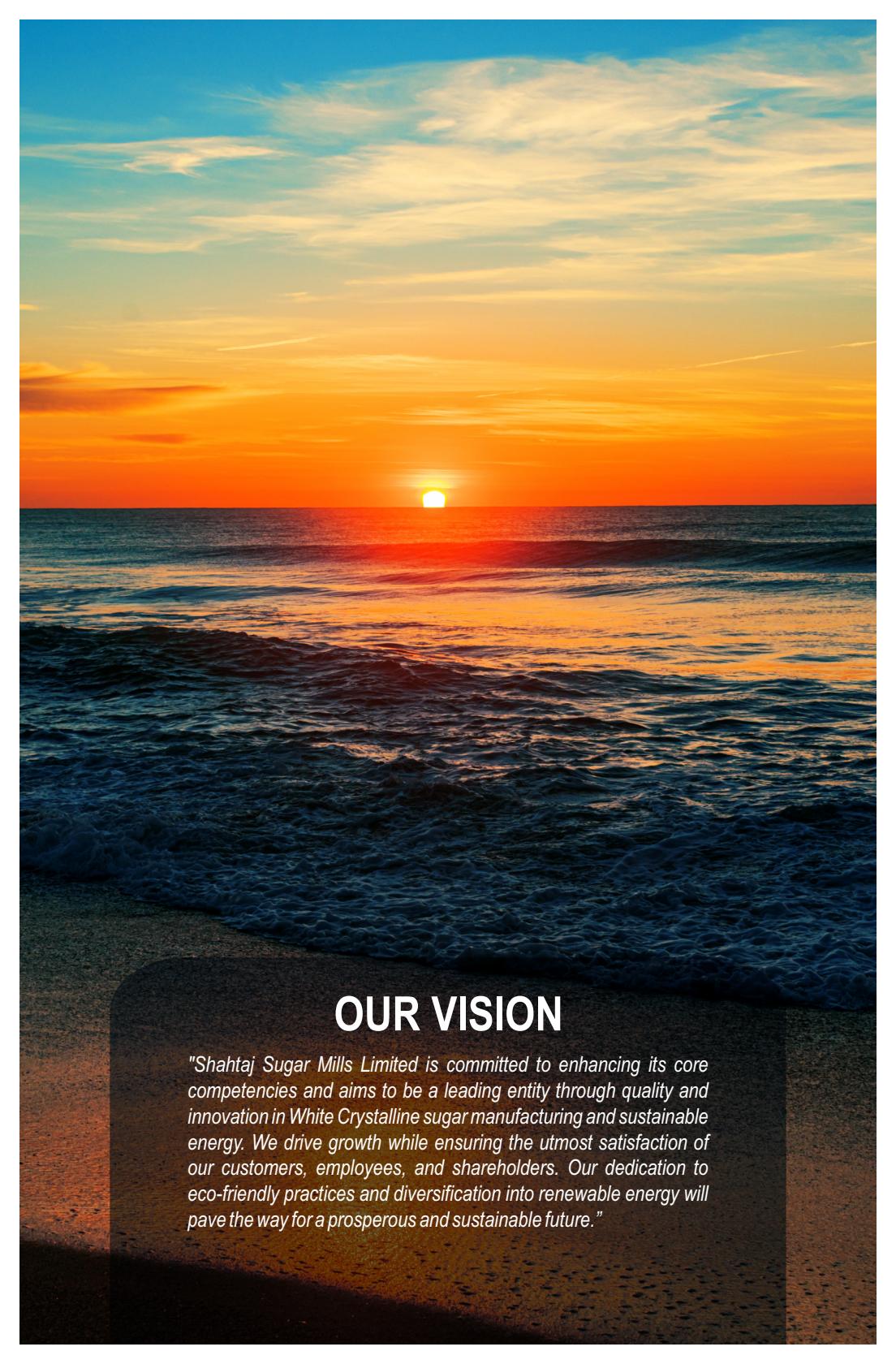




Shah Taj Sugar Mills Limited

**CONDENSED INTERIM FINANCIAL STATEMENTS
(UN-AUDITED)**
FOR THE THREE MONTH PERIOD ENDED
31 DECEMBER 2025



OUR VISION

"Shahtaj Sugar Mills Limited is committed to enhancing its core competencies and aims to be a leading entity through quality and innovation in White Crystalline sugar manufacturing and sustainable energy. We drive growth while ensuring the utmost satisfaction of our customers, employees, and shareholders. Our dedication to eco-friendly practices and diversification into renewable energy will pave the way for a prosperous and sustainable future."

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COMPANY INFORMATION

BOARD OF DIRECTORS

Mr. Toqueer Nawaz	Chairman
Mr. Muneer Nawaz	Chief Executive
Mrs. Samia Shahnawaz Idris	
Mr. Rashed Amjad Khalid	
Mr. Abid Nawaz	
Mrs. Sadia Muhammad	
Ms. Ava Ardeshir Cowasjee	
Mr. Mushtaq Ahmad	
Mr. Asim Rafiq	N.I.T.
Mr. Zahid Ullah Khan	

COMPANY SECRETARY

Mr. Jamil Ahmad Butt, FCMA

CHIEF FINANCIAL OFFICER

Mr. Waqar Ahmad, FCA

AUDIT COMMITTEE

Mr. Mushtaq Ahmad	Chairman
Mr. Toqueer Nawaz	
Mr. Zahid Ullah Khan	
Mr. Rashed Amjad Khalid	
Mr. Asim Rafiq	

HUMAN RESOURCE & REMUNERATION

COMMITTEE

Mr. Asim Rafiq	Chairman
Mr. Muneer Nawaz	
Mr. Toqueer Nawaz	
Mr. Abid Nawaz	
Mrs. Sadia Muhammad	

HEAD OFFICE

72/C-1, M. M. Alam Road, Gulberg III, Lahore - 54660.
 Phone : (042) 3571 0482 - 84
 Fax : (042) 3571 1904
 Website : www.shahtajsugar.com
 E-mail : mail@shahtajsugar.com

REGISTERED OFFICE

19, Dockyard Road, West Wharf, Karachi - 74000.
 (021) 3231 3934 - 38
 (021) 3231 0623
jamilbutt@shahtajsugar.com

CREDIT RATING

Long Term A-
 Short Term A2
 Agency VIS

PRODUCTION FACILITY

Mandi Bahauddin - 50400.	
(0546) 501 147 - 49	
(0546) 508 047 - 48	
(0546) 501 768	
mills@shahtajsugar.com	

AUDITORS

BDO Ebrahim & Company,
 Chartered Accountants,
 Office No. 4, 6th Floor,
 Askari Corporate Tower, 75/76 D-1,
 Main Boulevard Gulberg-III, Lahore – 54660.

