FIRST QUARTER REPORT
FOR THE PERIOD ENDED
SEPTEMBER 30, 2025
(Un-Audited)

NAGINA

NAGINA GROUP

NAGINA COTTON MILLS LTD.

CONTENTS

COMPANY INFORMATION

BOARD OF DIRECTORS	Mr. Shahzada Ellahi Shaikh	Non-Executive Director / Chairman
	Mr. Naweed Akhter Sharif	Independent Non-Executive Director
	Mr. Shafiq ur Rehman	Independent Non-Executive Director
	Ms. Tosheeba Sarwar	Independent Non-Executive Director
	Mr. Hasan Ahmad	Non-Executive Director
	Mr. Shafqat Ellahi Shaikh	Non-Executive Director
	Mr. Raza Ellahi Shaikh	Non-Executive Director
	Mr. Haroon Shahzada Ellahi Shaikh	Non-Executive Director
	Mr. Shaukat Ellahi Shaikh	Executive Director
	Mr. Amin Ellahi Shaikh	Executive Director
CHIEF EXECUTIVE OFFICER	Mr. Amin Ellahi Shaikh	
AUDIT COMMITTEE	Mr. Shafiq ur Rehman	Chairman
	Mr. Raza Ellaahi Shaikh	Member
	Mr. Haroon Shahzada Ellahi Shaikh	Member
	Mr. Syed Mohsin Gilani	Secretary
HUMAN RESOURCE & REMUNERATION (HR & R) COMMITTEE	Mr. Shafiq ur Rehman	Chairman
	Mr. Amin Ellahi Shaikh	Member
	Mr. Haroon Shahzada Ellahi Shaikh	Member
	Mr. Muhammad Azam	Secretary
EXECUTIVE COMMITTEE	Mr. Amin Ellahi Shaikh	Chairman
	Mr. Shaukat Ellahi Shaikh	Member
	Mr. Raza Ellahi Shaikh	Member
	Mr. Haroon Shahzada Ellahi Shaikh	Member
	Mr. Muhammad Azam	Secretary
CORPORATE SECRETARY	Mr. Syed Mohsin Gilani	
CHIEF FINANCIAL OFFICER (CFO)	Mr. Tariq Zafar Bajwa	
HEAD OF INTERNAL AUDIT	Mr. Farjad Ashfaq	
AUDITORS	Messrs Yousuf Adil Chartered Accountants	
LEGAL ADVISOR	Makhdoom & Makhdoom Advocates	
LEAD BANKERS	Allied Bank Ltd. Askari Bank Ltd. Bank Alfalah Ltd. Faysal Bank Ltd. Habib Bank Ltd. Habib Metropolitan Bank Ltd. JS Bank LTD. Meezan Bank Ltd. Industrial Development Bank of Pakistan MCB Bank Ltd. National Bank of Pakistan Pakistan Kuwait Investment Bank Limited Samba Bank Ltd. Standard Chartered Bank (Pakistan) Ltd. The Bank of Punjab United Bank Ltd.	
REGISTERED OFFICE	2nd Floor, Shaikh Sultan Trust Bldg. No.2 26, Civil Lines, Beaumont Road, Karachi - 75530	
REGIONAL OFFICE	Nagina House, 91-B-1, M.M. Alam Road, Gulberg-III, Lahore-54660.	
WEB REFERENCE	www.nagina.com	
SHARE REGISTRAR	M/s Hameed Majeed Associates (Pvt.) Ltd. 5^{th} Floor, Karachi Chambers, Hasrat Mohani Road, Karachi. Phone # 021-32412754, 32424826 Fax # 021-32424835	
MILLS	Aminabad, A-16, S.I.T.E., National Highway, Kotri	

NAGINA COTTON MILLS LTD.

DIRECTORS' REVIEW

The Directors are pleased to present the un-audited condensed interim financial statements of the Company for the 1st quarter ended on September 30, 2025. The comparative figures for the corresponding quarter ended on September 30, 2024 are included for comparison, except in statement of financial position where comparative figures are for the year ended on June 30, 2025.

Company Performance

Despite challenging environment your Company has managed to remain profitable and earned after tax profit of Rs. 26,161,311 compared to Rs. 7,729,282 during the same period of last year (SPLY). Earning per share (EPS) for the quarter is Rs. 1.40 compared to Rs. 0.41 for the SPLY.

Sales revenue for the quarter under review increased by 11.79% over the SPLY and stood at Rs. 5,139,682,726 compared to Rs. 4,597,461,241. The increase in revenue is mainly due to increase in sales volume. Cost of sales slightly increased to 91.89% of sales as compared to 91.75% of sales during SPLY. Increase in cost of sales resulted in decrease in Gross Profit (GP) margins to 8.11% of sales compared to 8.25% of sales during SPLY.

Overall operating expenses also decreased to 2.87% of sales during the quarter under review compared to 3.87% of sales during SPLY. The company effectively maintained stable cash flows, ensuring the timely settlement of operating liabilities. Supported by improved cash flows, scheduled repayments of long-term loans, and a reduction in the policy rate, finance costs decreased to 3.55% of sales compared to 3.85% in SPLY.

