the historical cost convention unless stated otherwise.

### 3.4 Basis of consolidation

Subsidiaries are entities controlled by the Group. The Group controls an entity when it 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 over the entity generally accompanying a share of more than fifty percent of the voting rights. Subsidiaries are fully consolidated from the date on which control is transferred to the Group and up to the date when the control ceases. These consolidated financial statements include Idrees Textile Mills Limited (the Holding Company) and its subsidiary entity ORA Home LLC, i.e., the entity in which the Holding Company directly owns 100%. Accordingly, there is no non-controlling interest.

The financial statements of the Subsidiary have been consolidated on a line-by-line basis. Inter-company balances and transactions, and any unrealised income and expenses (except for foreign currency transaction gains or losses) arising from inter-company transactions, are eliminated.

### 3.5 Functional and presentation currency

These condensed interim consolidated financial statements have been presented in Pakistani Rupee, which is the functional and presentation currency of the Company.

## 4. MATERIAL ACCOUNTING POLICIES INFORMATION

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

## 5. USE OF ACCOUNTING ESTIMATES AND JUDGEMENTS

Estimates and judgements made by the management in applying the accounting policies and the key sources of estimation uncertainty are the same as those applied to the annual audited financial statements for the year ended June 30, 2025.

## 6. INITIAL APPLICATION OF STANDARDS, AMENDMENTS OR AN INTERPRETATION TO EXISTING STANDARDS

### 6.1 Standards, amendments and interpretations to accounting standards that are effective for the half year ended December 31, 2025



There are certain amendments to the published accounting and reporting and reporting standards that are mandatory for the Company's annual accounting period beginning on July 01, 2025. However, these do not have any material impact on the Company's financial statements and, therefore, have not been detailed in these unconsolidated condensed interim financial statements.

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

There are certain new standards and amendments to the published accounting and reporting standards that will be applicable to the Company for its annual periods beginning on or after July 1, 2026. However, these are not considered to be relevant or will not have any material effect on the unconsolidated condensed interim financial statements except for:

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

Amendments to IFRS 9 'Financial Instruments' which clarify the date of recognition and derecognition of a financial asset or financial liability including settlement of liabilities through banking instruments and channels including electronic transfers with effective date of January 01, 2026. The amendment when applied may impact the timing of recognition and derecognition of financial liabilities.

## 7. RISK MANAGEMENT POLICIES

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

		December 31, 2025 (Un-audited)	June 30, 2025 (Audited)
	Note	----- (Rupees) -----	
<b>8. PROPERTY, PLANT AND EQUIPMENT</b>			
Operating fixed assets:			
- Owned		3,209,636,359	3,275,634,059
		<b>3,209,636,359</b>	3,275,634,059
- Capital work in progress		-	
- Building	8.2	2,197,962	2,197,962
- Capital spares		9,442,072	9,442,072
		<b>11,640,034</b>	11,640,034
		<b>3,221,276,393</b>	3,287,274,093
<b>8.1 Operating fixed assets</b>			
Balance at beginning of the period / year		3,275,634,059	3,365,139,668
Addition during the period /year		2,756,328	45,467,134
Disposal during the period /year		(2,471,145)	(3,046,545)
Surplus on revaluation		-	-
Transfers from capital work in progress		-	-
Depreciation charge during the period /year		(66,282,883)	(131,926,198)
Closing Balance		<b>3,209,636,359</b>	3,275,634,059

- 8.1.1** The assets include land, building, labour colony and machinery, electric installations and mill equipment are carried at revalued amount. The valuations was based on the calculations carried out by an independent valuer "Tristar International Consultant (Private) Limited" on January 2, 2024 on the basis of market value. As at reporting date, the management has determined that there is no material change in the aforementioned fair value of property, plant and equipment and accordingly no adjustment has been incorporated in these unconsolidated condensed interim financial statements.