LEGAL ADVISOR

Mr. Ras Tariq Chowdhary,
 52 - Ravi Block, Fort Green, Canal Road, Lahore.

SHARE REGISTRAR

JWAFFS Registrar Services (Private) Limited	Office No. 20, 5th Floor, Arkay Square Extension, New Chali, Sharah-e-Liaqat, Karachi.
jwaффsregistrar@gmail.com	(021) 32440974 - 75

BANKERS

United Bank Limited
 Habib Bank Limited
 MCB Bank Limited
 Bank Alfalah Limited
 Bank Al-Habib Limited
 JS Bank Limited
 Allied Bank Limited
 National Bank of Pakistan
 Soneri Bank Limited
 Habib Metropolitan Bank Limited
 The Bank of Punjab
 Dubai Islamic Bank Pakistan Limited

WEB PRESENCE

www.shahtajsugar.com

PSX SYMBOL

SHJS

QR CODE FOR REPORT DOWNLOAD



Directors' Report to the Members

Your Directors are pleased to present the un-audited condensed interim financial statements for the three-month period ended 31 December 2025.

Summarized operational performance of the present crushing season as compared with that of last year is produced below:

Production Data	31 December	
	2025	2024
Start of Season	15.11.2025	21.11.2024
Sugarcane Crushed (M. Ton)	265,661	234,206
Production:		
Sugar (M. Ton)	24,758	19,955
Molasses (M. Ton)	10,500	9,300
Recovery:		
Sugar %	9.65	9.13
Molasses %	4.12	4.22

The crushing season commenced on 15 November 2025, earlier than the corresponding period last year, in compliance with Government notification. During the quarter under review, the Company demonstrated improved operational performance as described above compared to the same period of the previous year. Further, we have also started producing and supplying electricity to the National Grid during the Quarter.

As stated in the Annual Report, the Company achieved the COD of its power project on October 10, 2025. Hence the just ended quarter is the first period having positive financial impact of the successful operation of the plant.

Sugar production increased significantly, primarily due to higher crushing volumes and improved sugar recovery. The improvement in recovery reflects better sucrose content in the sugarcane procured during the period. Molasses recovery, however, declined marginally compared to the corresponding period last year. The Government of Punjab has not announced a sugarcane support price for the current season.

Sugarcane availability during the current season is estimated to be better than last year, supported by higher yields per acre. The Company continues to focus on maximizing sugarcane procurement from both in-zone and out-zone areas to ensure optimal utilization of crushing capacity. The average sugarcane procurement cost for the quarter ended 31 December 2025 was Rs. 421 per 40 kg, compared to Rs. 392 per 40 kg in the corresponding quarter of the previous year.

For the first quarter, the Company recorded a turnover of Rs. 1,682.499 million, compared to Rs. 2,289.186 million in the corresponding quarter of the previous year. Cost of sales declined significantly to Rs. 1,400.475 million from Rs. 2,103.218 million.

As a result, gross profit increased to Rs. 282.024 million, compared to Rs. 185.968 million last year. The improvement in gross profitability was primarily attributable to revenue generated from the sale of electricity amounting to Rs. 99.371 million, which supplemented core sugar operations. Net profit for the quarter stood at Rs. 8.652 million, compared to Rs. 6.840 million in the corresponding quarter of 2024-25.

Finance costs increased to Rs. 122.058 million as compared with Rs. 61.797 million of the previous period due to charging of financial cost of the power plant to profit or loss account, since COD of the power plant was achieved on October 10, 2025.

Earnings per share (EPS) improved to Rs. 0.72, compared to Rs. 0.57 in the corresponding period last year.

The Company remains cautiously optimistic about the outlook for the remainder of the crushing season. Management continues to focus on improving recovery, optimizing costs, enhancing by-product revenues, and managing financial leverage prudently. Continued emphasis on operational efficiency and diversification of revenue streams is expected to support sustainable profitability.

POWER PROJECT OPERATIONS:

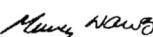
During the quarter, the Company successfully achieved a significant milestone with the completion and commencement of commercial operations of its 32 MW bagasse-based co-generation power plant. The project achieved its Commercial Operation Date (COD) on 10 October 2025, in accordance with the provisions of the Energy Purchase Agreement.

The power plant has been installed under a 30-year Energy Purchase Agreement (EPA) with the Central Power Purchasing Agency (Guarantee) Limited (CPPA-G). Following successful commissioning, testing, and certification by the Independent Engineer, the plant has been declared fully operational and is now supplying electricity to the national grid on a commercial basis.

The power project is an important strategic initiative for the Company, reinforcing its commitment to renewable energy development, environmental sustainability, and diversification of revenue streams. The successful completion and operationalization of the plant are expected to contribute positively to the Company's financial performance while supporting national objectives for clean and sustainable energy generation.

Your Directors place on record their appreciations of the diligence and devotion of duty of the Officers, Members of Staff and Workers of all categories. The Directors also thank the shareholders for their continued confidence and support.

For and on behalf of the Board,



MUNEER NAWAZ

Chief Executive



ABID NAWAZ

Director

Karachi: 29 January 2026

ڈائریکٹر پورٹ برائے ممبران

اس کے نتیجے میں جموی منافع ۲۵۲-۰۲۵ ملین روپے ہو گیا جو گزشتہ سال اسی مدت کے دوران ۸۵-۹۶۸ ملین روپے تھا۔ جموی منافع میں بہتری بیانی طور پر بھی کی فروخت سے حاصل ہونے والی آمدنی سے منسوب ہے جو ۳۲۷ ملین روپے ہے جس نے نیا ڈی شگر آپریشنز میں اضافہ کیا۔ سماں کے لیے خالص منافع ۲۵۲ ملین روپے پر باہجوں کے ۲۰۲۳-۲۴ کی اسی سماں میں ۸۸۰ ملین روپے تھا۔

مالیاتی اخراجات گزشتہ سال کے ۷۹-۸۰ ملین روپے سے ۷۹-۸۱ ملین روپے تک بڑھ کر ۵۸۰ ملین روپے ہو گئے جس کی بیانی دچ طوبی مدتی قرضے کی منافع و نقصان کے کھاتے میں درج بندی کے اثرات میں۔

