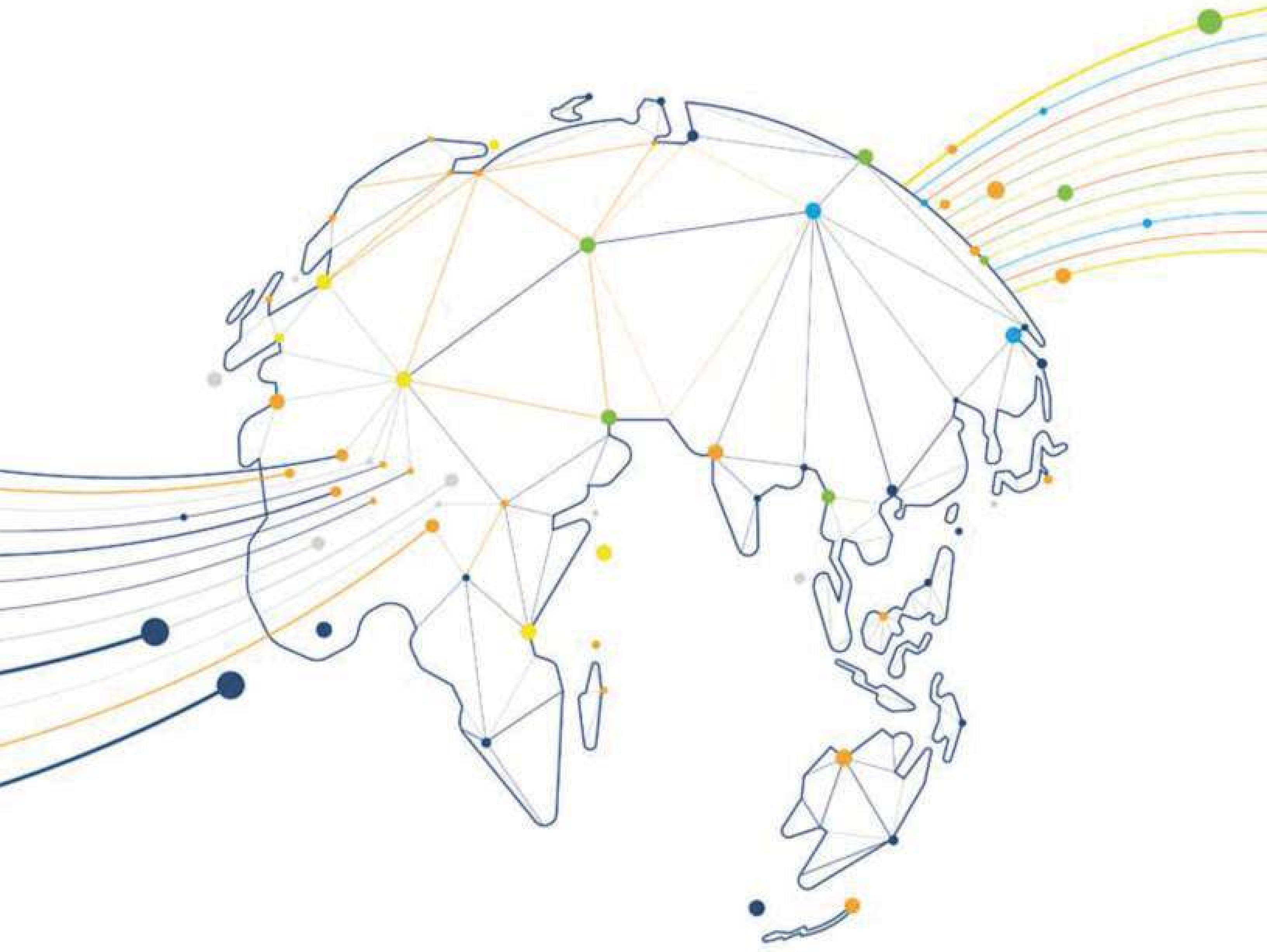

INNOVATING LOCALLY COMPETING GLOBALLY

First Quarter Report of
Reliance Cotton Spinning Mills Limited
for the period ended September 30, 2025

COMPANY INFORMATION

BOARD OF DIRECTORS

Mr. Shahid Abdullah	Chairman
Mr. Shayan Abdullah	Chief Executive
Mr. Amer Abdullah	Director
Mr. Yousuf Abdullah	Director
Mr. Nabeel Abdullah	Director
Mrs. Madiha Saeed Nagra	Independent Director
Mr. Anjum Saleem	Independent Director

AUDIT COMMITTEE

Mr. Anjum Saleem	Chairman
Mr. Shahid Abdullah	Member
Mr. Nabeel Abdullah	Member

HUMAN RESOURCE & REMUNERATION COMMITTEE

Mr. Anjum Saleem	Chairman
Mr. Yousuf Abdullah	Member
Mr. Shayan Abdullah	Member

RISK COMMITTEE

Mr. Shahid Abdullah	Chairman
Mr. Shayan Abdullah	Member
Mr. Jawwad Faisal	Member

CHIEF FINANCIAL OFFICER

Mr. Jawwad Faisal

COMPANY SECRETARY

Mr. Rameez Ghausi

SHARE REGISTRAR

Hameed Majeed Associates (Pvt.) Limited,
4th Floor, Karachi Chambers,
Hasrat Mohani Road, Karachi.

TAX CONSULTANTS

Yousuf Adil, Chartered Accountants

AUDITORS

Shinewing Hameed Chaudhri & Company
Chartered Accountants

LEGAL ADVISOR

Hassan & Hassan, Advocates

BANKERS

Allied Bank Limited
Askari Bank Limited
Bank Islami Pakistan Limited
Bank Of Punjab
Dubai Islamic Bank Pakistan Limited
Faysal Bank Limited
Habib Bank Limited
Habib Metropolitan Bank Limited
MCB Bank Limited
MCB Islami Bank Ltd
Meezan Bank Limited
National Bank of Pakistan
Soneri Bank Limited
Standard Chartered Bank Limited
United Bank Limited

REGISTERED OFFICE:

312, Cotton Exchange Building,
I. I. Chundrigar Road, Karachi.

Tel: +92 21 111 000 100

Fax +92 21 32416705

Website: www.sapphire.com.pk/rcsml

CORPORATE OFFICE:

1st Floor, Tricon Corporate Centre,
73–E Main Jail Road, Gulberg II, Lahore. Pakistan.

MILLS:

Feroze Wattoan,
District Sheikhupura, Punjab.

Bhai Pheru
Jumber Khurd, Bhai Pheru,
Didtrict Kasur, Punjab.

CONTENTS

UNCONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS

CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS

UNCONSOLIDATED FINANCIAL STATEMENTS

FOR THE FIRST QUARTER ENDED
SEPTEMBER 30, 2025

DIRECTORS' REPORT TO THE SHAREHOLDERS

The Directors of the Company are pleased to present un-audited financial statements for the quarter ended 30 September 2025.

Financial Highlights

	September 30,	
	2025	2024
	Rupees in thousand	
Sales	3,951,025	4,257,733
Profit from operations	483,504	600,803
Finance cost	(178,521)	(97,786)
Taxation	(65,074)	(192,973)
Profit after taxation	239,909	310,044

Financial Performance

In the first quarter of the current financial year, the Company recorded sales of Rs. 3.95 billion, as compared to Rs. 4.26 billion in the corresponding period of the previous year. The gross profit margin stood at 15.32%, marginally lower than 17.98% achieved during the same period last year. The Company reported a profit after tax of Rs. 240 million, as against Rs. 310 million in the first quarter of the previous year.

