

Half Yearly Report 2025



J.K. SPINNING
MILLS LIMITED



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Company Information

Chairperson

Mrs. Farhat Jehan

Chief Executive

Mr. Faiq Jawed

Directors

Mr. Shaiq Jawed

Mrs. Nageen Faiq

Mrs. Sadaf Aamir Arshad

Mr. Muhammad Tayyab Zahid

Syed Sohaib Mansoor Naqvi

Audit Committee

Chairman Syed Sohaib Mansoor Naqvi

Members Mrs. Farhat Jehan

Mrs. Sadaf Aamir Arshad

HR Committee

Chairman Mr. Muhammad Tayyab Zahid

Members Mr. Shaiq Jawed

Syed Sohaib Mansoor Naqvi

Risk Management Committee

Chairman Mr. Faiq Jawed

Members Mr. Shaiq Jawed

Syed Sohaib Mansoor Naqvi

Nomination Committee

Chairperson Mrs. Farhat Jehan

Members Mr. Faiq Jawed

Mr. Shaiq Jawed

Sustainability Committee

Chairman Mr. Muhammad Tayyab Zahid

Members Mr. Shaiq Jawed

Mrs. Sadaf Aamir Arshad

Director Finance

Mr. Ghulam Muhammad

Chief Financial Officer

Khawaja Nadeem Abbas

Company Secretary

Mr. Ghulam Muhammad

Head of Internal Audit

Mr. Farhan Safdar

Auditors

Riaz Ahmad & Company

Chartered Accountants

Legal Advisor

Mahfooz Ahmad Khan Advocates

Registrar's and Share Registration office

CORPTEC Associates (Pvt.) Ltd.,

503-E, Johar Town, Lahore

Bankers

Standard Chartered Bank (Pakistan) Limited

The Bank of Punjab

National Bank of Pakistan

Habib Bank Limited

Meezan Bank Limited

Askari Bank Limited

Summit Bank

The Bank of Khyber

Dubai Islamic Bank

Industrial and Commercial Bank of China

Registered office

34-Falcon Enclave, Tufail Road, Lahore

Cantt. Lahore.

Head Office & Mills

29-KM, Sheikhpura Road, Khurrianwala

Faisalabad.

Zonal Office/ Department of Sales & Marketing

Office No. 411, 4th Floor, Haji Adam

Chamber, Altaf Hussain Road, Karachi.

Directors' Report to the Shareholders

In the name of Almighty Allah The Most Gracious, The beneficent, The Merciful

Dear Shareholders,

The Directors of J.K. SPINNING MILLS LIMITED are pleased to present the un-audited financial statements for the half year ended December 31, 2025, in accordance with the applicable financial reporting requirements. These statements provide a comprehensive overview of the company's financial position and performance during the period.

Financial Results and Operational Performance

In 2025, sales declined by 1.51%, from Rs. 21,147.382 million in 2024 to Rs. 20,827.962 million. Majorly this decline is due to increase in inter-company sales of yarn and decline in yarn prices. Profit after tax improved to 3.56%, up from 1.43% in the previous year, resulting in an earnings per share (EPS) of Rs. 7.26, compared to Rs. 2.96 in 2024. Notably, the cost of sales decreased from 88.3% of sales in 2024 to 86.7% in 2025, reflecting efforts to improve operational efficiency and decline in cotton prices. While the export market has shown modest recovery, the overall market conditions remain challenging, with inflated operational costs and competitive pressures continuing to impact profitability.

The summarized financial results of the company for the half year ended December 31, 2025 are as under:

Particulars	Rupees in Million	
	Half Year Ended	
	December 31, 2025	December 31, 2024
Revenue	20,827.962	21,147.382
Cost of Sales	18,056.082	18,670.817
Gross Profit	2,771.880	2,476.565
Operating Expenses-net	1,025.994	996.919
Profit from Operations	2,005.706	1,776.816
Finance cost	732.397	1,138.154
Profit After taxation	742.454	302.692
Earnings per share – Basic and Diluted (Rupees)	7.26	2.96

In view of the prevailing volatile market conditions, the Board of Directors has carefully considered the financial position of the company and has, therefore, decided not to recommend the declaration of any interim dividend for this period.