نی حصہ آمدن (ای-پی-ایس) ۷۲-۷۳ ملین روپے تک بہتر ہو گئی جو چھٹے سال اسی مدت میں ۷۵-۷۰ ملین روپے نی حصہ کے مقابلے میں ہے۔

کپنی کی ریٹنگ سین کے لیے ہے کے نظر کے بارے میں تجارتی طور پر امید ہے۔ انتظامیہ بازیابی کی شرح کو بہتر بنانے، اخراجات کو بہتر بانے، خنی مصنوعات کی آمدنی کو بڑھانے، اور مالیاتی یورنٹ کو بھداری سے مظکوم کرنے پر تجسس کو نہ رہی ہے۔ آپریشن کارکرکی پر مسلسل زور اور آمدنی کے ذرائع کی توجہ کے ذریعے مختار منافع دہی کی توجہ کی جا رہی ہے۔

پاور پروجیکٹ کی کارکردگی:

سماں کے دوران، کپنی نے اپنے ۳۲ میگاوات کے بیگاں پین کے جیزین پا اور پلاٹ کے تجارتی آپریشنز کی تکمیل اور آغاز کے ساتھ کامیابی کے ساتھ ایک اہم سٹک میں حاصل کیا۔ اس ضروبے توانائی کی خرچواری کے معابرے کی دفعات کے مطابق ۱۰ اکتوبر ۲۰۲۵ کو اپنی کریشن آپریشن کی تاریخ (سی-او-ڈی) حاصل کی۔

پاور پلاٹ سفل پاور پر جیزینگ ایکٹنی (کارٹنی) لائٹنڈ (سی-پی-ایس-جی) کے ساتھ ۳۰ سال افزائی پر جیزینگ (ای-پی-ایس) کے تحت تیار کیا گیا ہے۔ آزاد جیزینگ کی جانب سے کامیاب کمیٹنگ، ٹیسٹنگ اور رٹریٹیشن کے بعد، پلاٹ کو مکمل طور پر فعال قرار دے دیا گیا ہے اور اب یہ تجارتی بیادوں پر تو گزشتہ کو بھی فراہم کر رہا ہے۔

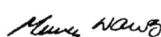
پاور پروجیکٹ کپنی کے لیے ایک اہم اسٹریٹجیک اقدام ہے، جو قابل تجید یہ تو انائی کی ترقی، ماحولیاتی پائیناری، اور محصولات کے سلسلے کو منبع بنانے کے لیے اپنے عزم کو تقویت دیتا ہے۔ پلاٹ کی کامیاب تکمیل اور نفاذ سے کپنی کی مالی کارکردگی میں شبکت کردار ادا کرنے کی توجہ ہے جبکہ صاف اور پائیدار تو انائی کی پیداوار کے قومی مقاصد کی حمایت کرتے ہیں۔

آپ کے ڈائریکٹر افسران، عملے کے اراکین اور قائم شعبوں کے کارکنوں کی محنت اور فرض شناختی کی قدر دانی کی ستائش کرتے ہیں۔ ڈائریکٹر زیستہ ہولڈر زکا ان کے مسلسل اعتماد اور تعاون پر بھی شکریہ ادا کرتے ہیں۔

برائے اور از طرف یورڈ آف ڈائریکٹر



عامدلوار
ڈائریکٹر



منیر نواز
چیف ایگزیکیوٹو

کراچی

۲۰۲۶ جنوری ۲۹

ڈائریکٹر پورٹ برائے ممبران

بورڈ آف ڈائریکٹرز کی نمائندگی میں ہم انتہائی سرت کے ساتھ غیر حاصل شدہ مختصر عبوری مالیاتی گوشوارہ برائے دورانیہ اختتام شدہ سے ماہی ۳۱ دسمبر ۲۰۲۵ء آپکی خدمت میں پیش کرتے ہیں۔

بچھلے سال کے مقابلے میں موجودہ کریٹنگ بیزن کی کارکردگی ذیل میں پیش کی گئی ہے:

پیداواری اعداد و تمار		۲۰۲۴	۲۰۲۳
آغاز بیزن	۱۵ نومبر ۲۰۲۵	۲۱ نومبر ۲۰۲۴	۲۱ نومبر ۲۰۲۳
گئی پہائی	۲۲۵،۲۶۱ میٹر ٹن	۲۳۶،۲۰۱ میٹر ٹن	۲۳۶،۲۰۱ میٹر ٹن
پیداوار			
چین	۵۸،۷۲۴ میٹر ٹن	۵۵،۹۱۹ میٹر ٹن	۵۵،۹۱۹ میٹر ٹن
راہب	۵۰،۵۰۰ میٹر ٹن	۳۰۰ میٹر ٹن	۳۰۰ میٹر ٹن
پیداواری تاب			
چین	۲۵ فیصد	۹-۱۳ فیصد	۹-۱۳ فیصد
راہب	۱۲ فیصد	۲۲ فیصد	۲۲ فیصد

کریٹنگ بیزن کا آغاز ۱۵ نومبر ۲۰۲۵ء کو حکومتی زمینیں کی تھیں میں بچھلے سال کی اسی مدت سے پہلے ہوا۔ زیر جائزہ سے ماہی کے دوران کمپنی نے بچھلے سال کی اسی مدت کے مقابلے میں بہتر آپریشن کا کرکردگی کا مظاہرہ یا۔ اس کے علاوہ، ہم نے بھلکی کی پیداوار کی شروع کر دی ہے اور سے ماہی کے دوران بیٹھنگ کر کو فراہم کی ہے۔

جیسا کہ سالانہ پورٹ میں بتایا گیا ہے کمپنی نے ۱۰ اکتوبر ۲۰۲۵ کو اپنے پارکر جیکٹ کی کریٹنگ آپریشن کا بہاف حاصل کر لیا ہے لہذا ہم ختم ہونے والی سے ماہی بکھلی مدت ہے جس میں پلانٹ کے کامیاب آپریشن کے ثابت مالی اثرات مرتب ہوئے ہیں۔

چینی کی پیداوار میں نیایا اضافہ ہوا جس کی بیانی مجد کریٹنگ کی زیادہ مقدار اور چینی کی بہتر بازیابی ہے۔ بازیابی کی تحریک میں بہتری اسی مدت کے دوران حاصل کیے جانے والے گئے میں سوکروز کی بہتر مقدار کی عکاسی کرتی ہے۔ تاہم راہب کی بازیابی میں گریشہ سال کی اسی مدت کے مقابلے میں معمولی کی واقع ہوئی۔ حکومت پنجاب نے موجودہ بیزن کے لیے گئی کی امدادی قیمت کا اعلان نہیں کیا ہے۔