	December 31, 2025 (Un-audited) ----- (Rupees) -----	June 30, 2025 (Audited)
<b>8.2 Movement of capital work in progress:</b>		
Opening balance	2,197,962	2,160,537
Addition during the period / year	-	37,425
Transfers during the period / year	-	-
Closing balance	<u>2,197,962</u>	<u>2,197,962</u>
<b>9. LONG TERM INVESTMENT</b>		
ORA HOME LLC - at cost	<u>-</u>	<u>-</u>
<b>9.1</b> In year 2022, the Company acquired 100% ownership in the subsidiary incorporated in New Jersey, United States of America (USA). The Company has not paid any consideration for the acquisition of subsidiary due to net liability position in the books of subsidiary and accordingly assumed all liabilities of the subsidiary as on acquisition date.		
<b>10. STOCK-IN-TRADE</b>		
Raw material		
- In hand	1,442,209,252	1,007,431,224
- In transit	8,094,533	406,420,584
Work-in-process	81,217,573	111,511,263
Work-in-process home textile	88,555,503	91,383,644
Finished goods	394,867,403	353,228,959
Waste	8,273,591	13,597,283
	<u>2,023,217,855</u>	<u>1,983,572,957</u>
<b>11. TRADE DEBTS</b>		
Considered goods		
Local -secured	-	-
Export - Secured	83,517,391	15,736,864
	<u>83,517,391</u>	<u>15,736,864</u>
Unsecured:		
Export - due from related party	147,116	-
Local	1,956,100,922	1,653,916,364
	<u>2,039,765,428</u>	<u>1,669,653,228</u>
Considered doubtful		
Local	59,633,884	44,517,802
	<u>2,099,399,313</u>	<u>1,714,171,030</u>
Less: Allowance for expected credit losses	(59,633,884)	(44,517,802)
	<u>2,039,765,428</u>	<u>1,669,653,228</u>

	Note	December 31, 2025 (Un-audited)	June 30, 2025 (Audited)
		----- (Rupees) -----	
<b>12. OTHER RECEIVABLES</b>			
Sales tax		<b>238,984,124</b>	192,602,793
Export rebate	12.1	<b>10,353,624</b>	11,114,893
Cotton claim receivable	12.2	<b>39,831,812</b>	39,831,812
Duty draw back receivable	12.3	<b>5,872,932</b>	5,872,932
Claim Against Detention / Demmarage/ Others - (Cot/Vis/Poly)		<b>9,787,129</b>	-
Profit on deposit		<b>8,724,141</b>	4,086,290
Others		<b>2,610,243</b>	1,401,827
		<b><u>316,164,005</u></b>	<u>254,910,547</u>
12.1 Export rebate comprises of incentives/discounts/refunds and other benefits granted by Government of Pakistan.			
12.2 This represents claim regarding discrepancies related to cotton weight and quality.			
12.3 This represents receivable from the Government of Pakistan since 2021.			
<b>13. SHORT TERM INVESTMENT</b>			
<b>At amortised cost</b>			
Term deposit receipts (TDR)	13.1	<b><u>162,721,371</u></b>	<u>148,099,670</u>
13.1 These represents investments in Term Deposit Receipts with various banks. The profit rate on these TDRs ranges from 6.61% to 9.50% (June 30, 2025: 6.93% to 20.50%) per annum. The banks have lien on these TDRs on account of guarantee provided by such banks.			
<b>14. CASH AND BANK BALANCES</b>			
Cash in hand		<b>16,434,843</b>	280,531
Cash at banks			
- in current accounts	14.1	<b>101,238,040</b>	27,573,305
- in savings accounts		<b>63,333,094</b>	84,320,203
		<b><u>181,005,977</u></b>	<u>112,174,039</u>
These banks carry profit rate from 5.21% to 8.5% (June 30, 2025: 5.36% to 10.05%) per annum.			
<b>15. LONG TERM FINANCE</b>			
From financial institutions	15.1	<b>367,919,304</b>	428,692,191
From Related parties	15.2	<b>155,461,622</b>	143,272,296
		<b><u>523,380,926</u></b>	<u>571,964,487</u>
<b>15.1 From financial institutions</b>			
Liability under diminishing musharaka	15.1.1	<b>221,051,883</b>	254,228,628
Loan against Temporary Economic Refinance Facility (TERF)	15.1.2	<b>298,763,315</b>	337,855,363
Term finance (TF)	15.1.3	<b>108,462,686</b>	135,457,543
Long term financing facility (LTFF)	15.1.4	<b>15,044,336</b>	16,187,520
		<b><u>643,322,220</u></b>	<u>743,729,054</u>
Current portion shown under current liabilities		<b><u>(275,402,916)</u></b>	<u>(315,036,863)</u>
		<b><u>367,919,304</u></b>	<u>428,692,191</u>

15.1.1 These represent diminishing musharaka obtained for plant, machinery and vehicles. The rates of mark-up ranges from 12.65% to 13.44% (June 30, 2025: 13.94% to 22.24%).