Future Outlook

The management anticipates stable performance as global textile demand normalizes. The Company remains focused on enhancing operational efficiency, optimizing costs, and strengthening sustainability practices. Cotton will continue to be procured from diverse global sources to ensure consistent supply and mitigate price volatility arising from international market fluctuations and trade measures. Prudent inventory and sourcing strategies support resilience against commodity risks. Following the conclusion of Pakistan's Export Finance Scheme and the imposition of sales tax on imported yarn, market conditions have turned favourable for domestic yarn producers. The Company is well positioned to benefit from improved capacity utilization, greater local value addition, and enhanced export competitiveness.

Management continues to emphasize financial discipline, modernization, and value-added yarn production to sustain profitability. Ongoing investments in technology, energy efficiency, and sustainable operations underpin the Company's long-term growth and strengthen its position in Pakistan's spinning industry.

Directors' Report to the Shareholders

In the name of Almighty Allah The Most Gracious, The beneficent, The Merciful

Acknowledgement

The Board of Directors extends its sincere gratitude to our esteemed clients and bankers for their unwavering support and continued trust in our business activities. We would also like to commend the dedication and hard work demonstrated by our staff and workers, whose contributions remain integral to our success. The trust and confidence shown by all stakeholders, including customers, partners, and employees, are deeply appreciated and motivate us to continue striving for excellence.

For and on behalf of Board of Directors

Faisalabad

February 25, 2026



Faiq Jawed

Chief Executive Officer



Shaiq Jawed

Director

ڈائریکٹرز رپورٹ برائے تھمنس یافتگان:

شروع آؤٹ کے پاک نام سے جو بڑا ممبران نہایت رحم والا ہے۔

محترم تھمنس یافتگان،

ڈائریکٹرز نے کے اسپننگ ملز لمیٹڈ کو یہ پیش کرتے ہوئے خوشی محسوس ہو رہی ہے کہ 31 دسمبر 2025 کو اختتام پذیر ششماہی مدت کے لیے غیر مصدقہ مالی بیانات، قابل اطلاق مالیاتی رپورٹنگ تقاضوں کے مطابق، آپ کی خدمت میں پیش کیے جا رہے ہیں۔ یہ بیانات زیر جائزہ مدت کے دوران کمپنی کی مالی حیثیت اور کارکردگی کا جامع جائزہ فراہم کرتے ہیں۔

مالیاتی نتائج اور عملی کارکردگی

سال 2025 میں فروخت میں 1.51 فیصد کمی واقع ہوئی اور یہ 2025 کے 21,147.382 ملین روپے کے مقابلے میں 20,827.962 ملین روپے رہی۔ اس کمی کی بنیادی وجہ یاران کی بین انکمپنی فروخت میں اضافہ اور یاران کی قیمتوں میں کمی ہے۔ بعد از ٹیکس منافع گزشتہ سال کے 1.43 فیصد کے مقابلے میں بڑھ کر 3.56 فیصد ہو گیا، جس کے نتیجے میں فی شیئر آمدنی 7.26 روپے رہی جبکہ 2024 میں یہ 2.96 روپے تھی۔

لاگت فروخت 2024 میں فروخت 88.33 فیصد تھی جو 2025 میں کم ہو کر 86.7 فیصد رہ گئی، جو آپریشنل کارکردگی میں بہتری اور روٹی کی قیمتوں میں کمی کا نتیجہ ہے۔ اگرچہ برآمدی منڈی میں معمولی بہتری آئی ہے، تاہم مجموعی مارکیٹ حالات اب بھی چیلنجنگ ہیں جہاں بلند آپریشنل اخراجات اور مسابقتی دباؤ منافع پر اثر انداز ہو رہے ہیں۔

31 دسمبر 2025 کو اختتام پذیر ششماہی مدت کے مالی نتائج کا خلاصہ درج ذیل ہے (روپے ملین میں):

ملین روپے میں		تفصیلات
ششماہی اختتام شدہ		
31 دسمبر 2024	31 دسمبر 2025	
21,147.382	20,827.962	آمدنی
18,670.817	18,056.082	فروخت کی لاگت
2,476.565	2,771.880	مجموعی منافع
996.919	1,025.994	آپریٹنگ اخراجات نیٹ
1,776.816	2,005.706	آپریٹنگ منافع
1,138.154	732.397	مالیاتی لاگت
302.692	742.454	ٹیکس کے بعد منافع
2.96	7.26	فی تھمنس آمدنی - بنیادی اور کمزور (روپے)