موجودہ بیزن کے دوران گئی کی دستیابی کا تجھیہ بچھلے سال کے مقابلے بہتر ہے جس کی وجہی ایکلریزیڈ پیداوار ہے۔ کمپنی کریٹنگ کی صلاحیت کے زیادہ سے زیادہ استعمال کو تلقینی بنانے کے لیے اپنے (زون) اور باہر والے علاقوں (آؤٹ زون) سے گئی کی زیادہ سے زیادہ خریداری پر توجہ حکومت کر رہی ہے۔ ۳۱ دسمبر ۲۰۲۵ء ختم ہونے والی سے ماہی کے لیے گئی خریداری کی اوسط لگات ۳۲۱ روپے فی ۱۰ کلوگرام تھی جو بچھلے سال کی اسی سے ماہی میں ۳۹۲ روپے فی ۱۰ کلوگرام تھی۔

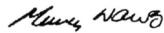
پہلی سے ماہی کے لیے کمپنی نے روپے ۳۹۹،۲۸۲،۰۰۰ میلین روپے تھا۔ فروخت کی لگات نیایا طور پر کم ہو کر ۲۸۲،۰۰۳،۱۰۶ میلین روپے سے ۳۷۵،۰۰۰ میلین روپے رہ گئی۔

Condensed Interim Statement of Financial Position

As at 31 December 2025

	Note	(Un-audited) 31 December 2025	(Audited) 30 September 2025		
		(Rupees in thousand)			
ASSETS					
NON CURRENT ASSETS					
Property, plant and equipment	7	6,394,131	6,311,819		
Long term investment	8	230,535	236,860		
Long term loans		47,115	45,238		
Long term deposits		40,567	41,161		
		6,712,348	6,635,078		
CURRENT ASSETS					
Stores, spares and loose tools		274,080	252,311		
Stock-in-trade		2,665,026	926,224		
Trade debts		96,277	35,366		
Contract assets		134,813	35,442		
Loans and advances	9	18,569	18,322		
Short term prepayments		18,362	8,025		
Levy / taxation - net		436,846	397,279		
Bank balances		116,700	85,324		
		3,760,673	1,758,293		
TOTAL ASSETS		10,473,021	8,393,371		
EQUITY AND LIABILITIES					
SHARE CAPITAL AND RESERVES					
Authorized share capital					
15,000,000 (September 30, 2025: 15,000,000) ordinary					
shares of Rs. 10 each		150,000	150,000		
Issued, subscribed and paid-up share capital		120,111	120,111		
Reserves					
Capital reserve - share premium		27,534	27,534		
Capital reserve - revaluation surplus on land		1,953,285	1,953,285		
Revenue reserve - general reserve / un-appropriated profits		1,101,012	1,092,360		
		3,081,831	3,073,179		
Loans from directors		150,000	150,000		
		3,351,942	3,343,290		
NON CURRENT LIABILITIES					
Long term financing	10	2,643,119	2,664,451		
Loan from associate		103,434	102,740		
Lease liability		6,075	11,244		
Retirement benefits obligations		35,152	34,143		
Deferred taxation - net		-	-		
		2,787,780	2,812,578		
CURRENT LIABILITIES					
Trade and other payables		782,836	340,099		
Contract liabilities		377,354	167,325		
Short term borrowings	11	2,855,366	1,386,586		
Accrued mark-up		206,671	235,253		
Current portion of non-current liabilities		85,249	82,417		
Unclaimed dividend		25,823	25,823		
		4,333,299	2,237,503		
TOTAL EQUITY AND LIABILITIES		10,473,021	8,393,371		
CONTINGENCIES AND COMMITMENTS					
The annexed notes form an integral part of these financial statements.	12				

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



Managing Director



Director



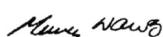
Chief Financial Officer

Condensed Interim Statement of Profit or Loss (Un-audited)

For the three month period ended 31 December 2025

	Note	31 December 2025 (Rupees in thousand)	2024
Revenue from contracts with customers - net	13	1,682,499	2,289,186
Cost of revenue	14	(1,400,475)	(2,103,218)
Gross profit		282,024	185,968
Distribution cost		(6,090)	(7,825)
Administrative expenses		(125,743)	(95,357)
Other operating expenses		(2,269)	(2,650)
		(134,102)	(105,832)
		147,922	80,136
Other income		3,557	17,289
Profit from operations		151,479	97,425
Finance cost		(122,058)	(61,797)
		29,421	35,628
Share of profit from associate - net of tax	8	-	-
Profit before income tax and levy		29,421	35,628
Levy		(13,059)	(28,788)
Profit before income taxation		16,362	6,840
Income tax		(7,710)	-
Profit for the period		8,652	6,840
Earnings per share -basic and diluted (Rupees)	15	0.72	0.57

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



Director



Director



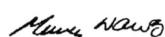
Chief Financial Officer

Condensed Interim Statement of Comprehensive Income (Un-audited)

For the three month period ended 31 December 2025

	31 December	
	2025	2024
	(Rupees in thousand)	
Profit for the period	8,652	6,840
Other comprehensive income		
Items that will not be reclassified to profit or loss in subsequent years:		
Remeasurement of defined benefit obligation	-	-
Related deferred tax impact	-	-
Share of associate's other comprehensive income / (loss)	-	-
Total comprehensive Income for the period	<u>8,652</u>	<u>6,840</u>

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



Director



Director



Chief Financial Officer

Condensed Interim Statement of Changes in Equity (Un-audited)

For the three month period ended 31 December 2025

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

James Hayes
Director

Chair: _____

Director

Chief Financial Officer

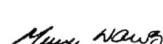


Condensed Interim Statement of Cash Flows (Un-audited)