15.1.2 These represents Temporary Economic Refinance Facility with an Islamic bank and commercial banks, with the total limit aggregating to Rs. 298.763 million (June 30, 2025: Rs. 337.850 million). These facilities carry mark up of SBP Base Rate + 4%. The tenure of these facilities ranges from 5 to 10 years with grace period 1 to 2 years. This is measured at present value using discounting factor ranging from 7.39% to 15.91%. The loan is secured against 1st exclusive charge over specific plant and machinery.

15.1.3 These represents term finance which is secured against 1st specific charge over imported plant and machinery aggregating to Rs. 108.46 million (June 30, 2025: 135.46 million). The facilities carry markup at 3 month KIBOR plus 1.50% to 5.00% per annum and are payable in quarterly installments within a period of 4 to 5 years. The loan is secured by way of 1st exclusive charge over specific machinery over landed cost with a margin of 25%.

15.1.4 These represents long-term finance facilities obtained by the Company from various banks for the purpose of procurement of plant and machinery. The facilities carry markup at KIBOR +1.5% to 4.00% per annum and are payable in fixed monthly/quarterly installments within a period of 4 to 5 years.

	Note	December 31, 2025 (Un-audited)	June 30, 2025 (Audited)
		----- (Rupees) -----	
15.2 From related parties			
Opening balance		169,203,415	58,272,948
Receipts during the period/year		2,200,000	154,210,474
Fair value adjustment		(750,792)	(59,733,286)
Unwinding of discount		12,900,021	16,453,279
		<b>183,552,644</b>	169,203,415
Less: current portion shown under current liabilities		<b>(28,091,022)</b>	(25,931,119)
		<b>155,461,622</b>	143,272,296

15.2.1 These loans are unsecured and interest free and are expected to be repaid by the end of June 30, 2027, furthermore, they are extendable by mutual agreement. The interest (i.e. unwinding of the difference between present value on initial recognition and the amount received) is being recognized on the loan in the statement of profit or loss using the effective interest method.

## 16. DEFERRED GOVERNMENT GRANT

Deferred grant against temporary economic refinance facility	16.1	60,860,760	73,399,575
Current portion of deferred government grant		<b>(20,802,163)</b>	(23,752,731)
		<b>40,058,597</b>	49,646,844

16.1 This relates to the difference between the fair value of the loan and total loan amount received under the State Bank of Pakistan (SBP) Temporary Economic Refinance Facility (TERF) scheme. The loan is amortized by discounting the total loan amount received over the period of 10 years from the date of loan disbursed and the difference between the total amount and it's disbursed value recognized as deferred government grant .

	December 31 2025 (Un-audited)	June 30, 2025 (Audited)
Note	----- (Rupees) -----	
<b>17. TRADE AND OTHER PAYAPBLES</b>		
Creditors	198,461,801	176,890,457
Accrued Liabilities	248,328,357	209,184,609
Gratuity due but not yet paid	5,971,710	5,971,710
Contract Liabilities	1,860,792,245	1,490,906,852
Worker's welfare fund	25,729,586	25,729,585
Infrastructure cess	17.1 187,322,419	184,437,105
Provision for gas infrastructure development cess	5,403,945	5,403,945
Payable to provident fund	546,104	597,924
Minimum tax levy	17.2 25,779,505	45,031,540
Withholding tax liability	7,847,356	5,639,492
	2,566,183,028	2,149,793,218