Earnings per Share

The Company's earnings per share (EPS) for the quarter were Rs. 22.52 as compared to Rs. 30.12 in the corresponding period of last year.

Future outlook

The business outlook remains cautious with margins under pressure due to subdued market demand and sustained cost challenges. The heavy taxation burden on the export-oriented sector is further constraining competitiveness, particularly against regional peers who operate under more favourable economic environments.

Management remains focused on maintaining operational efficiency, optimizing resource utilization, and preserving profitability in a difficult market environment.

Acknowledgment

The Directors extend their appreciation to the staff and workers of the Company for their dedication and hard work.

For and on behalf of the Board

SHAHID ABDULLAH
DIRECTOR

SHAYAN ABDULLAH
CHIEF EXECUTIVE

Lahore
Dated: October 29, 2025

ڈائریکٹرز کی حصص داران کو رپورٹ

کمپنی کے ڈائریکٹرز 30 ستمبر 2025ء کو ختم ہونے والی سہ ماہی کے لئے غیر نظر ثانی شدہ مالیاتی گوشوارے پیش کرتے ہوئے خوشی محسوس کرتے ہیں۔

مالیاتی جھلکیاں

روپے ہزاروں میں

تفصیل	30 ستمبر 2025ء	30 ستمبر 2024ء
فروخت	3,951,025	4,257,733
آپریشنز سے منافع	483,504	600,803
مالی لاگت	(178,521)	(97,786)
ٹیکسیشن	(65,074)	(192,973)
ٹیکس کے بعد منافع	239,909	310,044

مالی کارکردگی

کمپنی نے گزشتہ سال کی اسی مدت میں 4.26 بلین روپے کے مقابلے رواں مالی سال کی پہلی سہ ماہی میں 3.95 بلین روپے کی فروخت حاصل کی ہے۔ مجموعی منافع مارجن 15.32 فیصد رہا، جو پچھلے سال کی اسی مدت کے دوران حاصل کردہ 17.98 فیصد سے معمولی کم ہے۔ کمپنی نے بعداز ٹیکس منافع پچھلے سال کی پہلی سہ ماہی میں 310 ملین روپے کے مقابلے 240 ملین روپے درج کیا۔

فی حصص آمدنی

کمپنی کی موجودہ مدت کی فی شیئر آمدنی (EPS) 22.52 روپے ہے جو کہ پچھلے سال کی اسی مدت کی 30.12 روپے تھی۔

مستقبل کا نقطہ نظر

مارکیٹ کی کم طلب اور لاگت کی مسلسل مشکلات کی وجہ سے زیرِ دباؤ مارجن کے ساتھ کاروباری نقطہ نظر محتاط رہا ہے۔ برآمدات پر مبنی شعبے پر بھاری ٹیکس کا نفاذ مسابقت کو مزید محدود کر رہا ہے، خاص طور پر علاقائی حریفوں کے برعکس جو زیادہ سازگار اقتصادی ماحول میں کام کرتے ہیں۔

انتظامیہ آپریشنل کارکردگی کو برقرار رکھنے، وسائل کے استعمال کو بہتر بنانے اور مارکیٹ کے مشکل ماحول میں منافع کو محفوظ بنانے کے لئے پُرعزم ہے۔

اعتراف

ڈائریکٹرز کمپنی کے عملے اور کارکنوں کی سخت محنت اور قابلِ ستائش خدمات کو سراہتے ہیں۔

منجانب بورڈ آف ڈائریکٹرز

(شایان عبداللہ)
چیف ایگزیکٹو

(شاہد عبداللہ)
ڈائریکٹر

لاہور
تاریخ: 29 اکتوبر 2025ء

UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION (Un-audited)

As At September 30, 2025

	Note	(Un-audited) September 30, 2025 Rupees	(Audited) June 30, 2025 Rupees
Assets			
Non current assets			
Property, plant and equipment	4	5,340,308,038	5,397,920,918
Long term investments	5	2,406,600,832	2,406,600,852
Investment property		168,343,250	171,291,004
Long term advances and deposits		24,892,425	24,892,424
Deferred taxation		61,323,161	83,008,526
		8,001,467,706	8,083,713,724
Current assets			
Stores, spare parts and loose tools		134,326,676	139,612,830
Stock-in-trade		6,360,705,541	5,493,215,939
Trade debts		2,583,186,338	2,062,079,011
Loans and advances		2,473,410,327	1,494,119,537
Short term deposits and prepayments		39,269,082	3,958,288
Short term investments		386,498,793	285,879,891
Other receivables		407,274,970	345,037,390
Tax refunds due from Government		612,515,806	547,453,226
Cash and bank balances		487,868,920	542,672,696
		13,485,056,453	10,914,028,808
Total assets		21,486,524,159	18,997,742,532
Equity And Liabilities			
Share Capital And Reserves			
Authorised capital 12,000,000 ordinary shares of Rs.10 each		120,000,000	120,000,000
Issued, subscribed and paid-up capital		106,520,000	106,520,000
Reserves		6,986,407,944	6,885,789,042
Unappropriated profit		2,614,495,027	2,386,837,236
Total equity		9,707,422,971	9,379,146,278
Non current liabilities			
Long term liabilities		1,507,878,556	1,752,834,872
Staff retirement benefit - gratuity		244,926,835	226,322,929
		1,752,805,391	1,979,157,801
Current liabilities			
Trade and other payables		2,177,855,232	1,862,405,088
Contract liabilities		161,451,473	112,548,946
Accrued mark-up / interest		124,755,753	80,502,150
Short term borrowings		6,623,643,101	4,676,419,815
Current portion of long term liabilities		363,835,774	388,447,776
Unclaimed dividend		920,117	920,117
Provision for income tax and levies		573,834,347	518,194,561
		10,026,295,797	7,639,438,453
Total liabilities		11,779,101,188	9,618,596,254
Contingencies and commitments	6	-	-
Total equity and liabilities		21,486,524,159	18,997,742,532

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

Chief Executive Officer | Director | Chief Financial Officer

UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS (Un-audited)

For The First Quarter Ended September 30, 2025

		Un-Audited	
		Quarter ended September 30,	Quarter ended September 30,
	Note	2025 Rupees	2024 Rupees
Sales		3,951,024,780	4,257,733,257
Cost of sales	7	(3,345,784,029)	(3,492,088,359)
Gross profit		605,240,751	765,644,898
Distribution cost		(74,984,730)	(89,722,143)
Administrative expenses		(93,240,842)	(65,177,185)
Other income		75,477,898	6,357,483
Other expenses		(28,989,459)	(16,300,388)
Profit from operations		483,503,618	600,802,665
Finance cost		(178,520,677)	(97,785,947)
Profit before revenue tax and income tax		304,982,941	503,016,718
Final taxes - levy		(54,795,613)	(59,336)
Profit before income tax		250,187,328	502,957,382
Income Tax			
- current		(844,172)	(183,591,235)
- deferred		(9,434,630)	(9,322,546)
		(10,278,802)	(192,913,781)
Profit for the quarter		239,908,526	310,043,601
Earnings per share - basic and diluted		22.52	30.12

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

Chief Executive Officer

Director

Chief Financial Officer

UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF OTHER COMPREHENSIVE INCOME (Un-audited)