For the three month period ended 31 December 2025

	Note	31 December 2025 (Rupees in thousand)	31 December 2024 (Rupees in thousand)
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before taxation		29,421	35,628
Adjustments for non-cash charges and other items:			
Depreciation on operating fixed assets	7	36,619	8,190
Depreciation on right-of-use assets	7	671	671
Finance cost		122,058	61,797
Profit on bank deposits		(783)	(3,915)
Gain on disposal of operating fixed assets		(19)	(1,055)
Provision for retirement benefits		1,222	828
Gain on initial recognition of financial assets at fair value		(244)	(312)
Reversal of fair value adjustment on loan to GEPCO		(2,396)	(2,410)
Provision for leave encashment		600	483
		157,728	64,277
Operating profit before working capital changes		187,149	99,905
Working capital changes			
(Increase) / decrease in current assets:			
-Stores, spares and loose tools		(21,769)	(78,823)
-Stock-in-trade		(1,738,802)	(452,116)
-Trade debts		(160,282)	(957)
-Loans and advances		(247)	105,422
-Short term prepayments		(10,337)	(3,558)
		(1,931,437)	(430,032)
Increase / (decrease) in current liabilities			
-Trade and other payables		442,737	510,103
-Contract liabilities		210,029	(65,306)
		(1,091,522)	114,670
Cash (used in) / generated from operations			
Income tax paid		(60,336)	(37,260)
Finance cost paid		(150,640)	(317,424)
Profit on bank deposits received		783	3,915
Leave encashment paid		(346)	(136)
Retirement benefits paid		(204)	(16)
		(1,302,265)	(236,251)
Net cash used in operating activities			
CASH FLOWS FROM INVESTING ACTIVITIES			
Property, plant and equipment - acquired	7	(119,602)	(209,492)
Proceeds from disposal of property, plant and equipment		-	1,420
Increase in long term deposits		594	(900)
Long term loans - net		519	542
Dividend received from associate	8	6,325	1,150
		(112,164)	(207,280)
Net cash used in investing activities			
CASH FLOWS FROM FINANCING ACTIVITIES			
Short-term borrowings - net		1,468,780	68,907
Repayment of lease liability		(5,169)	(4,894)
Long-term financing (paid) / obtained	10	(17,806)	205,524
		1,445,805	269,537
Net cash generated from financing activities			
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS		31,376	(173,994)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD		85,324	268,483
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD		116,700	94,489

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



Director



Director



Chief Financial Officer

Notes to the Condensed Interim Financial Statements (Un-audited)

For the three month period ended 31 December 2025

1. LEGAL STATUS AND NATURE OF BUSINESS

1.1 Shahtaj Sugar Mills Limited (the Company) was incorporated in Pakistan on March 27, 1965 as a Public limited Company under the Companies Act, 1913 (Now Companies Act, 2017). The Company is listed on Pakistan Stock Exchange Limited and is engaged in the manufacture and sale of sugar whereas molasses and bagasse are its significant by-products.

1.2 The Company executed a thirty-year Energy Purchase Agreement (EPA) with the Central Power Purchasing Agency (Guaranteee) Limited (CPPA-G) on December 23, 2022 for its 32 MW bagasse based co-generation power plant located at Mandi Bahauddin.

The power plant successfully achieved its Commercial Operation Date (COD) on October 10, 2025, upon completion of all commissioning and performance tests and receipt of the required certifications from the Independent Engineer. The plant is now fully operational and authorized to generate and supply electricity on a commercial basis in accordance with the terms of the EPA, being reported as separate operating Segment under IFRS-8.

2. GEOGRAPHICAL LOCATION AND ADDRESSES OF BUSINESS UNITS

The registered office of the Company is situated at 19, Dockyard Road, West Wharf, Karachi. The manufacturing facility/factory is located in Kuthiala Saidan, Mandi Bahauddin. Additionally, the Company has its head office at 72-C/1, M. Alam Road, Gulberg-III, Lahore.

3. BASIS OF PREPARATION

3.1 Statement of compliance

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

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

Islamic Financial Accounting Standards (IFAS) issued by the Institute of Chartered Accountants of Pakistan as notified under the Companies Act, 2017; and

Provisions of and directives issued under the Companies Act, 2017.

Where provisions of and directives issued under the Companies Act, 2017 differ with the requirements of IAS 34, the provisions of and directives issued under the Companies Act, 2017 have been followed.

3.1.1 These condensed interim financial statements are unaudited and is being submitted to the shareholders as required under section 237 of the Companies Act, 2017 and the listing Regulations, 2019 of the Pakistan Stock Exchange.

3.1.2 These condensed interim financial statements do not include all the information and disclosures required for full annual financial statements and should be read in conjunction with the annual financial statements of the Company as at and for the year ended September 30, 2025 which have been prepared in accordance with approved 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 financial statements.

3.1.3 The comparative statement of financial position presented in these condensed interim financial statements have been extracted from the annual audited financial statements of the Company for the year ended September 30, 2025, whereas the comparative condensed interim statement of profit or loss, condensed interim statement of comprehensive income, condensed interim statement of cash flows and condensed interim statement of changes in equity are extracted from the unaudited condensed interim financial statements for the three month period ended December 31, 2024.

3.2 Basis of measurement

These condensed interim financial statements have been prepared under the historical cost convention, except for the staff retirement benefits, which are measured using the actuarial techniques, and certain operating fixed assets at revalued amounts. These condensed interim financial statements have been prepared following accrual basis of accounting except for the cash flows statement.

3.3 Functional and presentation currency

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

Notes to the Condensed Interim Financial Statements (Un-audited)

For the three month period ended 31 December 2025

4. MATERIAL ACCOUNTING POLICIES AND CHANGES THERE IN

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

Sale of electricity:

The Company signed its EPA with CPPA, the sole Customer of the Company on December 23, 2022. Under the EPA, the Company is obligated to sell and deliver net output (after in-house use) of the power plant in accordance with the provisions of EPA for a period of 30 years commencing from October 10, 2025.

Revenue from sales of electricity to CPPA is being recognized when the Company satisfies performance obligation by delivering the net output of power plants to CPPA. The Company has applied the right to invoice practical expedient under IFRS-15, B16. There is no significant financing component involved.

Depreciation:

Depreciation on Co-generation power plant equipment has been charged on straight line method commencing from COD over a useful life of 30 years in term of provisions of CPPA.

Operating segment:

Operating segments are reported in a manner consistent with the internal reporting provided to The Chief Operating Decision Maker (CODM). The CODM who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the CEO who makes strategic decisions. The CODM monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on profit or loss and is measured consistently with profit or loss in the financial statements.

The management has determined that the Company has 'Sugar' and 'Electricity' as two distinct reportable segments. Accordingly, segment related information is presented in Note 18.