**17.1** 'The Government of Sindh through Sindh Finance Act, 1994 provided for imposition of an infrastructure fee for the development and maintenance of infrastructure on goods entering or leaving the Province through air or sea at prescribed rates. The levy was challenged by the Company along with other companies in the High Court of Sindh through civil suits which were dismissed by the single judge of the High Court of Sindh through its decision in October 2003. On appeal filed there against, the High Court of Sindh has held through an order passed in September 2008 that the levy as imposed through the Sindh Finance Act, 1994 (amended time to time) was not valid till December 28, 2006, however, thereafter on account of an amendment in the Sindh Finance (Amendment) Ordinance, 2006, it had become valid and is payable by the Appellants. The Company, along with other companies, filed an appeal in the Supreme Court of Pakistan against the aforementioned order of the High Court of Sindh. The Supreme Court granted stay by passing an interim order on January 22, 2009. The order passed by the High Court of Sindh was set aside by the Supreme Court vide its order dated May 20, 2011. Consequently, a new petition has been filed in the High Court of Sindh. Through the interim order passed on May 31, 2011, the High Court has ordered that for every consignment cleared after December 28, 2006, 50% of the value of infrastructure fee should be paid in cash and a bank guarantee for the remaining amount should be submitted until the final order is passed.

On April 06, 2021, the High Court of Sindh vide order C.P.No D-3309 / 2011, summoned to encash all the bank guarantees furnished by the petitioners. The SHC issued this order reasoning that the entire cargo being imported in the Country routes through the Province of Sindh, and for that the Provincial Legislature thought it appropriate to impose a certain amount of tax in the form of a cess. It is though being collected from an importer of goods; but in essence it is not on imports; but for maintenance and development of infrastructure on imported goods. However, during the year ended June 30, 2022, the Supreme Court of Pakistan vide its order dated September 01, 2021, suspended the order issued by SHC stating that it suffers from constitutional and legal defects and granted the interim relief to the Company and other petitioners. The order issued by the Supreme Court of Pakistan states that the petitioners shall keep the bank guarantees already submitted pursuant to the earlier order of SHC and shall furnish the fresh bank guarantees equivalent to the amount of levy claimed by the Sindh Government against release of all future consignments of imported goods.

A writ petition No. 42176 / 2020 was filed by all Pakistan Textile Association (APTMA) (where the Company is also a party to the Petition). The Management is confident for a favorable outcome. However, as a matter of prudence, the Company has made provision as follows:

	December 31 2025 (Un-audited)	June 30, 2025 (Audited)
	----- (Rupees) -----	
Balance as at July 1,	184,437,105	166,078,418
Provision for the period / year	2,885,314	18,358,687
Balance as at June 30,	<u>187,322,419</u>	<u>184,437,105</u>
<b>17.2 Levy:</b>	<b>25,779,505</b>	38,305,127
Minimum tax levy	-	6,726,413
Final tax	<u>25,779,505</u>	<u>45,031,540</u>

#### 18. SHORT-TERM BORROWINGS

##### From banking companies - secured

Running finance	631,521,371	573,834,251
Cash finance	904,730,410	853,090,093
Finance Against Imported Merchandise (FIM)	746,632,233	635,894,812
Related Party - unsecured		
Loan from ORA Saphire	-	-
	<u>2,282,884,014</u>	<u>2,062,819,156</u>

- 18.1** Facilities for running finance, cash finance, FIM and Murabaha are available from various commercial banks up to Rs.3,600 million (June 30, 2025: Rs. 3,600 million). These facilities are subject to markup at the rates of 3 month KIBOR plus 1.00% to 2.5% (June 30, 2025: 3 month KIBOR plus 1.00% to 2.5%) per annum payable quarterly. These are secured against various assets including first pari passu hypothecation charge over present and future stock-in-trade, pledge of cotton, first hypothecation charge over present and future book debts, ranking charge on the stocks and receivables of the Holding Company, equitable mortgage on various properties and personal guarantees of all the Executive directors of the Holding Company.

The aggregate unavailed short-term borrowing facilities amounted to Rs. 1,317 million (June 30, 2025: Rs. 1,538 million).

#### 19 CONTINGENCIES AND COMMITMENTS

- 19.1** Status of contingencies are same as disclosed in 23 to the unconsolidated annual audited financial statements of the Company for the year ended June 30, 2025.

	December 31,2025 (Un-audited)	June 30, 2025 (Audited)
	----- (Rupees) -----	
<b>Contingencies And Commitments</b>		

Status of contingencies is the same as disclosed in note 23.2 to the annual consolidated financial statements of the Company for the year ended June 30, 2025.