According to the figures issued by the Pakistan Cotton Ginners Association, for the crop year 2025-26, Kapas, (seed cotton) arrivals up to September 30, 2025, at the Ginneries totalled 3.044 million bales compared to 2.040 million bales for SPLY showing increase in arrival of 49.24%.

Future Outlook

The textile sector continues to face significant challenges amid weak market demand, with buyers remaining cautious in placing new orders. This subdued demand has exerted downward pressure on yarn prices, leading to compressed margins. In addition, rising energy costs remain a major concern for the industry. To mitigate this impact, your Company is undertaking various measures to reduce energy cost, including the expansion of solar energy capacity as far as practicable, to help reduce overall energy costs.

In view of the recent floods and apprehensions regarding potential commodity shortages, the State Bank of Pakistan has prudently chosen to maintain the existing policy rate. Meanwhile, the relative stability of the exchange rate has contributed to better cost and revenue predictability.

The outlook for the second quarter of FY26 remains uncertain amid the ongoing market challenges highlighted earlier. However, the management continues to implement proactive measures focusing on cost optimization, strategic marketing, and product diversification to enhance operational resilience. These initiatives are expected to help the Company maintain its profitability during the remainder of the financial year.

It is hoped that the Government will bring in business friendly policies such as uninterrupted energy supplies in cost effective manner, refund of outstanding taxes, reduction in the corporate tax rate, controlling the inflation rate and reducing the financial costs. Government policies should encourage the completion of the value chain in the textile sector so that the country can export finished products.

Acknowledgement

Continued diligence and devotion of the staff and workers of the Company and good human relations at all levels deserve acknowledgement. The Directors also wish to place on record their thanks to the bankers and other stakeholders for their continued support to the Company.

On behalf of the Board.

	Amin Ellahi Shaikh	**Raza Ellahi Shaikh**
October 29, 2025	Chief Executive Officer	Director

ممبران کے لئے ڈائریکٹرز کی رپورٹ

مجلس نظماء 30 ستمبر 2025ء کو مختتمہ پہلی سہ ماہی کے لئے کمپنی کی غیرنظرثانی شدہ مجمد عبوری مالیاتی معلومات پیش کرتے ہوئے خوشی محسوس کررہے ہیں۔ 30 ستمبر 2024ء کوختم ہونے والی سہ ماہی کے تقابلی اعدادوشمار بھی موازنہ کے لئے شامل کئے گئے ہیں، ماسوائے سٹیٹمنٹ آف فنانشل پوزیشن کے جہاں تقابلی اعدادوشمار 30 جون 2025ء کو مختتمہ سال کے لئے ہیں۔

کمپنی کی کارکردگی

مشکل ماحوم کے باوجود آپ کی کمپنی منافع بخش رہنے میں کامیاب رہی ہے اور اس نے گزشتہ سال کی اسی مدت کے دوران 7,729,282 روپے کے مقابلے میں 26,161,311 روپے کا بعد از ٹیکس منافع حاصل کیا ہے۔ اس سہ ماہی میں فی حصہ آمدنی (EPS) 1.40 روپے رہی، جبکہ گزشتہ سال کی اسی مدت میں یہ 0.41 روپے تھی۔

زیرجائزہ سہ ماہی میں فروخت کی آمدنی میں گزشتہ سال کی اسی مدت کے مقابلے میں 11.79% اضافہ ہوا ہے اور یہ 4,597,461,241 روپے کے مقابلے میں 5,139,682,726 روپے پر رہی۔ آمدنی میں یہ اضافہ بنیادی طور پر فروخت کی مقدار میں اضافے کی وجہ سے ہے۔ فروخت کی لاگت گزشتہ سال کی اسی مدت میں فروخت کا 91.75 فیصد کے مقابلے میں معمولی اضافے کے ساتھ فروخت کا 91.89 فیصد ہوگئی۔ فروخت کی لاگت میں اضافے کے نتیجے میں مجموعی منافع (GP) کی شرح میں کمی واقع ہوئی جو کہ گزشتہ سال کی اسی مدت میں فروخت کا 8.25 فیصد کے مقابلے میں گھٹ کر فروخت کا 8.11 فیصد رہ گئی۔

مشترکہ طور پر آپریٹنگ اخراجات بھی گزشتہ سال کی اسی مدت میں فروخت کے 3.87 فیصد کے مقابلے میں زیرجائزہ سہ ماہی میں گھٹ کر فروخت کا 2.87 فیصد رہ گئے۔ کمپنی نے مؤثر طریقے سے مستحکم کیش فلو برقرار رکھا، جس سے آپریٹنگ ذمہ داریوں کی بروقت ادائیگی کو یقینی بنایا گیا۔ بہتر کیش فلو، طویل المدت قرضوں کی مقررہ ادائیگیوں، اور پالیسی ریٹ میں کمی کی بدولت، مالیاتی اخراجات گزشتہ سال کی اسی مدت میں فروخت کے 3.85 فیصد کے مقابلے میں گھٹ کر فروخت کا 3.55 فیصد رہ گئے۔