موجودہ غیر یقینی اور اتار چڑھاؤ والی مارکیٹ صورتحال کے پیش نظر بورڈ آف ڈائریکٹرز نے کمپنی کی مالی پوزیشن کا جائزہ لینے کے بعد اس مدت کے لیے کسی عبوری منافع (انٹرم ڈیویڈنڈ) کی سفارش نہ کرنے کا فیصلہ کیا ہے۔

مستقبل کا جائزہ

انتظامیہ کو توقع ہے کہ عالمی ٹیکسٹائل طلب کے معمول پر آنے سے کارکردگی مستحکم رہے گی۔ کمپنی آپریشنل کارکردگی میں بہتری، لاگت کے مؤثر انتظام اور پائیدار طریقہ کار کو مضبوط بنانے پر توجہ مرکوز رکھے ہوئے ہے۔ روٹی کی خریداری مختلف عالمی ذرائع سے جاری رکھی جائے گی تاکہ سپلائی میں تسلسل برقرار رہے اور بین الاقوامی مارکیٹ میں قیمتوں کے اتار چڑھاؤ کے اثرات کم کیے جاسکیں۔

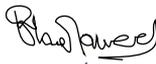
ایکسپورٹ فنڈز اسکیم کے خاتمے اور درآمدی یاران پر سٹیل ٹیکس کے نفاذ کے بعد مقامی یاران تیار کرنے والوں کے لیے مارکیٹ حالات سازگار ہو گئے ہیں۔ کمپنی بہتر پیداواری استعداد، مقامی ویلیو ایڈیشن اور برآمدی مسابقت میں اضافے سے فائدہ اٹھانے کی پوزیشن میں ہے۔

انتظامیہ مالی نظم و ضبط، جدید کاری اور ویلیو ایڈیشن کی تیاری پر مسلسل زور دے رہی ہے تاکہ منافع بخش کارکردگی برقرار رکھی جاسکے۔ ٹیکنالوجی، توانائی کی بچت اور پائیدار آپریشنز میں سرمایہ کاری کمپنی کی طویل مدتی ترقی کو مضبوط بناتی ہے۔

اعتراف

بورڈ آف ڈائریکٹرز اپنے معزز صارفین اور بینکوں اور ان کے مسلسل تعاون اور اعتماد پر تہہ دل سے شکر گزار ہے۔ ہم اپنے عملے اور کارکنان کی لگن اور محنت کو سراہتے ہیں جن کی خدمات ہماری کامیابی کا بنیادی حصہ ہیں۔ تمام اسٹیک ہولڈرز کے اعتماد اور تعاون پر ہم ان کے مشکور ہیں۔

منجانب بورڈ آف ڈائریکٹرز



شفاق جاوید

(ڈائریکٹر)



شفاق جاوید

(چیف ایگزیکٹو آفیسر)

فیصل آباد: 25 فروری 2026

Financial Statements

For the Half Year Ended 31 December 2025

Independent Auditor's Review Report

To the members of J.K. Spinning Mills Limited
Report on review of Condensed Interim Financial Statements

Introduction

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

Scope of Review

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

Conclusion

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

Other Matter

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

The engagement partner on the review resulting in this independent auditor's review report is Liaqat Ali Panwar.



RIAZ AHMAD & COMPANY
Chartered Accountants

Faisalabad

Date: 26 February 2026
UDIN: RR202510184UupQFM4DW

Condensed Interim Statement of Financial Position (Un-Audited)