#### 19.2 Commitments

Letters of credit opened and outstanding for import of:

Letters of guarantee issued by banks on behalf of Excise and Taxation Office	184,437,105	184,437,105
Stores and spares	<u>5,928,406</u>	<u>3,207,423</u>
Raw material	<u>176,977,446</u>	<u>226,882,018</u>

	Half Year Ended		Quarter Ended	
	December 31, 2025	December 31, 2024	December 31, 2025	December 31, 2024
	(Un-audited) ----- (Rupees) -----	(Un-audited) ----- (Rupees) -----	(Un-audited) ----- (Rupees) -----	(Un-audited) ----- (Rupees) -----
<b>20. SALES - NET</b>				
Yarn & Home Textile				
- Local	2,123,466,205	1,545,393,906	1,123,608,798	769,533,034
- Export	451,032,960	812,725,100	404,214,116	630,834,270
	<b>2,574,499,165</b>	<b>2,358,119,006</b>	<b>1,527,822,914</b>	<b>1,400,367,304</b>
Raw material - Local				
- Cotton / viscose	108,710,032	430,526,801	79,977,762	21,583,091
- Waste	101,797,580	169,358,017	59,048,274	101,321,045
	<b>2,785,006,777</b>	<b>2,958,003,824</b>	<b>1,666,848,950</b>	<b>1,523,271,440</b>
Less:				
Sales return	(326,710,028)	(155,081,860)	(326,710,028)	(154,878,900)
Sales Tax	(306,192,783)	(322,488,325)	(113,478,268)	(124,599,472)
Brokerage & Commission	(1,027,725)	(1,976,922)	(996,460)	(491,357)
	<b>(633,930,536)</b>	<b>(479,547,107)</b>	<b>(441,184,756)</b>	<b>(279,969,729)</b>
	<b>2,151,076,241</b>	<b>2,478,456,717</b>	<b>1,225,664,194</b>	<b>1,243,301,711</b>

	Half-year Ended		Quarter Ended	
	December 31, 2025	December 31, 2024	December 31, 2025	December 31, 2024
	(Un-audited) ----- (Rupees) -----	(Un-audited) ----- (Rupees) -----	(Un-audited) ----- (Rupees) -----	(Un-audited) ----- (Rupees) -----

**21. COST OF SALES**

Raw material consumed	1,207,939,407	1,366,205,481	698,758,523	793,127,905
Salaries, wages and benefits	172,573,347	125,653,472	88,457,328	70,520,586
Fuel and power	501,016,163	507,815,517	266,494,674	297,918,365
Depreciation	63,824,302	60,799,319	33,080,386	30,461,037
Stores and spares consumed	32,776,330	32,805,766	18,785,034	16,625,187
Packing material	35,989,392	34,201,124	22,086,848	21,956,059
Insurance	9,000,000	8,000,000	6,000,000	5,000,000
Repairs and maintenance	2,077,729	1,453,860	966,332	1,074,606
Vehicle running and maintenance	2,828,680	2,088,571	1,171,215	456,603
Other manufacturing overheads	2,151,909	2,213,226	938,434	1,759,672
	<b>2,030,177,259</b>	<b>2,141,236,336</b>	<b>1,136,738,774</b>	<b>1,238,900,020</b>
Work-in-process				
Opening stock	111,511,263	91,441,947	93,036,810	106,234,547
Closing stock	(81,217,573)	(120,355,769)	(81,217,573)	(120,355,769)
	<b>30,293,690</b>	<b>(28,913,822)</b>	<b>11,819,237</b>	<b>(14,121,222)</b>
Cost of goods manufactured	<b>2,060,470,949</b>	<b>2,112,322,514</b>	<b>1,148,558,011</b>	<b>1,224,778,798</b>
Finished goods				
Opening stock	366,826,242	252,289,028	462,945,205	360,242,355
Yarn Transferred	(10,636,093)	(15,461,500)	16,271,646	(9,660,500)
Yarn purchased	-	19,000,000	-	-
Closing stock	(403,140,994)	(424,738,381)	(403,140,994)	(424,738,381)
	<b>(46,950,845)</b>	<b>(168,910,853)</b>	<b>76,075,857</b>	<b>(74,156,526)</b>
Cost of Home Textile	<b>54,781,173</b>	<b>39,514,554</b>	<b>54,781,173</b>	<b>38,962,170</b>
Cost of raw material sold	<b>(137,384,700)</b>	<b>293,447,820</b>	<b>(160,674,220)</b>	<b>(114,504,654)</b>
	<b>1,930,916,578</b>	<b>2,276,374,035</b>	<b>1,118,740,822</b>	<b>1,075,079,788</b>