For The First Quarter Ended September 30, 2025

	Un-Audited	
	Quarter ended September 30,	Quarter ended September 30,
	2025 Rupees	2024 Rupees
Profit for the period	239,908,526	310,043,601
Other comprehensive income / (loss)		
Items that will not be reclassified to statement of profit or loss subsequently		
Unrealised income / (loss) on remeasurement of investment at fair value through other comprehensive income	100,618,902	(484,860)
Impact of deferred tax	(12,250,735)	-
Total comprehensive income for the period	328,276,693	309,558,741

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

Chief Executive Officer

Director

Chief Financial Officer

UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (Un-audited)

For The First Quarter Ended September 30, 2025

	Issued, subscribed and paid-up capital	Reserves: Revenue: Unrealised (loss) / gain on financial assets at fair value through other comprehensive income	Reserves: Capital: Capital reserve against capacity expansion and long term investments	Reserves: Revenue: General	Reserves: Revenue: Merger reserve	Reserves: Sub-Total	Reserves: Revenue: Unappropriated profit	Total
	Rupees							
Balance as at July 1, 2024	102,920,000	99,835,602	-	180,000,000	26,928,154	306,763,756	8,221,230,231	8,630,913,987
Total comprehensive income for the period ended September 30, 2024								
Profit for the quarter	-	-	-	-	-	-	310,043,601	310,043,601
Other comprehensive (loss)	-	(484,860)	-	-	-	(484,860)	-	(484,860)
	-	(484,860)	-	-		(484,860)	310,043,601	309,558,741
Transfer to capital reserve	-	-	6,500,000,000	(130,000,000)	-	6,370,000,000	(6,370,000,000)	-
Balance as at September 30, 2024	102,920,000	99,350,742	6,500,000,000	50,000,000	26,928,154	6,676,278,896	2,161,273,832	8,940,472,728
Balance as at June 30, 2025	106,520,000	182,460,888	6,500,000,000	180,000,000	23,328,154	6,885,789,042	2,386,837,236	9,379,146,278
Total comprehensive income for the period ended September 30, 2025								
Profit for the quarter	-	-	-	-	-	-	239,908,526	239,908,526
Other comprehensive income	-	100,618,902	-	-	-	100,618,902	(12,250,735)	88,368,167
	-	100,618,902	-	-	-	100,618,902	227,657,791	328,276,693
Balance as at September 30, 2025	106,520,000	283,079,790	6,500,000,000	180,000,000	23,328,154	6,986,407,944	2,614,495,027	9,707,422,971

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

Chief Executive Officer

Director

Chief Financial Officer

UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF CASH FLOWS (Un-audited)

For The First Quarter Ended September 30, 2025

	Un-Audited	
	Quarter ended September 30, 2025 Rupees	Quarter ended September 30, 2024 Rupees
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before revenue tax and income tax	304,982,941	503,016,718
Adjustments for non-cash and other items:		
- Depreciation	119,421,648	98,811,397
- Depreciation on investment property	2,947,754	-
- Staff retirement benefit - gratuity	20,400,000	18,600,000
- Provision for workers' profit participation fund	16,116,357	16,300,388
- Provision for workers' welfare fund	6,855,654	-
- (Loss) / gain on disposal of operating fixed assets	5,942,447	(2,139,965)
- Unwinding of interest of GIDC	-	39,249
- Dividend income	(5,627,819)	(395,572)
- Finance cost	178,520,677	97,746,698
	649,559,659	731,978,913
Working capital changes		
Decrease / (increase) in current assets:		
- stores, spare parts and loose tools	5,286,154	(14,061,512)
- stock-in-trade	(867,489,602)	112,367,224
- trade debts	(521,107,327)	(859,243,387)
- loans and advances	(979,290,790)	(454,608,680)
- short term deposit and prepayments	(35,310,794)	-
- other receivables and sales tax	(56,209,853)	135,533,558
	(2,454,122,212)	(1,080,012,797)
(Decrease) / increase in current liabilities:		
- trade and other payables	292,478,152	374,604,857
- contract liabilities	48,902,528	32,383,613
	341,380,680	406,988,470
Net working capital changes	(1,463,181,874)	58,954,586
CASH FLOWS FROM OPERATING ACTIVITIES		
Staff retirement benefits paid	(1,796,094)	(1,500,010)
Finance cost paid	(134,267,074)	(97,350,900)
Taxes paid / refunds	(71,090,307)	76,116,640
Rebate income received	-	722
Long term advances and deposits - net	-	315,000
	(207,153,475)	(22,418,548)
Net cash (used in) / generated from operating activities	(1,670,335,348)	36,536,038
CASH FLOWS FROM INVESTING ACTIVITIES		
Fixed capital expenditure	(108,611,173)	(49,619,535)
Proceeds from disposal of operating fixed assets	40,859,958	2,997,003
Dividend income received	5,627,819	395,572
Net cash used in investing activities	(62,123,396)	(46,226,960)
CASH FLOWS FROM FINANCING ACTIVITIES		
Long term finances - repaid	(269,568,318)	(55,480,351)
Short term borrowings - net	1,947,223,286	67,187,161
Net cash generated from financing activities	1,677,654,968	11,706,810
Net (decrease) / increase in cash and cash equivalents	(54,803,776)	2,015,888
Cash and cash equivalents - at beginning of the period	542,672,696	242,057,392
Cash and cash equivalents- at end of the period	487,868,920	244,073,280

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

Chief Executive Officer | Director | Chief Financial Officer

NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS (Un-audited)

For The First Quarter Ended September 30, 2025

1. LEGAL STATUS AND NATURE OF BUSINESS

Reliance Cotton Spinning Mills Limited ("the Company") was incorporated in Pakistan on June 13, 1990 as a public limited company under the Companies Ordinance, 1984 (now Companies Act, 2017). The Company was listed on June 16, 1993 on Pakistan Stock Exchange Limited. The principal activity of the Company is manufacturing and sale of yarn.

	Purpose
Karachi	
312, Cotton Exchange Building, I.I Chundrigar Road	Registered office
Lahore	
1st Floor, Tricon Corporate Centre, 73-E, Main Jail Road, Gulberg II,	Head office
Sheikhupura	
Ferozewattoan	Production plant
Bhai Pheru	
Jumber Khurd, Bhai Pheru, District. Kasur	Production plant

1.1 The Board of Directors of the Company, in their meeting held on September 25, 2025, has approved a Scheme of Compromises, Arrangement and Reconstruction under Sections 279 to 283 read with Section 285 of the Companies Act, 2017 for Amalgamation / Merger of the Company with and into Sapphire Fibres Limited - an Associated Company subject to obtaining necessary shareholders, creditors and regulatory approvals and sanction of the Scheme by the Honorable High Court of Sindh at Karachi along with fulfilment of corporate, regulatory and legal formalities.

2. BASIS OF PREPARATION AND SIGNIFCANT ACCOUNTING POLICIES

2.1 Statement of compliance

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

- International Accounting Standard ('IAS') 34, 'Interim Financial Reporting', issued by International Accounting Standards Board ('IASB') 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.

2.1.2 These condensed interim financial statements does not include all the information and disclosures as required in an annual audited financial statements, and these should be read in conjunction with the Company's annual audited financial statements for the year ended June 30, 2025. These condensed interim financial statements are being submitted to the shareholders as required by the section 237 of the Companies Act, 2017.