As At 31 December 2025

	NOTE	Un-audited 31 December 2025 (RUPEES IN THOUSAND)	Audited 30 June 2025
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorized share capital			
200 000 000 (30 June 2025: 200 000 000) ordinary shares of Rupees 10 each		2,000,000	2,000,000
Issued, subscribed and paid up share capital		1,023,175	1,023,175
Reserves			
Capital reserves			
Merger reserve		289,636	289,636
Premium on issue of right shares		60,904	60,904
Surplus on revaluation of freehold land		551,378	631,792
		901,918	982,332
Revenue reserve - unappropriated profit		12,857,607	12,037,708
Total reserves		13,759,525	13,020,040
TOTAL EQUITY		14,782,700	14,043,215
LIABILITIES			
NON-CURRENT LIABILITIES			
Long term financing	3	2,658,919	3,143,263
Lease liability		15,341	23,060
Deferred income tax liability		144,729	-
Deferred income - Government grant		113,333	154,569
		2,932,322	3,320,892
CURRENT LIABILITIES			
Trade and other payables		3,491,615	3,771,774
Accrued mark-up		273,441	189,512
Short term borrowings		12,047,752	9,803,222
Current portion of non-current liabilities		967,803	857,704
Taxation and levy - net		-	21,708
Unclaimed dividend		858	749
		16,781,469	14,644,669
TOTAL LIABILITIES		19,713,791	17,965,561
CONTINGENCIES AND COMMITMENTS	4		
TOTAL EQUITY AND LIABILITIES		34,496,491	32,008,776

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



Faiq Jawed
Chief Executive Officer



Shaiq Jawed
Director



Khawaja Nadeem Abbas
Chief Financial Officer

Condensed Interim Statement of Financial Position (Un-Audited)

As At 31 December 2025

		Un-audited 31 December 2025	Audited 30 June 2025
	NOTE	(RUPEES IN THOUSAND)	
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	5	11,380,939	11,741,237
Right-of-use asset		42,554	47,282
Long term investment		-	-
Long term deposits		209,391	209,391
		11,632,884	11,997,910
CURRENT ASSETS			
Stores, spare parts and loose tools		389,397	359,154
Stock-in-trade		13,702,109	11,107,260
Trade debts		4,777,679	5,287,163
Advances		339,937	169,315
Short term deposits and prepayments		69,969	36,191
Other receivables		277,581	79,193
Sales tax refundable		2,190,272	1,763,176
Taxation and levy - net		12,560	-
Short term investments	6	754,391	649,302
Cash and bank balances		349,712	472,879
		22,863,607	19,923,633
Non-current assets classified as held for sale		-	87,233
		22,863,607	20,010,866
TOTAL ASSETS		34,496,491	32,008,776



Faiq Jawed
Chief Executive Officer



Shaiq Jawed
Director



Khawaja Nadeem Abbas
Chief Financial Officer

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

FOR THE HALF YEAR ENDED 31 DECEMBER 2025

	NOTE	Half year ended		Quarter ended	
		31 December	31 December	31 December	31 December
		2025	2024	2025	2024
		(RUPEES IN THOUSAND)		(RUPEES IN THOUSAND)	
Revenue		20,827,962	21,147,382	10,450,065	10,703,319
Cost of sales	7	(18,056,082)	(18,670,817)	(9,081,363)	(9,603,630)
Gross profit		2,771,880	2,476,565	1,368,702	1,099,689
Distribution cost		(670,127)	(666,025)	(374,853)	(317,390)
Administrative expenses		(283,458)	(279,792)	(125,371)	(126,493)
Other expenses		(72,409)	(51,102)	40,840	(27,693)
		(1,025,994)	(996,919)	(459,384)	(471,576)
		1,745,886	1,479,646	909,318	628,113
Other income		259,820	297,170	224,263	207,795
Profit from operations		2,005,706	1,776,816	1,133,581	835,908
Finance cost		(732,397)	(1,138,154)	(354,541)	(559,768)
Profit before levy and taxation		1,273,309	638,662	779,040	276,140
Levy		(135,331)	(161,337)	(73,627)	(3,998)
Profit before taxation		1,137,978	477,325	705,413	272,142
Taxation		(395,524)	(174,633)	(280,264)	(174,633)
Profit after Taxation		742,454	302,692	425,149	97,509
Earnings per share – basic and diluted (Rupees)		7.26	2.96	4.16	0.95

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



Faiq Jawed
Chief Executive Officer



Shaiq Jawed
Director



Khawaja Nadeem Abbas
Chief Financial Officer

Condensed Interim Statement of Comprehensive Income (Un-Audited)