		(Un-audited) December 31, 2025	(Un-audited) December 31, 2024	(Un-audited) December 31, 2025	(Un-audited) December 31, 2024
	Note	----- (Rupees) -----		----- (Rupees) -----	
<b>22 OTHER OPERATING EXPENSES</b>					
Infrastructure cess		2,885,314	16,589,211	2,707,113	16,387,377
Exchange Loss		3,285,278	8,985,717	3,235,074	7,237,594
Other		-			
		<u>6,170,592</u>	<u>25,574,928</u>	<u>5,942,187</u>	<u>23,624,971</u>
<b>23. OTHER INCOME</b>					
Profit on deposits / investment		8,631,684	16,977,720	5,913,537	10,938,897
Gain on disposal of property, plant and equipment		3,128,855	950,000	1,100,000	950,000
Scrap sales		57,377	85,655	1,640	58,606
Export Rebate		2,343,417			
Others		(308,598)		(308,598)	-
		<u>13,852,735</u>	<u>18,013,375</u>	<u>6,706,579</u>	<u>11,947,503</u>
<b>24. LOSS PER SHARE - BASIC AND DILUTED</b>					
Loss for the period		(46,467,907)	(172,188,845)	(28,779,626)	(13,823,561)
Weighted average number of ordinary shares		<u>19,852,800</u>	<u>19,852,800</u>	<u>19,852,800</u>	<u>19,852,800</u>
Loss per share		<u>(2.34)</u>	<u>(8.67)</u>	<u>(1.45)</u>	<u>(0.70)</u>
		<b>December 31, 2025</b>	December 31, 2024		
		<b>(Un-audited)</b>	(Un-Audited)		
		----- (Rupees) -----			
<b>25 CASH AND CASH EQUIVALENTS</b>					
Cash and bank balances	13	181,005,977	19,147,744		
Short term borrowings	17	(631,521,371)	(560,197,801)		
		<u>(450,515,394)</u>	<u>(541,050,057)</u>		

## 26 Fair value estimation

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i.e. an exit price) regardless of whether that price is directly observable or estimated using another valuation technique.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

The different levels of fair valuation method have been defined as follows:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: Inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices); and

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

As at reporting date, there are no financial asset which have been carried at fair value.

26.1 There are no other assets or liabilities to classify under above levels except the Company's land, mill building, labour colony, plant and machinery, electric installations and factory equipment are stated at revalued amounts, being the fair value at the date of revaluation, less subsequent depreciation and subsequent accumulated impairment losses, if any.

## 27. TRANSACTIONS AND BALANCES WITH RELATED PARTIES

The Company has related party relationships with its subsidiary company, key management personnel and other related parties.

The details of significant related party transactions during the year and balances at the reporting date are as follows:

27.1 Related parties	Basis of relationship	% of shareholding	
ORA Home LLC	Subsidiary company	100.00%	
Mr. Rizwan Idrees Allawala	Chairman	27.84%	
Mr. S. M. Mansoor Allawala	Executive Director	21.82%	
Mr. Omair Idrees Allawala	Executive Director	28.99%	
Ms. Aamnah Mansoor	Non-Executive Director	0.01%	
Mr. Muhammad Beyaz Aftab	Non-Executive Director	0.03%	
Syed Masud Arif	Independent Director	0.03%	
Ms. Azra Yaqub Vawda	Independent Director	0.03%	
Mrs. Ambreen Mansoor w/o S.M Mansoor Allawala	Spouse of Director	7.26%	

27.2 Transection during the half Year	Nature of transections	Half Year Ended		Quarter Ended	
		December 31, 2025	December 31, 2024	December 31, 2025	December 31, 2024
		(Un-audited)	(Un-audited)	(Un-audited)	(Un-audited)
		----- (Rupees) -----		----- (Rupees) -----	
Subsidiary company ORA Home LLC	Sales	5,799,329	44,660,405	5,799,329	35,416,666
	Amount recived during the period	4,033,582	37,689,627	4,033,582	-
Key management personnel	Salaries & benefits	8,121,780	12,251,438	4,060,890	6,125,719
	Loan repaid during the period to Directors	-	-	-	-
	Meeting Fee	30,000	30,000	30,000	30,000
	Receipts of long term finance during the half year period	2,200,000	141,000,000	2,200,000	141,000,000
Other related parties	Unwinding of discount on loan from directors	750,792	5,630,504	750,792	3,260,651
	Contribution made to provident fund	1,124,231	1,110,170	567,143	519,677