2.2 Initial application of standards, amendments or interpretation to existing standards

a) Standards, amendments and interpretations to accounting standards that are effective in the current period

Certain standards, amendments and interpretations to approved accounting standards are effective for accounting periods beginning on July 01, 2025, but are considered not to be relevant or to have any significant effect on the Company's operations (although they may affect the accounting for future transactions and events) and are, therefore, not detailed in these condensed interim financial statements.

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

There are certain standards, amendments to the accounting standards and interpretations that are mandatory for the Company's accounting periods beginning on or after October 01, 2025, but are considered not to be relevant or to have any significant effect on the Company's operations and are, therefore, not detailed in these condensed interim financial statements.

2.3 Accounting policies

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

3. ACCOUNTING ESTIMATES AND JUDGEMENTS

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

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

			(Un-audited) September 30,	(Audited) June 30,
		Note	2025 Rupees	2025 Rupees
4.	**PROPERTY, PLANT AND EQUIPMENT**			
	Operating fixed assets	4.1	4,805,995,034	4,972,219,087
	Capital work-in-progress	4.2	534,313,004	425,701,831
			5,340,308,038	5,397,920,918
4.1	**Operating fixed assets**			
	Net book value at beginning of the period / year		4,972,219,087	6,108,529,641
	Additions during the period / year	4.1.1	-	577,140,251
	Book value of assets disposed off during the period / year		(46,802,405)	(958,572,458)
	Transfer from fixed assets, entered into lease agreement		-	(173,285,876)
	Depreciation charge for the period / year		(119,421,648)	(581,592,471)
	Net book value at end of the period / year		4,805,995,034	4,972,219,087
4.1.1	**Additions to operating fixed assets, including transfer from capital work-in-progress, during the period / year:**			
	Buildings on freehold land		-	66,217,137
	Plant and machinery		-	473,415,705
	Electric installation		-	26,190,408
	Vehicles		-	7,513,000
	Mills equipment		-	3,804,001
			-	577,140,251
4.2	**Capital work in progress**			
	Buildings		40,313,264	35,595,418
	Plant and machinery		485,009,740	381,116,413
	Vehicles		8,990,000	8,990,000
			534,313,004	425,701,831

NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS (Un-audited)

For The First Quarter Ended September 30, 2025

		Note	(Un-audited) September 30, 2025 Rupees	(Audited) June 30, 2025 Rupees
5.	**LONG TERM INVESTMENTS**			
	Subsidiary Company - at cost	5.1	700,437,130	200,937,130
	Associated Companies - at cost	5.2	1,706,163,702	1,706,163,702
	Share deposit money		-	499,500,020
			2,406,600,832	2,406,600,852
5.1	**Investments in subsidiary - unquoted at cost:**			
	RCSM Company (Private) Limited			
	20,043,713 ordinary share of Rs. 10 each Equity Interest held 100%	5.1.1	200,437,130	200,437,130
	Sapphire Electronics (Private) Limited			
	50,000,000 ordinary shares of 10 each Equity held: 100%	5.1.2	500,000,000	500,000
			700,437,130	200,937,130

5.1.1 RCSM Company (Private) Limited was incorporated in November 8, 2017. The principal activity of the Subsidiary Company is to take or otherwise acquire and hold shares in any other Company but not to act as an investment Company.

5.1.2 Sapphire Electronics (Private) Limited was incorporated in September 23, 2024. The principal activity of the Subsidiary Company is to manufacture and sale all kinds of electrical and electronic goods.

		Note	(Un-audited) September 30, 2025 Rupees	(Audited) June 30, 2025 Rupees
5.2	**Investments in associates - at cost:**			
	Quoted:			
	Sapphire Fibers Limited			
	1,511,670 ordinary shares of Rs.10 each			
	Equity interest held 7.31%		1,319,112,991	1,319,112,991
	Sapphire Textile Mills Limited			
	100,223 ordinary shares of Rs.10 each			
	Equity interest held 0.462%		8,114,578	8,114,578
	Un-quoted:			
	SFL Limited			
	401,570 ordinary shares of Rs.10 each			
	Equity interest held 42.83%		2,439,475	2,439,475
	Sapphire Finishing Mills Limited			
	1,556,000 ordinary shares of Rs.10 each			
	Equity interest held 1.69%		16,509,160	16,509,160
	Sapphire Holding Limited			
	100,223 ordinary shares of Rs.10 each			
	Equity interest held 0.5%		524,950	524,950
	Sapphire Power Generation Limited			
	555,000 ordinary shares of Rs. 10 each		19,425,000	19,425,000
	Book value of shares acquired upon merger of ACML			
	2,025,250 ordinary shares of Rs. 10 each		254,503,909	254,503,909
	Equity interest held 16.10%			
			273,928,909	273,928,909
	Sapphire Dairies (Pvt.) Limited (SDL)			
	4,100,000 ordinary shares of Rs.10 each			
	Equity interest held 2.26%		85,533,639	85,533,639
	Sanifa Agri Services Limited (SASL)	6.2.4		
	11,590,000 ordinary shares of Rs.10 each			
	Equity interest held 33.11%		-	-
			1,706,163,702	1,706,163,702
6.	**CONTINGENCIES AND COMMITMENTS**			
6.1	**Contingencies**			
	Guarantees issued by banks on behalf of the Company		935,362,000	935,362,000
	Post dated cheque issued		11,269,452,000	11,260,580,000

6.2 Claim of Sales Tax

There has been no material change in the status of contingencies pointed in the financial statement for the year ended June 30, 2025

NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS (Un-audited)

For The First Quarter Ended September 30, 2025

		(Un-audited) September 30, 2025 Rupees	(Audited) June 30, 2025 Rupees
6.3	**Commitments in respect of:**		
	• letters of credit for capital expenditure	-	63,411,120
	• letters of credit for purchase of cotton, raw materials and stores, spare parts & chemical	177,529,095	428,998,560

		Note	(Un-audited) Quarter ended September 30, 2025 Rupees	(Un-audited) Quarter ended September 30, 2024 Rupees
7.	**COST OF SALES**			
	Finished goods at beginning of the period		658,880,387	626,261,910
	Cost of goods manufactured	7.1	3,369,886,548	3,403,744,834
			4,028,766,935	4,030,006,744
	Finished goods at end of the period		(682,982,906)	(537,918,385)
			3,345,784,029	3,492,088,359
7.1	**Cost of goods manufactured**			
	Work-in-process at beginning of the period		570,402,868	616,706,382
	Raw materials consumed		2,556,937,650	2,557,242,391
	Direct labour and other overheads		883,867,484	979,836,834
			3,440,805,134	3,537,079,225
	Work-in-process at end of the period		(641,321,454)	(750,040,773)
			3,369,886,548	3,403,744,834
8.	**TRANSACTIONS WITH RELATED PARTIES**			
8.1	**Significant transactions with related parties are as follows:**			
	Transactions with Associated Companies			
	Sales:			
	• raw material / yarn / stores and spare parts		447,529,090	434,458,250
	Purchases:			
	• raw material / yarn / stores and spare parts / fixed assets		310,607,710	264,579,696
	Expenses charged by		-	2,952,462
	Expenses Charged to		1,596,000	1,422,318

9. DATE OF AUTHORISATION FOR ISSUE

These condensed interim financial statements were approved by the Board of Directors and authorised for issue on October 29, 2025.

10. GENERAL

Figures have been rounded off to the nearest rupees.