FOR THE HALF YEAR ENDED 31 DECEMBER 2025

	Half year ended		Quarter ended	
	31 December 2025	31 December 2024	31 December 2025	31 December 2024
	(RUPEES IN THOUSAND)		(RUPEES IN THOUSAND)	
Profit after taxation	742,454	302,692	425,149	97,509
Other comprehensive income:				
Items that will not be reclassified to profit or loss in subsequent periods	-	-	-	-
Items that may be reclassified to profit or loss in subsequent periods	-	-	-	-
Other comprehensive income for the period	-	-	-	-
Total comprehensive income for the period	742,454	302,692	425,149	97,509

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



Faiq Jawed
Chief Executive Officer



Shaiq Jawed
Director



Khawaja Nadeem Abbas
Chief Financial Officer

Condensed Interim Statement of Changes In Equity (Un-Audited)

FOR THE HALF YEAR ENDED 31 DECEMBER 2025

	RESERVES						TOTAL EQUITY	
	SHARE CAPITAL			CAPITAL RESERVES				TOTAL
	SHARE CAPITAL	MERGER RESERVE	PREMIUM ON ISSUE OF RIGHT SHARES	SURPLUS ON REVALUATION OF FREEHOLD LAND	SUB TOTAL	REVENUE RESERVE		
Balance as at 30 June 2024 - (Audited)	1,023,175	289,636	60,904	597,419	947,959	11,523,847	12,471,806	
Profit for the half year ended 31 December 2024	-	-	-	-	-	302,692	302,692	
Other comprehensive income for the half year ended 31 December 2024	-	-	-	-	-	-	-	
Total comprehensive income for the half year ended 31 December 2024	-	-	-	-	-	302,692	302,692	
Balance as at 31 December 2024 - (Un-audited)	1,023,175	289,636	60,904	597,419	947,959	11,826,539	12,774,498	
Profit for the half year ended 30 June 2025	-	-	-	-	-	211,169	211,169	
Other comprehensive income for the half year ended 30 June 2025	-	-	-	34,373	34,373	-	34,373	
Total comprehensive income for the half year ended 30 June 2025	-	-	-	34,373	34,373	211,169	245,542	
Balance as at 30 June 2025 - (Audited)	1,023,175	289,636	60,904	631,792	982,332	12,037,708	13,020,040	
Transaction with owners:								
Final dividend for the year ended 30 June 2025 at the rate of Rupees 2 per share	-	-	-	-	-	(2,969)	(2,969)	
Surplus related to freehold land disposed of during the year	-	-	-	(80,414)	(80,414)	80,414	-	
Profit for the half year ended 31 December 2025	-	-	-	-	-	742,454	742,454	
Other comprehensive income for the half year ended 31 December 2025	-	-	-	-	-	-	-	
Total comprehensive income for the half year ended 31 December 2025	-	-	-	-	-	742,454	742,454	
Balance as at 31 December 2025 - (Un-audited)	1,023,175	289,636	60,904	551,378	901,918	12,857,607	13,759,525	

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



Faiz Jawed
Chief Executive Officer



Shaiq Jawed
Director



Khawaja Nadeem Abbas
Chief Financial Officer

CONDENSED INTERIM STATEMENT OF CASH FLOWS (UN-AUDITED)

FOR THE HALF YEAR ENDED 31 DECEMBER 2025

	NOTE	Half year ended	
		31 December 2025	31 December 2024
(RUPEES IN THOUSAND)			
Cash flows from operating activities			
Cash (used in) / generated from operations	8	(544,870)	823,266
Finance cost paid		(643,908)	(1,169,963)
Mark-up paid on leases liabilities		(2,404)	(4,233)
Income tax and levy paid		(420,394)	(324,536)
Net increase in long term deposits		-	(16,041)
Workers' profit participation fund paid		(61,894)	-
Net cash used in operating activities		(1,673,470)	(691,507)
Cash flows from investing activities			
Capital expenditure on property, plant and equipment		(215,066)	(213,993)
Proceeds from sale of property, plant and equipment		18,873	12,519
Proceeds from sale of investments		4,357	23,838
Investments made		(94,429)	(326,050)
Profit on saving accounts and term deposit receipts received		17,290	12,477
Net cash used in investing activities		(268,975)	(491,209)
Cash flows from financing activities			
Proceeds from long term financing		-	8,169
Repayment of long term financing		(416,619)	(450,769)
Repayment of lease liabilities		(6,487)	(5,654)
Short term borrowings - net		2,244,530	1,576,962
Dividend paid		(2,860)	-
Net cash from financing activities		1,818,564	1,128,708
Net decrease in cash and cash equivalents		(123,881)	(54,008)
Net foreign exchange difference on translating bank balances		714	(6,144)
Cash and cash equivalents at the beginning of the period		472,879	448,656
Cash and cash equivalents at the end of the period		349,712	388,504