4.2 Changes in accounting standards, interpretations and amendments to published accounting and reporting standards

4.2.1 Amendments to published accounting and reporting standards which became effective during the period:

The Company adopted the narrow-scope amendments to the International Accounting Standard (IAS) 1, Presentation of Financial Statements which have been effective for annual reporting periods beginning on or after January 01, 2023. Although the amendments did not result in any changes to accounting policy themselves, they will impact the accounting policy information disclosed in the annual financial statements.

These amendments had no effect on the interim condensed financial statements of the Company as they relate to disclosures of accounting policies in the annual financial statements rather than interim financial statements. The amendments are expected to be applicable for the accounting policy disclosures in the annual financial statements of the Company.

Management reviewed the accounting policies and updates to the information disclosed in Note 4 Material accounting policy information (2025: Summary of significant accounting policies) in certain instances in line with the amendments and concluded that all its accounting policies are material for disclosure.

4.2.2 Amendments to published accounting and reporting standards that are not yet effective:

There are certain amendments to the accounting and reporting standards that will be mandatory for the Company's annual accounting periods beginning on or after October 01, 2025. However, these amendments will not have any significant impact on the financial reporting of the Company and, therefore, have not been disclosed in these condensed interim financial statements.

5. SEASONALITY OF OPERATIONS

The Company is inter-alia, engaged in manufacturing of sugar for which the season begins in November / December and ends in March / April. Therefore, majority of expenses are incurred and production activities are undertaken in first half of the Company's financial year resulting in increased volume of inventories, receivables, payables and financing at the end of the first half.

6. CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

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

Notes to the Condensed Interim Financial Statements (Un-audited)

For the three month period ended 31 December 2025

Note	(Un-audited) 31 December 2025	(Audited) 30 September 2025		
	(Rupees in thousand)			
7. PROPERTY, PLANT AND EQUIPMENT				
Operating fixed assets	7.1	6,298,250		
Capital work-in-progress	7.2	88,495		
Right-of-use asset	7.3	7,386		
		6,394,131		
		6,311,819		
7.1 Operating fixed assets				
Opening net book value (NBV)		2,470,269		
Additions/Transfer (at cost) during the period / year	7.1.1	3,864,600		
Disposals (at NBV) during the period / year		6,334,869		
Depreciation charged during the period / year		(36,619)		
		(36,619)		
Closing net book value (NBV) at the end of the period / year		6,298,250		
7.1.1 Details of additions (at cost) during the period / year are as follows:				
Plant and machinery	7.2	3,864,177		
Furniture and fittings		67		
Office equipment		356		
		3,864,600		
		1,053		
7.1.2 Freehold land of the Company are located at Kuthiala Saidan, Mandi Bahauddin with an area covering 120.678 acres with covered area of buildings of 1.031 million square feet.				
7.2 CAPITAL WORK IN PROGRESS				
Civil works and buildings	7.2.1	174,477		
Plant and machinery	7.2.2	2,134,414		
Other directly attributable overheads	7.2.3	1,556,979		
Advances to suppliers	7.2.4	86,802		
Transferred to operating fixed assets		(3,864,177)		
		88,495		
		3,833,493		

Notes to the Condensed Interim Financial Statements (Un-audited)

For the three month period ended 31 December 2025

Note	(Un-audited) 31 December 2025	(Audited) 30 September 2025
	(Rupees in thousand)	
7.2.1 Civil works and buildings		
Opening balance at the start of the period / year	168,418	95,864
Additions (at cost)	6,059	72,554
Closing balance at the end of the period / year	174,477	168,418
7.2.2 Plant and machinery		
Opening balance at the start of the period / year	2,092,158	1,748,208
Additions (at cost)	42,256	96,125
Transferred/ adjustment	-	247,825
Closing balance at the end of the period / year	2,134,414	2,092,158
7.2.3 Other directly attributable overheads		
Opening balance at the start of the period / year	1,546,258	1,155,471
Additions (at cost)	10,721	390,787
Closing balance at the end of the period / year	1,556,979	1,546,258

This includes borrowing cost amounting to Rs. 9.454 million (September 30, 2025: Rs. 347.415 million) has been capitalized during the period. The effective rate of borrowing cost capitalized during the period ranges from 12.58% to 12.58% (September 30, 2025: 12.58% to 17.82%) per annum.

Note	(Un-audited) 31 December 2025	(Audited) 30 September 2025
	(Rupees in thousand)	
7.2.4 Advances to suppliers		
Opening balance at the start of the period / year	26,659	124,066
Additions (at cost)	60,143	168,541
Transferred/ adjustment	-	(265,948)
Closing balance at the end of the period / year	86,802	26,659
7.3 Right of use asset		
The following is the statement of right of use asset:		
Building		
Opening net book value (NBV)	8,057	10,742
Depreciation charge for the period / year	(671)	(2,685)
Closing net book value (NBV) at the end of the period / year	7,386	8,057
Annual rate (%) of depreciation	11.11	11.11

7.3.1 This represents the lease contract for the head office of the Company with a lease term of 9 years. The lease will expire in September 30, 2028.

7.3.2 There is no impairment against right-of-use asset.

Notes to the Condensed Interim Financial Statements (Un-audited)

For the three month period ended 31 December 2025

Note	(Un-audited) 31 December 2025	(Audited) 30 September 2025				
		(Rupees in thousand)				
8. LONG TERM INVESTMENT						
Investment in associate (with significant influence)						
- under equity method						
Shahtaj Textile Limited	8.1	11,500	11,500			
1,150,000 (2025: 1,150,000) ordinary shares of Rupees 10 each						
Share of post acquisition changes in investee's net assets:						
As at October 01		225,360	204,020			
Add: Share of profit for the period / year		-	22,634			
Less: Share of other comprehensive loss for the period / year		-	(144)			
Less: Dividend received		(6,325)	(1,150)			
		219,035	225,360			
		230,535	236,860			

8.1 Shahtaj Textile Limited (STL), a public limited company, is engaged in the business of manufacturing and sales of textile goods. The registered office of Shahtaj Textile Limited is situated at 27-C, Abdalian Cooperative Housing Society Limited, Opposite Expo Center, Lahore. Shahtaj Textile Limited is listed on Pakistan Stock Exchange Limited.

8.2 The Company holds only 11.9048% shares in STL. However, the Company holds significant influence by virtue of the common directors on the board of directors of the Shahtaj Textile Limited.