Chief Executive Officer | Director | Chief Financial Officer

CONSOLIDATED FINANCIAL STATEMENTS

FOR THE FIRST QUARTER ENDED
SEPTEMBER 30, 2025

DIRECTORS' REPORT TO THE SHAREHOLDERS

The directors are pleased to present their report together with consolidated financial statements of Reliance Cotton Spinning Mills Limited and its subsidiaries **RCSM Company (Pvt.) Limited** and **Sapphire Electronics (Pvt.) Limited** for the 1st quarter ended September 30, 2025. The Company has annexed consolidated financial statements along with its separate financial statements in accordance with the requirements of the International Accounting Standard-27 (Consolidated and Separate Financial Statements).

RCSM Company (Pvt.) Limited

Reliance Cotton Spinning Mills Limited ("the Holding Company") and its wholly owned subsidiary RCSM Company (Private) Limited collectively referred to as "the Group" was incorporated in Pakistan under the Companies Ordinance, 1984. The Holding Company is listed on Pakistan Stock Exchange Limited (formerly known as Karachi Stock Exchange Limited and Lahore Stock Exchange Limited).

RCSM Company (Pvt.) Limited was incorporated in Pakistan as private limited by shares wholly owned by Reliance Cotton Spinning Mills Limited under Companies Ordinance, 1984 on November 08, 2017.

The principal activity of the subsidiary is to take or otherwise acquire and hold shares in any other company but not to act as an investment company.

Sapphire Electronics (Pvt.) Limited

Sapphire Electronics (Pvt) Limited is a wholly owned subsidiary of Reliance Cotton Spinning Mills Limited and was incorporated on September 23, 2024. The principal activity of the company is to trade, manufacture or otherwise acquire and sell electronic and electrical products.

For and on behalf of the Board

SHAYAN ABDULLAH
CHIEF EXECUTIVE

SHAHID ABDULLAH
DIRECTOR

Lahore
Dated: October 29, 2025

ڈائریکٹرز کی حصص داران کو رپورٹ

ڈائریکٹرز 30 ستمبر 2025ءکوختم ہونے والی پہلی سہ ماہی کے لئے ریلائنس کاٹن سپننگ ملزلمیٹڈاوراسکی ذیلی کمپنی RCSM کمپنی (پرائیویٹ) لمیٹڈاورسفائرالیکٹرونکس (پرائیویٹ) لمیٹڈ کےاشتمال شدہ مالیاتی گوشواروں کے ہمراہ اپنی رپورٹ پیش کرتے ہوئے خوشی محسوس کرتے ہیں۔کمپنی نے بین الاقوامی اکاؤنٹنگ اسٹینڈرڈ-27 (اشتمال شدہ اورالگ مالی گوشوارے) کی ضروریات کے مطابق اشتمال شدہ مالی گوشواروں کے ساتھ ساتھ اپنے الگ الگ مالی گوشوارے منسلک کئے ہیں۔

RCSM کمپنی (پرائیویٹ) لمیٹڈ:

ریلائنس کاٹن سپننگ ملزلمیٹڈ (ہولڈنگ کمپنی) اوراس کی مکمل ملکیتی ذیلی کمپنی RCSM (پرائیویٹ) لمیٹڈ جومجموعی طورایک "گروپ" کہلاتا ہے، کمپنیزآرڈیننس، 1984ء کے تحت پاکستان میں قائم ہوا۔ہولڈنگ کمپنی پاکستان اسٹاک ایکسچینج لمیٹڈ (سابقہ کراچی اسٹاک ایکسچینج لمیٹڈاورلاہوراسٹاک ایکسچینج لمیٹڈ) میں اندراج شدہ ہے۔

RCSM کمپنی (پرائیویٹ) لمیٹڈ، کمپنیزآرڈیننس، 1984ء کے تحت 08 نومبر 2017ءکوریلائنس کاٹن سپننگ ملزلمیٹڈ کی مکمل ملکیتی شیئرز کے ذریعے ایک پرائیویٹ لمیٹڈ کی حیثیت سے پاکستان میں قائم ہوئی۔

ذیلی کمپنی کا بنیادی کاروبار کسی دیگر کمپنی کے حصص لینا یا دوسری صورت میں خریدنا اور ہولڈ کرنا ہے، لیکن سرمایہ کاری کمپنی کے طور کام کرنا نہیں ہے۔

سفائرالیکٹرونکس (پرائیوٹ) لمیٹڈ:

سفائرالیکٹرونکس کمپنی (پرائیویٹ) لمیٹڈ، ریلائنس کاٹن سپننگ ملزلمیٹڈ کا مکمل ملکیتی ذیلی ادارہ 23 ستمبر 2024ءکو کمپنیزایکٹ 2017ء کے تحت پاکستان میں قائم کیا گیا، کمپنی کی بنیادی سرگرمی الیکٹرانک اور برقی مصنوعات کی تجارت، تیاری یا دوسری صورت میں حصول اور فروخت ہے۔

منجانب بورڈ آف ڈائریکٹرز

(شایان عبداللہ)	(شاہد عبداللہ)
چیف ایگزیکٹو	ڈائریکٹر

لاہور
تاریخ: 29 اکتوبر 2025ء

CONSOLIDATED CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION (Un-audited)

As At September 30, 2025

	Note	(Un-audited) September , 30 2025 Rupees	(Audited) June 30, 2025 Rupees
ASSETS			
Non-current Assets			
Property, plant and equipment	4	6,110,412,102	6,092,103,556
Long term investments	5	8,122,714,483	7,730,811,810
Investment property		168,343,250	171,291,004
Long term advances and deposits		24,892,424	24,892,424
		14,426,362,259	14,019,098,794
Current Assets			
Stores, spare parts and loose tools		190,579,650	175,742,596
Stock-in-trade		10,408,021,901	7,977,736,601
Trade debts		2,603,803,014	2,062,517,411
Loans and advances		671,943,946	339,279,489
Short term deposits and prepayments		39,269,082	31,919,934
Short term investments		388,595,841	287,941,583
Other receivables		451,291,693	357,201,255
Tax refunds due from Government		1,587,828,899	1,237,341,881
Cash and bank balances		744,797,375	757,937,935
		17,086,131,401	13,227,618,685
Total Assets		31,512,493,660	27,246,717,479
Equity And Liabilities			
Share Capital And Reserves			
Authorised capital 12,000,000 ordinary shares of Rs.10 each		120,000,000	120,000,000
Issued, subscribed and paid-up capital		106,520,000	106,520,000
Reserves		7,588,486,132	7,205,106,156
Unappropriated profit		7,978,973,704	7,415,844,769
Total equity		15,673,979,836	14,727,470,925
Non-current Liabilities			
Long term liabilities		1,507,878,556	1,752,834,872
Staff retirement benefit - gratuity		244,926,835	226,322,929
Defferred taxation		772,974,379	699,484,669
		2,525,779,770	2,678,642,470
Current liabilities			
Trade and other payables		5,348,184,483	3,569,199,577
Contract liabilities		213,607,469	564,520,015
Accrued mark-up / interest		124,755,753	80,502,150
Short term borrowings		6,623,643,101	4,676,419,815
Current portion of long term finances		363,835,774	388,447,776
Unclaimed dividend		920,117	920,117
Provision for income tax and levies		637,787,357	560,594,634
		13,312,734,054	9,840,604,084
Total liabilities		15,838,513,824	12,519,246,554
Contingencies and commitments	6	-	-
Total equity and liabilities		31,512,493,660	27,246,717,479