		Half Year Ended	
		December 31, 2025	December 31, 2023
<b>27.3</b>	<b>Half year end balances with related parties</b>	----- (Rupees) -----	
	<b>Nature of transactions</b>		
	<b>Subsidiary Company</b>		
	ORA Home LLC	10,695,927	8,930,180
	Receivable against sale of goods		
	<b>Key management personnel</b>		
	Loan payable to directors	183,552,644	169,203,415
	Equity portion loan from related parties	157,711,726	157,711,726
	<b>Other related parties</b>		
	Provident fund	546,104	597,924
	Payable to provident fund		
	ORA Sapphire	-	-
	Short term loan payable		
<b>27.4</b>	All transactions with related parties have been carried out on commercial terms and conditions as approved by the Board of Directors.		

## 28. Operating Segments

These unconsolidated condensed interim financial statements have been prepared on the basis of a single reportable segment.

All non-current assets of the Company as at December 31, 2025 and 2024 are located in Pakistan. Significant sales are made by the company in the following countries:

	2025	2024
	----- (Rupees) -----	
Pakistan	1,701,071,006	1,667,248,893
China	333,986,545	643,749,373
Other countries	116,018,690	164,924,919
	<u>2,151,076,241</u>	<u>2,475,923,185</u>

## 29. SHARIAH COMPLIANCE DISCLOSURE

Following information has been disclosed as required under amended part 1 clause VII of fourth schedule to the Companies Act, 2017 as amended via S/R/O. 1278 91) 2024 dated August 15, 2024.

		December 31 2025 (Un-audited)	December 31 2025 (Audited)
		----- Rupees -----	
	Note		
<b>Statement of Financial Position</b>			
<b>Assets</b>			
Short Term Investment	Sharia compliant	15,209,000	15,209,000
	Non-Sharia	147,512,371	132,890,669
		<u>162,721,371</u>	<u>148,099,669</u>
Cash and Bank Balances	Sharia compliant	84,696	81,171
	Non-Sharia	180,921,281	112,092,868
		<u>181,005,977</u>	<u>112,174,039</u>
<b>Liabilities</b>			
Long-term financing	Sharia compliant	526,216,334	587,794,964
	Non-Sharia	300,658,533	325,137,474
		<u>826,874,867</u>	<u>912,932,438</u>

Short-term borrowings	Sharia compliant	507,911,457	567,552,289
	Non-Sharia	<u>1,774,972,557</u>	<u>1,495,266,867</u>
		<u>2,282,884,014</u>	<u>2,062,819,156</u>
Interest and mark-up accrued	Sharia compliant	33,512,683	38,061,816
	Non-Sharia	<u>49,276,520</u>	<u>36,875,027</u>
		<u>82,789,203</u>	<u>74,936,843</u>
<b>Statement of Profit or Loss</b>			
Sales -net	Sharia compliant	<u>2,151,076,241</u>	<u>2,478,456,717</u>
Finance cost	Sharia compliant	71,386,006	104,776,269
	Non-Sharia	<u>119,996,740</u>	<u>167,303,083</u>
		<u>191,382,746</u>	<u>272,079,352</u>
Profit on bank deposit	Sharia compliant	551,985	567,585
	Non-Sharia	<u>8,079,699</u>	<u>16,410,135</u>
		<u>8,631,684</u>	<u>16,977,720</u>

**29.1** The Company has relationship with banks, having Islamic window operations, in respect of availing borrowing facilities amounting To Rs. 1,247 million (June 30, 2025: Rs. 1,292 million).

### **30. CORRESPONDING FIGURES**

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

### **31. GENERAL**

Figures have been rounded off to the nearest rupee, unless otherwise stated

### **31. DATE OF AUTHORIZATION FOR ISSUE**

These condensed interim consolidated financial information have been authorized for issue on March 31, 2026 by the Board of Directors of the Company.

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