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



Faiq Jawed
Chief Executive Officer



Shaiq Jawed
Director



Khawaja Nadeem Abbas
Chief Financial Officer

Selected Notes To The Condensed Interim Financial Statements (Un-Audited)

FOR THE HALF YEAR ENDED 31 DECEMBER 2025

1. THE COMPANY AND ITS ACTIVITIES

J.K. Spinning Mills Limited (the Company) is a public limited company incorporated in Pakistan on 07 January 1987 under the repealed Companies Ordinance, 1984 (Now Companies Act, 2017) and listed on Pakistan Stock Exchange Limited on 24 September 1990. Its registered office is situated at 34-Falcon Enclave, Tufail Road, Lahore Cantt. The head office and factory premises of the Company are located at 29-Kilometers, Sheikhpura Road, Faisalabad. The Company is a trans-provincial entity having its business operations in the Provinces of the Punjab and Sindh. The Company is engaged in business of textile manufacturing which comprises spinning, weaving, processing, stitching, buying, selling and otherwise dealing in yarn, fabrics and other goods.

2. BASIS OF PREPARATION

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

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

2.2 These condensed interim financial statements do not include all the information required for annual financial statements and should be read in conjunction with the annual financial statements of the Company for the year ended 30 June 2025.

2.3 Material accounting policy information

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

2.4 Critical accounting estimates and judgments

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

Judgements and estimates in the preparation of these condensed interim financial statements are the same as those that were applied to the annual audited financial statements of the Company for the year ended 30 June 2025.

2.5 Financial risk management

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

Selected Notes To The Condensed Interim Financial Statements (Un-Audited)

FOR THE HALF YEAR ENDED 31 DECEMBER 2025

	Un-audited 31 December 2025 (RUPEES IN THOUSAND)	Audited 30 June 2025
3. LONG TERM FINANCING		
From banking companies - secured		
Opening balance	3,889,894	3,535,230
Add:		
Obtained during the period / year	-	1,156,298
Amortization during the period / year	51,409	115,743
	3,941,303	4,807,271
Less: Repaid during the period / year	416,619	917,377
	3,524,684	3,889,894
Less: Current portion shown under current liabilities	865,765	746,631
	2,658,919	3,143,263

4. CONTINGENCIES AND COMMITMENTS

a) Contingencies

There is no significant change in the status of contingencies as disclosed in Note 13 to the annual audited financial statements of the Company for the year ended 30 June 2025, except as mentioned below:

- i) Post dated cheques of Rupees 6,093.993 million (30 June 2025: Rupees 6,239.813 million) have been issued to custom authorities in respect of duties on imported materials availed on the basis of consumption and export plans and to First Habib Modaraba against loan and mark-up on diminishing musharkah. If documents of exports / rentals are not provided / paid on due dates, issued cheques shall be encashable.

b) Commitments

- i) Letters of credit for capital expenditure are of Rupees 340.924 million (30 June 2025: Rupees 160.999 million).
- ii) Letters of credit other than for capital expenditure are of Rupees 2,643.227 million (30 June 2025: Rupees 2,127.536 million).
- iii) Outstanding foreign currency forward contracts are of Rupees 12,962.958 million (30 June 2025: Rupees 6,167.675 million).
- iv) Commitments arising from short term lease to be recognised on a straight line basis as expense under the practical expedient applied by the Company with respect to IFRS 16 are of Rupees 1.440 million (30 June 2025: Rupees 2.880 million) which are to be paid within one year (30 June 2025: within one year).
- v) The Company entered into an agreement with Universal Gas Distribution Company (Private) Limited for purchase of certain quantity of gas for a period of 10 years.