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

Chief Executive Officer | Director | Chief Financial Officer

CONSOLIDATED CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS (Un-audited)

For The First Quarter Ended September 30, 2025

	Note	Un-Audited Quarter ended September , 30 2025 Rupees	 Quarter ended September , 30 2024 Rupees
Sales		6,284,112,734	4,257,733,257
Cost of sales	7	(5,270,928,627)	(3,492,088,359)
Gross profit		1,013,184,107	765,644,898
Distribution cost		(83,430,219)	(89,722,143)
Administrative expenses		(133,851,015)	(65,177,185)
Other income		16,411,188	15,848,209
Other expenses		(29,040,771)	(16,345,388)
Profit from operations		783,273,290	610,248,391
Finance cost		(178,589,079)	(97,785,947)
		604,684,211	512,462,444
Share of profit from Associated Companies		111,138,563	56,112,964
Profit before revenue tax and income tax		715,822,774	568,575,408
Final taxes - levy		(54,795,613)	(72,818)
Profit before income tax		661,027,161	568,502,590
Income Tax			
- current		(22,411,552)	(186,316,399)
- deferred		(61,238,975)	(17,889,389)
		(83,650,527)	(204,205,788)
Profit for the quarter		577,376,634	364,296,802
Earnings per share - basic and diluted		54.20	35.40

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

Chief Executive Officer

Director

Chief Financial Officer

CONSOLIDATED CONDENSED INTERIM STATEMENT OF OTHER COMPREHENSIVE INCOME (Un-audited)

For The First Quarter Ended September 30, 2025

	Un-Audited	
	Quarter ended September , 30	Quarter ended September , 30
	2025 Rupees	2024 Rupees
Profit for the period	577,376,634	364,296,802
Other comprehensive income		
Items that will not be reclassified to statement of profit or loss subsequently		
Unrealised income / (loss) on remeasurement of investment		
at fair value through other comprehensive income	100,618,902	(484,860)
Impact of deferred tax	(12,250,735)	-
Share of fair value gain on remeasurement of investment		
at fair value through other comprehensive income by Associates	275,294,431	7,523,361
	363,662,598	7,038,501
Items that will be reclassified to statement of profit or loss subsequently		
Forward foreign exchange contracts		
Share of unrealised gain on remeasurement of		
forward foreign currency contract of Associates	7,466,643	346,462
Other comprehensive income for the period	371,129,241	7,384,963
Total comprehensive income for the period	948,505,875	371,681,765

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

Chief Executive Officer

Director

Chief Financial Officer

CONSOLIDATED CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (Un-audited)

For The First Quarter Ended September 30, 2025

		Reserves							
		Revenue		Capital	Revenue				
	Issued, subscribed and paid-up capital	Unrealised (loss) / gain on financial assets at fair value through other comprehensive income	On hedging instruments	Capital reserve against capacity expansion and long term investments	General	Merger reserve	Sub-Total	Unappropriated profit	Total
	Rupees								
Balance as at July 01, 2024	102,920,000	196,602,289	3,159,062	-	168,353,673	26,928,154	395,043,178	10,232,178,056	10,730,141,234
Total comprehensive income for the									
Period ended Sep 30, 2024									
Profit for the quarter	-	-		-	-	-	-	364,296,802	364,296,802
Other comprehensive income	-	7,038,501	346,462	-	-	-	7,384,963	-	7,384,963
	-	7,038,501	346,462	-	-	-	7,384,963	364,296,802	371,681,765
Effect of items directly credit in equity by									
Associated companies	-	-	-	-	-		-	(1,240,415)	(1,240,415)
Transfer to capital reserve	-	-	-	6,500,000,000	(118,353,673)	-	6,381,646,327	(6,381,646,327)	-
Balance as at Sep 30, 2024	102,920,000	203,640,790	3,505,524	6,500,000,000	50,000,000	26,928,154	6,784,074,468	4,213,588,116	11,100,582,584
Balance as at June 30, 2025	106,520,000	512,120,247	1,304,082	6,500,000,000	168,353,673	23,328,154	7,205,106,156	7,415,844,769	14,727,470,925
Total comprehensive income for the									
Period ended Sep 30, 2025									
Profit for the quarter	-	-	-	-	-	-	-	577,376,634	577,376,634
Other comprehensive income	-	375,913,333	7,466,643	-	-	-	383,379,976	(12,250,735)	371,129,241
	-	375,913,333	7,466,643	-	-	-	383,379,976	565,125,899	948,505,875
Effect of items directly relating in equity by									
Associated companies	-	-	-	-	-		-	(1,996,964)	(1,996,964)
Balance as at Sep 30, 2025	106,520,000	888,033,580	8,770,725	6,500,000,000	168,353,673	23,328,154	7,588,486,132	7,978,973,704	15,673,979,836

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

Chief Executive Officer

Director

Chief Financial Officer

CONSOLIDATED CONDENSED INTERIM STATEMENT OF CASH FLOWS (Un-audited)

For The First Quarter Ended September 30, 2025

	Un-Audited	
	Quarter ended September, 30	Quarter ended September, 30
	2025 Rupees	2024 Rupees
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before revenue tax and income tax	715,822,774	568,575,408
Adjustments for non-cash and other items:		
- Depreciation	127,795,410	98,811,397
- Staff retirement benefit - gratuity	20,400,000	18,600,000
- Provision for workers' profit participation fund	16,116,357	16,300,388
- Provision for workers' welfare fund	6,855,654	-
- Gain / (loss) on disposal of operating fixed assets	5,942,447	(2,139,964)
- Unwinding of interest of GIDC	-	39,249
- Dividend income	(5,627,819)	(485,452)
- Share of profit from Associated Companies	(111,138,563)	(56,112,964)
- Depreciation on investment property	2,947,754	-
- Finance cost	178,589,079	97,746,698
	957,703,093	741,334,760
Working capital changes		
Decrease/ (increase) in current assets:		
- stores, spare parts and loose tools	(14,837,054)	(14,061,512)
- stock-in-trade	(2,430,285,300)	112,367,224
- trade debts	(541,285,603)	(859,243,387)
- loans and advances	(332,664,457)	(454,608,680)
- short term deposit and prepayments	(7,349,148)	-
- other receivables and sales tax	(225,128,599)	126,136,440
	(3,551,550,161)	(1,089,409,915)
(Decrease) / increase in current liabilities:		
- trade and other payables	1,756,012,894	374,629,858
- contract liabilities	(350,912,546)	32,383,612
	1,405,100,348	407,013,470
Net working capital changes	(1,188,746,720)	58,938,315
Staff retirement benefits paid	(1,796,094)	(1,500,010)
Finance cost paid	(134,335,476)	(97,350,900)
Taxes refunds / (paid)	(219,463,299)	76,116,640
Rebate income received	-	722
Long term advances and deposits - net	-	315,000
	(355,594,869)	(22,418,548)
Net cash (used in) / generated from operating activities	(1,544,341,589)	36,519,767
CASH FLOWS FROM INVESTING ACTIVITIES		
Fixed capital expenditure	(192,906,360)	(49,619,535)
Proceeds from disposal of operating fixed assets	40,859,958	2,997,003
Short term investment	(35,356)	(93,609)
Dividend income received	5,627,819	485,452
Net cash used in investing activities	(146,453,939)	(46,230,689)
CASH FLOWS FROM FINANCING ACTIVITIES		
Long term finances - repaid	(269,568,318)	(55,480,351)
Short term borrowings - net	1,947,223,286	67,187,161
Net cash generated from financing activities	1,677,654,968	11,706,810
Net (decrease) / increase in cash and cash equivalents	(13,140,560)	1,995,888
Cash and cash equivalents - at beginning of the period	757,937,935	242,164,640
Cash and cash equivalents - at end of the period	744,797,375	244,160,528

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

Chief Executive Officer

Director

Chief Financial Officer

NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS (Un-audited)

For The First Quarter Ended September 30, 2025

1. THE GROUP AND ITS OPERATIONS

The Group consist of:

The Parent Company

- Reliance Cotton Spinning Mills Limited

Subsidiary Company

- RCSM Company (Private) Limited
- Sapphire Electronics (Private) Limited

Reliance Cotton Spinning Mills Limited

Reliance Cotton Spinning Mills Limited ("The Parent Company") was incorporated in Pakistan on June 13, 1990 as a public limited company under the Companies Ordinance, 1984 (now Companies Act, 2017). The Company was listed on June 16, 1993 on Pakistan Stock Exchange Limited. The principal activity of the Holding Company is manufacturing and sale of yarn.