پاکستان کاٹن جنرز ایسوسی ایشن کے جاری کردہ اعدادوشمار کے مطابق، فصل سال 2025-26ء کے لیے، 30 ستمبر 2025ء تک جنریوں میں کپاس (سیڈ کاٹن) کی آمد 2.040 ملین گانٹھوں کے مقابلے میں 3.044 ملین گانٹھیں رہی، جس میں 49.24 فیصد کا اضافہ دکھائی دیتا ہے۔

مستقبل کا نقطہ نظر

ٹیکسٹائل سیکٹر کمزور مارکیٹ کی طلب کے درمیان نمایاں چیلنجز کا سامنا کررہا ہے، جبکہ خریدار نئے آرڈرز دینے میں محتاط رویہ اپنائے ہوئے ہیں۔ اس کمزور طلب نے سوت کی قیمتوں پر دباؤ ڈالا ہے، جس سے منافع کی شرح کم ہوئی ہے۔ اس کے علاوہ، بڑھتی ہوئی توانائی کی لاگت صنعت کے لیے ایک بڑا تشویش کا باعث بنی ہوئی ہے۔ اس اثر کو کم کرنے کے لیے، آپ کی کمپنی توانائی کی لاگت کو کم کرنے کے لیے مختلف اقدامات کررہی ہے، جن میں عملی حد تک شمسی توانائی کی صلاحیت میں توسیل بھی شامل ہے، تاکہ مجموعی توانائی کے اخراجات کو کم کرنے میں مدد مل سکے۔

NAGINA COTTON MILLS LTD.

حالیہ سیلاب اور ممکنہ اجناس کی قلت کے خدشات کے پیشِ نظر، اسٹیٹ بینک آف پاکستان نے موجودہ پالیسی ریٹ برقرار رکھنے کا حکمت عملی سے فیصلہ کیا ہے۔ دریں اثنا، شرح مبادلہ کی نسبتاً استحکام نے لاگت اور آمدنی کی بہتر پیش گوئی میں مدد کی ہے۔

مالی سال 2026 کی دوسری سہ ماہی کا نقطہ نظر اب بھی غیر یقینی ہے، جس میں پہلے بیان کردہ جاری مارکیٹ چیلنجز شامل ہیں۔ تاہم، انتظامیہ آپریشنل لچک کو بڑھانے کے لیے لاگت کی اصلاح، اسٹریٹجک مارکیٹنگ، اور مصنوعات میں تنوع پر توجہ مرکوز کرتے ہوئے پیشگی اقدامات نافذ کرتی جا رہی ہے۔ ان کوششوں سے توقع کی جاتی ہے کہ یہ کمپنی کو مالی سال کے باقی ماندہ عرصے کے دوران اپنی منافعیت برقرار رکھنے میں مدد دیں گی۔

امید کی جاتی ہے کہ حکومت کاروبار دوست پالیسیاں لے کر آئے گی، جیسے کہ غیر منقطع توانائی کی فراہمی لاگت مؤثر انداز میں، واجب الادا ٹیکسز کی واپسی، کارپوریٹ ٹیکس کی شرح میں کمی، افراطِ زر کی شرح کو کنٹرول کرنا اور مالیاتی اخراجات کو کم کرنا۔ حکومتی پالیسیوں کو ٹیکسٹائل سیکٹر میں ویلیو چین کے تکمیل کی حوصلہ افزائی کرنی چاہیے تاکہ ملک تیار مصنوعات برآمد کر سکے۔

اظہار تشکر

کمپنی کے عملے اور کارکنوں کی مسلسل محنت اور جذبہ اور تمام سطحوں پر اچھے انسانی تعلقات کا اعتراف کرتے ہیں۔ ڈائریکٹرز کمپنی کی مسلسل حمایت پر بینکرز اور دیگر اسٹیک ہولڈرز کا بھی شکریہ ادا کرتے ہیں۔

منجانب بورڈ

امین الٰہی شیخ	**رضا الٰہی شیخ**
چیف ایگزیکٹو آفیسر (سی ای او)	ڈائریکٹر

29 اکتوبر 2025ء

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NAGINA COTTON MILLS LTD.

CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION
AS AT SEPTEMBER 30, 2025

	Note	(Un-Audited) September 30, 2025	(Audited) June 30, 2025
		--------------Rupees--------------	
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorized share capital			
50,000,000 (June 30, 2024: 50,000,000) ordinary shares of Rs. 10/- each		**500,000,000**	500,000,000
Issued, subscribed and paid up capital		**187,000,000**	187,000,000
Capital reserves		**271,230,614**	265,704,614
Revenue reserve - Unappropriated profit		**4,332,987,917**	4,306,826,606
TOTAL EQUITY		**4,791,218,531**	4,759,531,220
LIABILITIES			
NON-CURRENT LIABILITIES			
Long term finances		**4,021,627,341**	4,181,862,874
Deferred tax		**135,162,489**	122,612,114
Employee retirement benefits		**311,033,179**	294,457,333
		4,467,823,009	4,598,932,321
CURRENT LIABILITIES			
Current portion of long-term finances		**753,899,745**	733,852,872
Trade and other payables		**2,058,741,845**	1,519,750,487
Contract liability - advance from customers		**9,494,713**	10,151,772
Unclaimed dividend		**12,091,680**	12,091,680
Accrued interest/mark-up		**129,982,541**	159,648,160
Short-term borrowings	6	**2,748,380,745**	2,803,834,134
		5,712,591,269	5,239,329,105
TOTAL LIABILITIES		**10,180,414,278**	9,838,261,426
CONTINGENCIES AND COMMITMENTS	7		
TOTAL EQUITY AND LIABILITIES		**14,971,632,809**	14,597,792,646

The annexed explanatory notes from 1 to 13 form an integral part of these condensed interim financial statements.

October 29, 2025

Raza Ellahi Shaikh
Director

Tariq Zafar Bajwa
Chief Financial Officer

NAGINA GROUP

NAGINA COTTON MILLS LTD.

	Note	(Un-Audited) September 30, 2025	(Audited) June 30, 2025
		--------------Rupees--------------	
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	8	**5,514,268,848**	5,575,305,428
Investment properties		**12,630,119**	12,675,412
Long-term deposits		**1,229,858**	1,121,858
		5,528,128,825	5,589,102,698
CURRENT ASSETS			
Stores and spares		**201,269,227**	205,763,297
Stock-in-trade		**4,781,451,628**	4,643,518,733
Trade receivables		**2,765,209,597**	2,893,912,720
Advances		**856,151,070**	509,205,152
Prepayments		**34,869,107**	3,193,993
Other receivables		**65,155,585**	66,536,305
Tax refundable		**433,967,136**	412,815,861
Other financial assets	9	**172,231,812**	166,687,329
Cash and bank balances		**133,198,822**	107,056,558
		9,443,503,984	9,008,689,948
TOTAL ASSETS		**14,971,632,809**	14,597,792,646

The annexed explanatory notes from 1 to 13 form an integral part of these condensed interim financial statements.

Amin Ellahi Shaikh
Chief Executive Officer

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NAGINA COTTON MILLS LTD.

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

	Note	Quarter Ended September 30, 2025	Quarter Ended September 30, 2024
		……………Rupees……………	
Revenue from contracts with customers		**5,139,682,726**	4,597,461,241
Cost of goods sold	**10**	**(4,722,850,619)**	(4,218,400,417)
Gross profit		**416,832,107**	379,060,824
Distribution cost		**(77,629,215)**	(96,954,526)
Administrative expenses		**(61,707,903)**	(76,903,745)
Other expenses		**(8,268,394)**	(4,216,704)
		(147,605,512)	(178,074,975)
		269,226,595	200,985,849
Other income		**20,148,774**	43,398,971
Operating profit		**289,375,369**	244,384,820
Finance cost		**(182,640,267)**	(177,002,404)
Profit before levies and taxation		**106,735,102**	67,382,416
Levies		**(28,525,148)**	(59,653,134)
Profit before taxation		**78,209,954**	**7,729,282**
Taxation		**(52,048,643)**	-
Profit for the period		**26,161,311**	**7,729,282**
Other comprehensive income			
Items that will not be reclassified subsequently to profit or loss			
Fair value (loss) / gain on investment in equity instruments designated at FVTOCI	**9.2**	**5,526,000**	(1,617,600)
Other comprehensive income for the period		**5,526,000**	(1,617,600)
Total comprehensive income for the period		**31,687,311**	6,111,682
Earnings per share - basic and diluted		**1.40**	0.41

The annexed explanatory notes from 1 to 13 form an integral part of these condensed interim financial statements.

October 29, 2025	**Raza Ellahi Shaikh** Director	**Tariq Zafar Bajwa** Chief Financial Officer	**Amin Ellahi Shaikh** Chief Executive Officer

NAGINA COTTON MILLS LTD.