Note	(Un-audited) 31 December 2025	(Audited) 30 September 2025				
		(Rupees in thousand)				
9. LOANS AND ADVANCES						
Considered good						
Advances to employees	9.1	3,100	1,886			
Advances to contractors		2,417	394			
Advances to suppliers		9,937	12,775			
Current portion of long term loans		3,115	3,267			
		18,569	18,322			
Considered doubtful:		1,319	1,319			
		19,888	19,641			
Allowance for expected credit losses		(1,319)	(1,319)			
		18,569	18,322			

9.1 This represents advance given to employees against salary and expenses. These advances are provided for general purposes in accordance with the terms of their employment, which is not past due. During the period, the impact of discounting on advances against salary is insignificant.

Notes to the Condensed Interim Financial Statements (Un-audited)

For the three month period ended 31 December 2025

10. LONG TERM FINANCING	Note	(Un-audited) 31 December 2025	(Audited) 30 September 2025
		(Rupees in thousand)	
Secured:			
Banking Company			
MCB Bank Limited		2,724,306	2,742,953
Less: Current portion		(81,187)	(78,502)
	10.1	2,643,119	2,664,451

10.1 This syndicated term finance facility is obtained to finance the installation of 32MW high pressure bagasse based co-generation power unit.

10.2 This amount is payable in fifty six equal quarterly installments commencing after grace period of one year from November 2024 and ending on August 2038. The markup rate is 3 months KIBOR plus 1.5% per annum First pari passu charge of Rupees 3,733.333 million over all present and future current and fixed assets of the Company with 25% margin, exclusive charge over present and future receivables from power purchaser due under the Energy Purchase Agreement (EPA) and personal guarantee of Chief Executive Officer of the Company.

10.3 Effective rate of interest charged during the period on these long term financing ranged from 12.13% to 12.58% (2025: 12.58% to 17.82%) per annum.

11. SHORT TERM BORROWINGS	Note	(Un-audited) 31 December 2025	(Audited) 30 September 2025
		(Rupees in thousand)	
Secured:			
Banking companies			
Cash finance (Conventional financing)		1,288,441	318,773
Running finance		398,807	499,806
Islamic mode of financing		1,018,118	418,007
Associates		150,000	150,000
	11.1	2,855,366	1,386,586

11.1 These facilities are secured against pledge of refined sugar with 10% to 25% (2025: 10% to 25%) margin, first pari passu hypothecation charge on all present and future current assets of the Company and ranking charge over plant and machinery of the Company. Markup is payable quarterly and at the end of tenure at the rate of 1 month KIBOR plus 0.75% (2025: 1 month KIBOR plus 0.75% to 1 month KIBOR plus 2.25%), 3 months KIBOR + 0.60% (2025: Nil), 9 months KIBOR + 0.75% (2025: 9 months KIBOR + 0.75% to 9 months KIBOR + 1.50%).

12. CONTINGENCIES AND COMMITMENTS

12.1 Contingent liabilities

There has been no material change in the status of the contingencies reported in the annual audited financial statements of the Company for the year ended September 30, 2025.

Notes to the Condensed Interim Financial Statements (Un-audited)

For the three month period ended 31 December 2025

12.2 Commitments

a) The Company has obtained vehicles under ijarah arrangements from Soneri Bank Limited (Islamic Banking) for a period of five years. Ijarah rentals are payable on monthly basis. Future Ujrah payments under Ijarah are as follows:

Note	(Un-audited) 31 December 2025	(Audited) 30 September 2025
	(Rupees in thousand)	
Not later than one year	6,996	7,906
Later than one year and not later than five years	6,322	9,207
	13,318	17,113

b) Contracts for capital expenditure are approximately amounting to Rs.0.223 million (September 30, 2025: Rs. 85.344 million).

Note	(Unaudited) Three month period ended	
	December 31, 2025	2024
	(Rupees in thousand)	

13. REVENUE FROM CONTRACTS WITH CUSTOMERS-NET

Gross revenue	2,047,749	2,597,306
Less:		
Broker's commission on sugar / molasses	2,414	6,417
Sales tax / federal excise duty	360,832	285,167
Withholding tax on sales	2,004	16,536
	365,250	308,120
13.1	1,682,499	2,289,186

Set out below is the disaggregation of the Company's revenue from contracts with customers:

Major Products:

Sugar	1,677,800	2,569,286
Molasses	246,073	15,886
Electricity	110,602	-
Press mud	13,274	12,134
Gross revenue	2,047,749	2,597,306

Geographical region:

Pakistan	2,047,749	1,763,324
Afghanistan	-	833,982
	2,047,749	2,597,306

13.1 Segment wise reporting has been disclosed in Note No.18.

Notes to the Condensed Interim Financial Statements (Un-audited)

For the three month period ended 31 December 2025

Note	(Unaudited) Three month period ended	
	December 31,	
	2025	2024 (Rupees in thousand)
14. COST OF REVENUE		
Raw materials consumed:		
Sugarcane purchased	2,779,453	2,278,570
Sugarcane development cess	16,607	14,640
Market committee fee	1,329	1,171
	2,797,389	2,294,381
Other overheads:		
Process materials	47,772	45,053
Fuel and power	15,346	13,734
Stores and spares consumed	44,734	37,974
Repairs and maintenance	8,894	8,610
Salaries, wages and other benefits	146,218	112,290
Rent, rates and taxes	486	380
Insurance	3,483	1,769
Conveyance and travelling	5,846	5,921
Depreciation on operating fixed assets	35,832	7,267
Ijarah rentals	1,101	1,187
Other expenses	6,138	3,471
	315,850	237,656
Work-in-process		
Add: Opening stock of sugar and molasses in process	12,458	6,401
Less: Closing stock of sugar and molasses in process	(68,610)	(127,432)
	(56,152)	(121,031)
Cost of sugar manufactured	3,057,087	2,411,006
Packing material consumed	25,503	21,425
Cost of sugar bagged	3,082,590	2,432,431
Finished goods		
Add: Opening stock	912,931	1,582,915
Less: Closing stock	(2,595,046)	(1,912,128)
	(1,682,115)	(329,213)
	1,400,475	2,103,218

14.1 This includes Rs. 1.110 million (2024: Rs. 0.673 million) in respect of employees' retirement benefits.

Notes to the Condensed Interim Financial Statements (Un-audited)

For the three month period ended 31 December 2025

	(Unaudited) Three month period ended	
	December 31, 2025	2024
	(Rupees in thousand)	
15. EARNINGS PER SHARE - BASIC AND DILUTED		
There is no dilutive effect on the basic earnings per share of the Company, which is based on:		
Profit attributable to ordinary shareholders (Rupees in thousand)	8,652	6,840
Weighted average number of ordinary shares (Numbers)	12,011,096	12,011,096
Earnings per share (Rupees)	0.72	0.57

16. FINANCIAL RISK MANAGEMENT

The Company's activities expose it to a variety of financial risks: market risk (including foreign exchange risk, interest rate risk and price risk), credit risk and liquidity risk.