Karachi	**Purpose**
312, Cotton Exchange Building, I.I Chundrigar Road	Registered office
Lahore	
1st Floor, Tricon Corporate Centre, 73-E, Main Jail Road, Gulberg II,	Head office
Sheikhupura	
Ferozewattoan	Production plant
Bhai Pheru	
Jumber Khurd, Bhai Pheru, District. Kasur	Production plant

1.1 The Board of Directors of the parent Company, in their meeting held on September 25, 2025, has also approved a Scheme of Compromises, Arrangement and Reconstruction under Sections 279 to 283 read with Section 285 for Amalgamation/ Merger of the Company with and into Sapphire Fibres Limited - an Associated Company subject to obtaining necessary creditors and regulatory approvals and sanction of the Scheme by the Honourable High Court of Sindh at Karachi along with fulfilment of corporate, regulatory and legal formalities.

Subsidiary Companies

- RCSM Company (Private) Limited
- Sapphire Electronics (Private) Limited

RCSM Company (Private) Limited

RCSM Company (Private) Limited was incorporated in Pakistan under the Companies Ordinance, 1984(now companies Act, 2017) on November 8, 2017. The principal activity of the subsidiary is to take or otherwise acquire and hold shares in any other company but not to act as an investment company.

Sapphire Electronics (Private) Limited (SEPL)

Sapphire Electronics (Private) Limited was incorporated as a private limited company in Pakistan on September 23, 2024 under the Companies Act, 2017. The principal line of business of the Subsidiary is to carry on the business of manufacturers, buyers, sellers, importers, exporters, dealers, suppliers, wholesalers, retailers, assemblers and distributors of all kinds of electrical and electronic goods.

The registered office of the Subsidiary Company is at 1st Floor , Tricon Corporate Centre , 73-E Main Jail Road , Gulberg-II , Lahore and manufacturing facility is situated at Jumber Khurd, Bhai Pheru, District Kasur.

2. BASIS OF PREPARATION AND SIGNIFCANT ACCOUNTING POLICIES

2.1 Statement of compliance

2.1.1 These condensed consolidated 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 International Accounting Standards Board ('IASB') 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.

2.1.2 These consolidated financial statements does not include all the information and disclosures as required in an annual audited financial statements, and these should be read in conjunction with the Company's annual audited financial statements for the year ended June 30, 2025. These condensed interim financial statements are being submitted to the shareholders as required by the section 237 of the Companies Act, 2017.

2.2 Initial application of standards, amendments or an interpretation to existing standards

a) Standards, amendments and interpretations to accounting standards that are effective in the current period

Certain standards, amendments and interpretations to approved accounting standards are effective for accounting periods beginning on July 01, 2025, but are considered not to be relevant or to have any significant effect on the Group's operations (although they may affect the accounting for future transactions and events) and are, therefore, not detailed in these condensed interim financial statements.

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

There are certain standards, amendments to the accounting standards and interpretations that are mandatory for the Group's accounting periods beginning on or after October 01, 2025, but are considered not to be relevant or to have any significant effect on the Group's operations and are, therefore, not detailed in these Consolidated financial statements.

2.3 Accounting policies

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

3. ACCOUNTING ESTIMATES AND JUDGEMENTS

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

In preparing these consolidated financial statements, the significant judgements made by management in applying the Group’s accounting policies and the key sources of estimation and uncertainty were the same as those that applied to the audited annual financial statements for the year ended June 30, 2025.

		(Un-audited) September 30, 2025 Rupees	(Audited) June 30, 2025 Rupees
	Note		
4. PROPERTY, PLANT AND EQUIPMENT			
Operating fixed assets	4.1	5,110,497,302	5,285,095,116
Capital work-in-progress	4.2	999,914,800	807,008,440
		6,110,412,102	6,092,103,556
4.1 Operating fixed assets			
Net book value at beginning of the period / year		5,285,095,116	6,108,529,641
Additions during the period / year	4.1.1	-	896,227,153
Book value of assets disposed off during the period / year		(46,802,404)	(958,572,458)
Transfer from fixed assets, entered into lease agreement		-	(173,285,876)
Depreciation charge for the period / year		(127,795,410)	(587,803,344)
Net book value at end of the period / year		5,110,497,302	5,285,095,116

NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS (Un-audited)

For The First Quarter Ended September 30, 2025

		Note	(Un-audited) September 30, 2025 Rupees	(Audited) June 30, 2025 Rupees
4.1.1	**Additions to operating fixed assets, including transfer from capital work-in-progress, during the period / year:**			
	Buildings on freehold land		-	66,217,137
	Plant and machinery		-	733,449,621
	Electric installation		-	31,176,507
	Vehicles		-	20,023,000
	Electric Equipment		-	4,313,001
	Computer		-	5,834,100
	Furniture and fixture		-	35,213,787
			-	896,227,153
4.2	**Capital work in progress**			
	Building		137,458,455	122,420,162
	Plant and machinery		849,376,855	670,558,788
	Electric installation		-	950,000
	Vehicles		13,079,490	13,079,490
			999,914,800	807,008,440
5.	**LONG TERM INVESTMENTS**			
	Investments in associates - at Equity method:			
	Quoted:			
	Sapphire Fibres Limited	5.1	6,511,457,513	6,193,876,715
	Sapphire Textile Mills Limited	5.2	375,097,658	347,316,152
	Un-quoted:			
	SFL Limited	5.3	240,617,724	229,594,251
	Sapphire Finishing Mills Limited	5.4	282,327,564	275,323,830
	Sapphire Holding Limited	5.5	137,750,161	133,111,026
	Sapphire Power Generation Limited	5.6	484,748,215	461,045,461
	Sapphire Daries (Pvt,) Limited	5.7	90,715,648	90,544,375
			8,122,714,483	7,730,811,810
	Investments in associates - at equity mehod:			
	Quoted:			
5.1	**Sapphire Fibers Limited**			
	1,511,670 ordinary shares of Rs.10 each			
	Equity interest held 7.31%		1,319,112,991	1,319,112,991
	Share of post acquisition profit		5,192,344,522	4,882,751,684
	Dividend received		-	(7,987,960)
			6,511,457,513	6,193,876,715

NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS (Un-audited)