NAGINA GROUP

CONDENSED INTERIM STATEMENT OF CASH FLOWS (UN-AUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2025

		Quarter Ended	
		September 30, 2025	September 30, 2024
		……………Rupees……………	
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before levies and taxation		**106,735,102**	67,382,416
Adjustments for:			
Depreciation on property, plant and equipment		**140,672,382**	148,452,292
Depreciation on investment properties		**45,294**	47,994
Provision for gratuity		**21,502,895**	20,280,711
Gain on disposal of property, plant and equipment		**(2,978,634)**	(1,518,569)
Realized (gain) / loss on investment classified as fair value through profit or loss		**-**	(28,196,642)
Unrealized (gain) / loss on investment classified as fair value through profit or loss		**(18,482)**	1,896,748
Finance cost		**182,640,267**	177,002,404
Rental Income		**(9,556,877)**	(8,744,709)
Dividend Income		**(420,000)**	(420,000)
		438,621,947	376,182,645
Changes in working capital			
Increase / (decrease) in current assets:			
Stores and spares		**4,494,070**	7,276,568
Stock-in-trade		**(137,932,895)**	115,891,431
Trade receivables		**128,703,123**	(378,529,151)
Advances		**(346,945,918)**	(536,639,108)
Prepayments		**(31,675,114)**	(30,944,114)
Other receivables		**1,380,720**	(6,058,474)
Sales tax refundable		**(29,704,839)**	(52,454,895)
		(411,680,853)	(881,457,743)
Increase / (decrease) in current liabilities:			
Trade and other payables		**538,991,358**	88,493,060
Contract liability - advance from customers		**(657,059)**	11,450,712
		126,653,446	(781,513,971)
Cash generated from/ (used in) operations		**565,275,393**	(405,331,326)
Payments made:			
Employees retirement benefits		**(4,927,049)**	(6,205,336)
Finance cost		**(212,305,886)**	(212,900,328)
Income taxes		**(59,469,853)**	(59,405,617)
Long term deposits		**(108,000)**	-
Net cash generated from/ (used in) operating activities	**A**	**288,464,605**	(683,842,607)
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of property, plant and equipment		**(81,146,169)**	(80,592,251)
Proceeds from disposal of property, plant and equipment		**4,489,000**	2,322,074
Purchase of other financial assets		**(92,600,000)**	(1,011,700,000)
Proceeds from sale of other financial assets		**92,600,000**	1,921,436,499
Rental Income received		**9,556,877**	8,744,709
Dividend received		**420,000**	420,000
Net cash (used in) / generated from investing activities	**B**	**(66,680,292)**	840,631,031

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CONDENSED INTERIM STATEMENT OF CASH FLOWS (UN-AUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2025

		Quarter Ended	
		September 30, 2025	September 30, 2024
		...............Rupees...............	
CASH FLOWS FROM FINANCING ACTIVITIES			
Long term finances obtained		**37,687,613**	56,515,400
Repayment of long term finances		**(177,876,273)**	(124,977,291)
Net (decrease)/ increase in short term borrowings excluding running finances		**(645,068,436)**	280,567,047
Net cash (used in)/ generated from financing activities	**C**	**(785,257,096)**	212,105,156
Net (decrease)/ increase in cash and cash equivalents	**(A+B+C)**	**(563,472,783)**	368,893,580
Cash and cash equivalents at beginning of the period		**(994,538,743)**	(32,154,515)
Cash and cash equivalents at end of the period		**(1,558,011,526)**	336,739,065
Cash and cash equivalents			
Cash and bank balances		**133,198,822**	275,738,466
Other financial assets - terms deposits with banks		**76,903,615**	76,903,615
Short-term running finances		**(1,768,113,963)**	(15,903,016)
		(1,558,011,526)	**336,739,065**

The annexed explanatory notes from 1 to 13 form an integral part of these condensed interim financial statements.

October 29, 2025	**Raza Ellahi Shaikh** Director	**Tariq Zafar Bajwa** Chief Financial Officer	**Amin Ellahi Shaikh** Chief Executive Officer

NAGINA COTTON MILLS LTD.

CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2025

	Issued, subscribed and paid up capital	Capital reserves				Revenue reserve	Total
		Capital Redemption reserve	Amalgamation reserve	Fair value reserve	Total capital reserves	Unappropriated profit	
	-----	-----	-----	Rupees	-----	-----	-----
Balance as at June 30, 2024 (Audited)	187,000,000	241,860,000	12,104,417	8,273,929	262,238,346	4,279,130,477	4,728,368,823
Comprehensive income							
Profit after taxation	-	-	-	-	-	7,729,282	7,729,282
Other comprehensive Income							
Fair value gain on investment in equity instruments designated at FVTOCI	-	-	-	(1,617,600)	(1,617,600)	-	(1,617,600)
Total comprehensive (loss) / income for the period	-	-	-	(1,617,600)	(1,617,600)	7,729,282	6,111,682
Balance as at September 30, 2024 (Un-Audited)	**187,000,000**	**241,860,000**	**12,104,417**	**6,656,329**	**260,620,746**	**4,286,859,759**	**4,734,480,505**
Comprehensive income							
Profit after taxation	-	-	-	-	-	42,687,410	42,687,410
Other comprehensive Income							
Remeasurement of defined benefit liability	-	-	-	-	-	6,916,317	6,916,317
Deferred tax recognized	-	-	-	-	-	(1,586,880)	(1,586,880)
Fair value gain on investment in equity instruments designated at FVTOCI	-	-	-	7,089,600	7,089,600	-	7,089,600
Deferred tax recognized	-	-	-	(2,005,732)	(2,005,732)	-	(2,005,732)
Transfer of realized gain on sale of investments	-	-	-	-	-	-	-
Total comprehensive income for the period	-	-	-	5,083,868	5,083,868	48,016,847	53,100,715
Transactions with owners							
Final dividend for the year ended June 30, 2024 @ 15% i.e. Rs. 1.5 per ordinary share	-	-	-	-	-	(28,050,000)	(28,050,000)
Balance as at June 30, 2025 (Audited)	**187,000,000**	**241,860,000**	**12,104,417**	**11,740,197**	**265,704,614**	**4,306,826,606**	**4,759,531,220**
Comprehensive income							
Profit after taxation	-	-	-	-	-	26,161,311	26,161,311
Other comprehensive Income							
Fair value loss on investment in equity instruments designated at FVTOCI	-	-	-	5,526,000	5,526,000	-	5,526,000
Total comprehensive income for the period	-	-	-	5,526,000	5,526,000	26,161,311	31,687,311
Balance as at September 30, 2025 (Un-Audited)	**187,000,000**	**241,860,000**	**12,104,417**	**17,266,197**	**271,230,614**	**4,332,987,917**	**4,791,218,531**