There have been no significant changes in the risk management policies since the year end.

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

	31 December 2025		30 September 2025
	(Rupees in thousand)		
17. CAPACITY AND PRODUCTION			
Sugar			
Approved / Installed Capacity (Metric tons)	1,440,000	1,440,000	
No. of days (Days)	47	92	
Actual crushing (Metric tons)	265,661	591,293	
Sugar production from cane (Metric tons)	24,758	53,681	
Recovery of sugar cane (Percentage)	9.65	9.1	
Co - Generation Power			
Installed Capacity (based on 8,760 hours) (MWh)	280,320	-	
Utilized Capacity (MWh)	17,455	-	
Energy Delivered (MWh)	10,516	-	

17.1 Actual production per day has been decreased as compared to designed capacity due to lower availability of sugar cane.

17.2 Designed crushing capacity has been stated as per record submitted to District Officer of Industries, Prices, Weights and Measures department.

Notes to the Condensed Interim Financial Statements (Un-audited)

For the three month period ended 31 December 2025

18. BUSINESS SEGMENT INFORMATION

The company has two reportable segments. Information reported to Chief operating decision maker for the purpose of resource allocation and assessment of segment performance is focused on type of goods supplied. In addition to actual expenses incurred in operating segments, un-allocated expenses have been allocated to operating segments on proportionate basis.

Information regarding the reportable segments from continuing operations are presented below:

	Sugar		Co-Generation segment		Inter segment reconciliation		Total	
	31 December 2025	31 December 2024	31 December 2025	2024	31 December 2025	2024	31 December 2025	2024
	(Rupees in thousand)							
18.1 Segment revenue & results								
Net external revenues	1,583,128	2,289,186	-	169,763	-	35,550	-	1,583,128
Inter segment revenue	134,213	-						2,289,186
Reportable segment revenue	1,717,341	2,289,186	169,763	-	35,550	-	1,583,128	2,289,186
Interest income	783	3,915	-	-	-	-	783	3,915
Dependation	8,309	8,861	28,981	-	-	-	37,290	8,861
Finance cost	45,073	61,797	76,985	-	-	-	122,058	61,797
Segment profit	20,878	35,628	8,543	-	-	-	29,421	35,628
18.2 Inter - segment sales and purchases								
Inter - segment sales and purchase have been eliminated from total figures.								
18.3 Segment assets & liabilities of continuing operations								
Sugar								
	(Un-audited)	(Audited)	(Un-audited)	(Audited)	(Un-audited)	(Audited)	(Un-audited)	Total
	31 December 2025	30 September 2025	31 December 2025	30 September 2025	31 December 2025	30 September 2025	31 December 2025	(Audited)
								30 September 2025
	(Rupees in thousand)							
Total assets for reportable segment	6,416,210	8,393,371	4,056,811	-	-	-	10,473,021	8,393,371
Total liabilities to reportable segment	4,387,560	5,050,081	2,733,519	-	-	-	7,121,079	5,050,081

Reconciliation of reportable segment profit or loss

Total profit before tax and levy for reportable segments	29,421	35,628
Levy	(13,059)	(28,788)
Taxation	(7,710)	-
Profit after tax from continuing operations	8,652	6,840

Notes to the Condensed Interim Financial Statements (Un-audited)

For the three month period ended 31 December 2025

19. TRANSACTIONS AND BALANCES WITH RELATED PARTIES

The related parties comprise associated companies, other related parties, staff retirement fund trust and key management personnel. The Company in the normal course of business carries out transactions with related parties. Detail of transactions with related parties are as follows:

Name of parties	Nature of relationship	Nature of transactions	December 31 2025		December 31 2024	
			Transactions during the period	Closing balance	Transactions during the period	Closing balance
(Rupees in thousand)						
Shahtaj Textile Limited	Associated Company	Dividend received Long term investment	6,325 -	- 230,535	1,150 -	- 214,370
Shahnawaz (Private) Limited	Associated Company	Purchases and Services Utilities	59 110	- -	260 110	- -
		Loan from associated Company	-	100,000	-	-
		Mark-up payable	2,964	31,082	-	27,230
Shezan International Limited	Associated Company	Sale of sugar Trade debts	190,000 -	- -	71,600 -	- 4,454
Shezan Services (Pvt.) Ltd.	Associated Company	Interest Charged Loan from associated Company	4,504 -	63,302 153,434	2,287 -	51,465 100,427
State Life Insurance Corporation of Pakistan	Director of the Company is Key Management Personnel in S.L.I.C	Premium paid	-	-	290	-
Staff Provident Fund Trust		Contributions paid	1,938	-	1,425	-
Executives	Key Management Personnel	Remuneration and benefits	27,958	-	22,711	-

Notes to the Condensed Interim Financial Statements (Un-audited)

For the three month period ended 31 December 2025

20. CORRESPONDING FIGURES

Corresponding figures have been rearranged and reclassified, wherever necessary for the purpose of comparison and better presentation. However, no significant reclassification has been made during the period.

21. DATE OF AUTHORIZATION FOR ISSUE

These condensed interim financial statements were authorized for issue on 29 January 2026 by the Board of Directors of the Company.

22. NON-ADJUSTING EVENTS AFTER THE BALANCE SHEET DATE

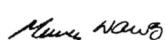
No significant events have occurred subsequent to December 31, 2025 other than those mentioned elsewhere in the condensed interim financial statements.

23. GENERAL

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

24. APPROPRIATIONS

The shareholders of the Company have approved at the Annual General Meeting held on 28 January 2026, final cash dividend of Rs. 1.25 (2024: Rs. Nil) per share, amounting to Rs. (thousand) 15,014 (2024: Rs. Nil) for the year ended 30 September 2025 which was earlier proposed by Board of Directors in their meeting held on 31 December 2025. These condensed interim financial statements do not reflect the effect of these appropriations.



Director



Director



Chief Financial Officer

NOTES





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**Head Office**

72/C-1, M. M. Alam Road,
Gulberg III, Lahore - 54660

+92 42 3571 0482 - 84
+92 42 3571 1904

www.shahtajsugar.com
mail@shahtajsugar.com