For The First Quarter Ended September 30, 2025

		(Un-audited) September 30, 2025 Rupees	(Audited) June 30, 2025 Rupees
5.2	**Sapphire Textile Mills Limited**		
	100,223 ordinary shares of Rs.10 each		
	Equity interest held 0.462%	8,114,578	8,114,578
	Share of post acquisition profit	366,983,080	342,759,491
	Dividend received	-	(3,557,917)
		375,097,658	347,316,152
	Un quoted:		
5.3	**SFL Limited**		
	401,570 ordinary shares of Rs.10 each		
	Equity interest held 42.83%	2,439,475	2,439,475
	Share of post acquisition profit	238,178,249	227,154,776
		240,617,724	229,594,251
5.4	**Sapphire Finishing Mills Limited**		
	1,556,000 ordinary shares of Rs.10 each		
	Equity interest held 1.69%	16,509,160	16,509,160
	Share of post acquisition profit	265,818,404	258,814,670
		282,327,564	275,323,830
5.5	**Sapphire Holding Limited**		
	100,223 ordinary shares of Rs.10 each		
	Equity interest held 0.5%	524,950	524,950
	Share of post acquisition profit	137,225,211	132,586,076
		137,750,161	133,111,026
5.6	**Sapphire Power Generation Limited**		
	2,580,250 ordinary shares of Rs.10 each		
	Equity interest held 16.10%	19,425,000	19,425,000
	Share of post acquisition profit	465,323,215	441,620,461
		484,748,215	461,045,461
5.7	**Sapphire Daries (Pvt.) Limited**		
	41,000,000 ordinary shares of Rs.10 each		
	Equity interest held 2.26%	41,000,000	41,000,000
	Share of post acquisition profit	49,715,648	49,544,375
		90,715,648	90,544,375

NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS (Un-audited)

For The First Quarter Ended September 30, 2025

		(Un-audited) September 30, 2025 Rupees	(Audited) June 30, 2025 Rupees
6.	**CONTINGENCIES AND COMMITMENTS**		
6.1	**Contingencies**		
	Guarantees issued by banks on behalf of the Group	935,362,000	935,362,000
	Post dated cheque issued	11,269,452,000	11,260,580,000

6.2 Claim of Sales Tax

There has been no material change in the status of contingencies pointed in the financial statement for the year ended June 30, 2025

6.3	**Commitments in respect of:**		
	• letters of credit for capital expenditure	-	277,806,049
	• letters of credit for purchase of cotton, raw materials and stores, spare parts	177,529,095	1,004,836,588

		Note	(Un-audited) Quarter ended September 30, 2025 Rupees	(Un-audited) Quarter ended September 30, 2024 Rupees
7.	**Cost of Sales**			
	Finished goods at beginning of the period		1,649,489,653	626,261,910
	Cost of goods manufactured	7.1	5,227,715,044	3,403,744,834
			6,877,204,697	4,030,006,744
	Finished goods at end of the period		(1,606,276,070)	(537,918,385)
			5,270,928,627	3,492,088,359
7.1	**Cost of goods**			
	Work-in-process at beginning of the period		570,402,868	616,706,382
	Raw materials consumed		4,360,797,404	2,557,242,391
	Direct labour and other overheads		937,836,226	979,836,834
			5,298,633,630	3,537,079,225
	Work-in-process at end of the period		(641,321,454)	(750,040,773)
			5,227,715,044	3,403,744,834

8. Segment Information

The Group's reportable segments are as follows:

- Spinning;
- Electronics

NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS (Un-audited)

For The First Quarter Ended September 30, 2025

	Spinning	Electronics	Elimination of inter segment transaction	Total
	------------------ Rupees ------------------			
8.1 Segment revenues and results				
For the first quarter ended September 30, 2025				
Sales	3,951,024,780	2,333,087,954	-	6,284,112,734
Cost of sales	(3,345,784,028)	(1,938,644,599)	13,500,000	(5,270,928,627)
Gross profit	605,240,752	394,443,355	13,500,000	1,013,184,107
Selling and distribution cost	(74,984,730)	(8,445,489)	-	(83,430,219)
Profit before taxation and unallocated income and expenses	530,256,022	385,997,866	13,500,000	929,753,888
Unallocated income and expenses				
Administrative Expenses				(133,851,015)
Other income				16,411,188
Other expenses				(29,040,771)
Finance cost				(178,589,079)
Share of profit of associates				111,138,563
Final taxes - levy				(54,795,613)
Income tax				(83,650,527)
Profit after taxation				577,376,634

	Spinning	Electronics	Elimination of inter segment transaction	Total
	------------------ Rupees ------------------			
For the first quarter ended September 30, 2024				
Sales	4,257,733,257	-	-	4,257,733,257
Cost of sales	(3,492,088,359)	-	-	(3,492,088,359)
Gross profit	765,644,898	-	-	765,644,898
Selling and distribution cost	(89,722,143)	-	-	(89,722,143)
Profit before taxation and unallocated income and expenses	675,922,755	-	-	675,922,755
Unallocated income and expenses				
Administrative Expenses				(65,177,185)
Other income				15,848,209
Other expenses				(16,345,388)
Finance cost				(97,785,947)
Share of profit of associates				56,112,964
Final taxes - levy				(72,818)
Income tax				(204,205,788)
Profit after taxation				364,296,802

8.2 Segment assets and liabilities

	Spinning	Electronics	Total
		Rupees	
Reportable segments' assets and liabilities are reconciled to total assets and liabilities as follows:			
As at September 30, 2025			
Segment assets	15,319,855,071	5,307,925,254	20,627,780,325
Unallocated assets			10,884,713,335
Total assets as per statement of financial position			31,512,493,660
Segment liabilities	11,694,117,874	3,261,449,462	14,955,567,336
Unallocated liabilities			882,946,488
Total liabilities as per statement of financial position			15,838,513,824

	Spinning	Electronics	Total
		Rupees	
As at June 30, 2025			
Segment assets	15,301,664,536	3,458,335,339	18,759,999,875
Unallocated assets			8,486,717,604
Total assets as per statement of financial position			27,246,717,479
Segment liabilities	9,618,596,254	2,556,556,262	12,175,152,516
Unallocated liabilities			344,094,038
Total liabilities as per statement of financial position			12,519,246,554

	(Un-audited)	
	Quarter ended September 30,	Quarter ended September 30,
	2025 Rupees	2024 Rupees
9. TRANSACTIONS WITH RELATED PARTIES		
9.1 Significant transactions with related parties are as follows:		
Transactions with Associated Companies		
Sales:		
• raw material / yarn / stores and spare parts	447,529,090	434,458,250
Purchases:		
• raw material / yarn / stores and spare parts	310,607,710	264,579,696
Expenses charged by	-	2,952,462
Expenses Charged to	1,596,000	1,422,318

NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS (Un-audited)

For The First Quarter Ended September 30, 2025

10. DATE OF AUTHORIZATION FOR ISSUE

These condensed consolidated interim financial statements were approved by the Board of Directors and authorised for issue on October 29, 2025.

11. GENERAL

Figures have been rounded off to the nearest rupees.

Chief Executive Officer | Director | Chief Financial Officer

Note:

Note:

Corporate Office
312 Cotton Exchange Building,
I.I. Chundrigar Road, Karachi-Pakistan.
Tel +92 21 111 000 100
contact@sapphiretextiles.com.pk

Lahore Office
1st Floor, Tricon Corporate Centre,
73-E Main Jail Road, Gulberg II, Lahore-Pakistan.
Tel +92 42 111 000 100
contact@sapphiretextiles.com.pk