The annexed explanatory notes from 1 to 13 form an integral part of these condensed interim financial statements.

October 29, 2025	**Raza Ellahi Shaikh** Director	**Tariq Zafar Bajwa** Chief Financial Officer	**Amin Ellahi Shaikh** Chief Executive Officer

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

1. LEGAL STATUS AND OPERATIONS

Nagina Cotton Mills Limited (the Company) was incorporated in Pakistan on May 16, 1967 as a public limited company under the Companies Act, 1913 (repealed) now The Companies' Act, 2017 and is listed on Pakistan Stock Exchange Limited. The principal business of the Company is to manufacture and sale of yarn.

Following is the geographical location and address of all business units of the Company:

Head Office:
2nd floor, Shaikh Sultan Trust Building No.2, 26-Civil Lines, Beaumont Road, Karachi-75530, Sindh.

Manufacturing facility:
A-16, National Highway, Aminabad, S.I.T.E Kotri, Sindh.

Regional Office:
Nagina House 91 – B-1, M.M. Alam Road, Gulberg-III, Lahore, Punjab.

2 BASIS OF PREPARATION

2.1 STATEMENT OF COMPLIANCE

2.1.1 These un-audited condensed interim financial statements of the Company for the Quarter ended September 30, 2025 have been prepared in accordance with the requirements of the 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. Where the provisions of or directives issued under the Companies Act, 2017 differ with the requirements of IAS 34, the provisions of or directives issued under the Companies Act, 2017 have been followed.

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

2.1.2 These condensed interim financial statements have been prepared under 'Historical cost convention' except employees retirement benefits and financial instruments at fair value through other comprehensive income (FVTOCI).

2.1.3 These condensed interim financial statements are presented in Pak Rupees, which is also the Company's functional and presentation currency. Figures presented in these condensed interim financial statements have been rounded off to the nearest Rupee.

2.1.4 The comparative condensed interim statement of financial position presented has been extracted from annual audited financial statements for the year ended June 30, 2025; whereas comparative condensed interim statement of profit or loss and statement of other comprehensive income, condensed interim statement of cash flows and condensed interim statement of changes in equity of the Company have been extracted from the un-audited condensed interim financial statements for the First Quarter ended September 30, 2024.

3 SIGNIFICANT ACCOUNTING POLICIES AND ESTIMATES

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

4 ACCOUNTING ESTIMATES AND JUDGMENTS

The preparation of these condensed interim financial statements require management to make estimates, assumptions and use judgments that affect the application of policies and reported amounts of assets, liabilities, income and expenses. Estimates, assumptions and judgments are continually evaluated and are based on historical experience and other factors, including reasonable expectations of future events. Revision to accounting estimates are recognized prospectively commencing from the period of revision.

In preparing these condensed interim financial statements, the significant judgments made by the management in applying the Company's accounting policies, the key source of estimation and uncertainty were the same as those that applied to the financial statements of the Company for the year ended June 30, 2025.

5 FINANCIAL RISK MANAGEMENT

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

		Note	(Un-Audited) September 30, 2025	(Audited) June 30, 2025
			............Rupees	
6	**SHORT-TERM BORROWINGS**			
	- Banking companies - secured			
	Foreign currency finance			
	- conventional		**684,571,782**	260,335,218
	- shariah compliant		**295,695,000**	-
	Short term finance			
	- conventional		**-**	395,000,000
	- shariah compliant		**-**	970,000,000
	Running finance			
	- conventional		**434,732,824**	739,718,276
	- shariah compliant		**1,333,381,139**	438,780,640
			2,748,380,745	2,803,834,134

7 CONTINGENCIES AND COMMITMENTS

7.1 Contingencies

	Note		
Bank guarantees issued on behalf of the Company	7.1.1	**28,253,615**	28,253,615
Bank guarantee in favor of Excise and Taxation department		**508,442,448**	478,442,448
Revolving Letter of credit Favoring SSGC		**260,592,990**	195,285,460

7.1.1 It includes guarantee issued in favor of Hyderabad Electric Supply Corporation (HESCO) amounting Rs. 24.253 million (June 2025: Rs 24.253 million).

There is no further change in contingencies as disclosed in note 14.1 to the annual audited financial statements for the year ended June 30, 2025.

		Note	(Un-Audited) September 30, 2025	(Audited) June 30, 2025
			............Rupees	
7.2	**Commitments**			
	Capital work			
	Machinery		**321,597,396**	25,080,348
	Civil work		**32,134,660**	-
	Raw material		**2,646,947,605**	258,582,803
	Stores and spares		**14,501,524**	-
	Bills discounted		**762,165,633**	269,643,677
	Commitments for rentals of assets under short term lease as at:			
	- Not later than one year		**2,956,007**	4,026,519
8	**PROPERTY, PLANT AND EQUIPMENT**			
	Operating fixed assets - owned	8.1	**5,432,467,212**	5,557,511,567
	Capital work in progress	8.2	**81,801,636**	17,793,861
			5,514,268,848	5,575,305,428
8.1	**Operating fixed assets - owned**			
	Opening written down value		**5,557,511,567**	5,893,797,509
	Additions during the period / year			
	Machinery and equipment		**225,000**	15,173,764
	Mills building on leasehold land		**-**	15,474,768
	Electric installation and equipment		**-**	190,186,913
	Furniture and fixtures		**307,614**	5,626,022
	Office equipment		**1,059,530**	2,222,950
	Vehicles		**15,546,250**	40,849,954
			17,138,394	269,534,371
	Written down value of property, plant and equipment disposed off		**(1,510,366)**	(7,541,568)
	Depreciation charged during the period/year		**(140,672,383)**	(598,278,745)
	Written down value at end of the period/year		**5,432,467,212**	5,557,511,567

		Note	(Un-Audited) September 30, 2025	(Audited) June 30, 2025
			............Rupees	
8.2	**Capital work in progress**			
	Opening Balance		**17,793,861**	71,177,844
	Additions during the period / year		**64,007,775**	167,856,961
	Transfers during the period / year		**-**	(221,240,944)
	Closing Balance		**81,801,636**	17,793,861
9	**OTHER FINANCIAL ASSETS**			
	Designated at amortised cost			
	Terms deposits with banks having maturity of			
	- More than three months		**70,100,000**	70,100,000
	- Three months or less		**76,903,615**	76,903,615
			147,003,615	147,003,615
	Designated at fair value through Other Comprehensive Income			
	Investment in listed equity securities		**24,459,600**	18,933,600
		9.1	**24,459,600**	18,933,600
	Designated at fair value through profit or loss			
	Investment in mutual funds	9.3	**768,597**	750,114
			172,231,812	166,687,329
9.1	**Reconciliation between fair value and cost of investments classified as 'equity instrument'**			
	Through other comprehensive income			
	Fair value of investments			
	- in listed equity securities		**24,459,600**	18,933,600
			24,459,600	18,933,600
	Add: unrealized gain on remeasurement of investments		**(19,271,929)**	(13,745,929)
	Cost of investments		**5,187,671**	5,187,671
9.2	**Unrealized gain on remeasurement of equity instruments**			
	Through Other Comprehensive Income			
	Opening balance		**13,745,929**	8,273,929
	Fair value gain arises for the period / year		**5,526,000**	5,472,000
	Unrealized fair value gain for the period / year		**5,526,000**	5,472,000
	Closing balance		**19,271,929**	13,745,929
9.3	**Unrealized gain on remeasurement of mutual funds**			
	Through profit or loss			
	Fair value of investments in mutual funds		**768,597**	750,114
	Unrealised gain on remeasurement of investments		**(19,694)**	(1,211)
	Cost of investments		**748,903**	748,903

		(Un-Audited) September 30, 2025	(Un-Audited) September 30, 2024
		--------------Rupees--------------	
10	**COST OF GOODS SOLD**		
	Raw material consumed	**3,710,350,042**	3,773,865,683
	Packing material consumed	**59,525,246**	50,362,178
	Stores and spares consumed	**44,922,805**	70,742,975
	Salaries, wages and benefits	**214,086,243**	200,618,884
	Fuel	**394,714,885**	243,704,508
	Rates and taxes	**15,627**	15,627
	Insurance	**10,090,919**	9,425,729
	Repairs and maintenance	**5,702,506**	782,785
	Depreciation on property, plant and equipment	**137,242,235**	145,036,032
	Other manufacturing overheads	**9,006,073**	11,314,921
	Manufacturing cost	**4,585,656,581**	4,505,869,322
	Work-in-process:		
	At beginning of period	**201,629,334**	221,488,446
	At end of period	**(223,522,078)**	(223,478,576)
		(21,892,744)	(1,990,130)
	Cost of goods manufactured	**4,563,763,837**	4,503,879,192
	Finished stocks:		
	At beginning of period	**666,893,498**	523,441,721
	Purchase of waste	**11,993,278**	4,475,190
	At end of period	**(528,667,094)**	(885,209,785)
		150,219,682	(357,292,874)
	Cotton yarn loss claim	**(36,300)**	-
	Cost of sales of waste and raw material	**8,903,400**	71,814,099
		4,722,850,619	4,218,400,417

11 TRANSACTIONS WITH RELATED PARTIES

The related parties comprise of associated undertakings, directors of the company and key management personnel including chief executive & directors, their close family members and post retirement benefit plans. Transactions with related parties are carried out as per agreed terms. The transactions with related parties during the period generally consist of sales, purchases and dividend. Nature and description of related party transactions during the period along with monetary values are as follows:

		Quarter Ended (Un-Audited)	
		September 30, 2025	**September 30, 2024**
Nature of Relationship	**Nature of Transactions**	……………Rupees……………	
Associated companies	Sale of goods and services	**524,390,882**	98,920,486
Key management personnel	Remuneration and other benefits	**9,600,000**	8,700,000

There is no balance outstanding with or from associated undertakings, as at reporting date.

12 FAIR VALUE OF FINANCIAL INSTRUMENTS

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The carrying value of all the financial instruments reported in the financial statements approximates their fair value as the items are short term in

The table below analyses financial instrument carried at fair value, by valuation method. The different levels 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 within level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices).

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

The valuation techniques used are as follows:

Level 1: Quoted prices (unadjusted) in active markets

The fair value of financial instruments traded in active markets is based on Net Asset Values (NAVs) of the units of the mutual funds and quoted market price of the equity instrument at the reporting date. A market is regarded as active when it is a market in which transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis.

The following table presents the Company's financial assets which are carried at fair value:

	September 30, 2025			
	Level 1	Level 2	Level 3	Total
	------- Rupees -------			
Financial assets				
- measured at fair value through other comprehensive income				
Investment in listed equity securities	**24,459,600**	**-**	**-**	**24,459,600**
- measured at fair value through profit or loss				
Investment in mutual funds	**768,597**	**-**	**-**	**768,597**
	25,228,197	**-**	**-**	**25,228,197**

	June 30, 2025			
	Level 1	Level 2	Level 3	Total
	------- Rupees -------			
Financial assets				
- measured at fair value through other comprehensive income				
Investment in listed equity securities	18,933,600	-	-	18,933,600
- measured at fair value through profit or loss				
Investment in mutual funds	750,114	-	-	750,114
	19,683,714	-	-	19,683,714

13 DATE OF AUTHORIZATION FOR ISSUE

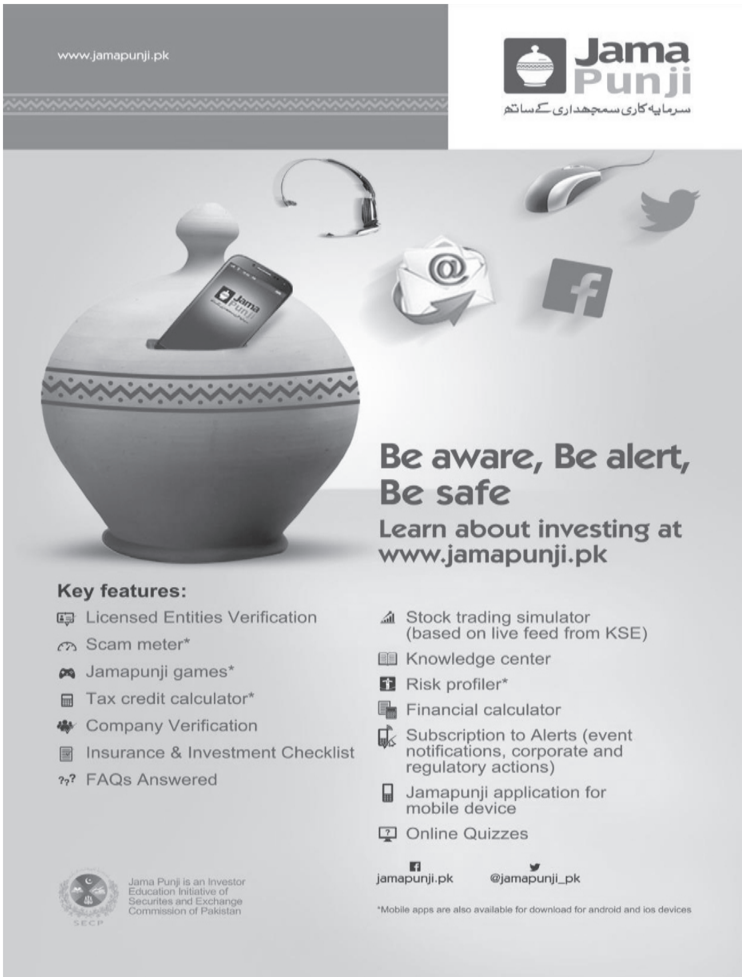
These condensed interim financial statements (un-audited) have been approved by the Board of Directors of the Company and authorized for issue on October 29, 2025.

October 29, 2025

Raza Ellahi Shaikh
Director

Tariq Zafar Bajwa
Chief Financial Officer

Amin Ellahi Shaikh
Chief Executive Officer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