Selected Notes To The Condensed Interim Financial Statements (Un-Audited)

FOR THE HALF YEAR ENDED 31 DECEMBER 2025

	NOTE	Un-Audited 31 December 2025 (Rupees in thousand)	Audited 30 June 2025
5. PROPERTY, PLANT AND EQUIPMENT			
Operating fixed assets	5.1	11,195,560	10,745,841
Capital work-in-progress	5.2	185,379	995,396
		11,380,939	11,741,237
5.1 Operating fixed assets			
Opening book value		10,745,841	11,030,486
Add: Cost of additions during the period / year	5.1.1	1,025,083	931,034
Add: Surplus on revaluation of freehold land during the period / year		-	34,373
		1,025,083	965,407
		11,770,924	11,995,893
Less: Book value of deletions during the period / year	5.1.2	19,006	67,959
Less: Non-current assets classified as held for sale during the period / year		-	87,233
		19,006	155,192
		11,751,918	11,840,701
Less: Depreciation charged during the period / year		556,358	1,094,860
		11,195,560	10,745,841
5.1.1 Cost of additions during the period / year			
Freehold land		16,036	18,482
Buildings on freehold land		11,157	133,960
Plant and machinery		934,305	325,624
Factory tools and equipment		2,130	-
Electric installations and appliances		13,248	264,307
Vehicles		48,207	188,661
		1,025,083	931,034
5.1.2 Book value of deletions during the period / year			
Plant and machinery		-	47,845
Electric installations and appliances		-	175
Vehicles		19,006	19,939
		19,006	67,959

Selected Notes To The Condensed Interim Financial Statements (Un-Audited)

FOR THE HALF YEAR ENDED 31 DECEMBER 2025

NOTE	Un-Audited	Audited
	31 December 2025	30 June 2025
(Rupees in thousand)		
5.2 Capital work-in-progress		
Freehold land	11,138	27,009
Buildings on freehold land	63,846	59,676
Plant and machinery	-	873,644
Vehicles	110,395	35,067
	185,379	995,396
6 Short term investments		
At amortized cost	742,108	637,857
At Fair Value Through Profit or Loss (FVTPL)	12,283	11,445
	754,391	649,302

	(Un-audited)			
	Half year ended		Quarter ended	
	31 December 2025	31 December 2024	31 December 2025	31 December 2024
	----- (RUPEES IN THOUSAND) -----			
7. COST OF SALES				
Raw materials consumed	11,784,120	12,517,474	6,739,932	6,500,566
Stores, spare parts and loose tools consumed	960,300	772,627	486,010	419,855
Packing materials consumed	407,262	373,668	224,123	211,306
Processing, sizing and conversion charges	1,968,475	1,859,365	843,745	924,278
Fuel and power	1,996,583	2,136,635	1,019,008	993,411
Salaries, wages and other benefits	1,172,628	829,925	562,370	389,460
Repair and maintenance	18,597	20,199	9,159	8,485
Insurance	20,388	23,499	6,488	10,061
Other factory overheads	14,654	10,731	11,464	5,750
Depreciation on property, plant and equipment	503,389	479,662	255,810	240,118
	18,846,396	19,023,785	10,158,109	9,703,290

Selected Notes To The Condensed Interim Financial Statements (Un-Audited)

FOR THE HALF YEAR ENDED 31 DECEMBER 2025

	(Un-audited)			
	Half year ended		Quarter ended	
	31 December 2025	31 December 2024	31 December 2025	31 December 2024
----- (RUPEES IN THOUSAND) -----				
Work-in-process:				
Opening stock	1,260,764	1,105,335	1,205,217	1,390,842
Closing stock	(1,184,533)	(1,306,887)	(1,184,533)	(1,306,887)
	76,231	(201,552)	20,684	83,955
Cost of goods manufactured	18,922,627	18,822,233	10,178,793	9,787,245
Finished goods:				
Opening stock	4,253,464	3,627,585	4,022,579	3,595,386
Closing stock	(5,120,009)	(3,779,001)	(5,120,009)	(3,779,001)
	(866,545)	(151,416)	(1,097,430)	(183,615)
	18,056,082	18,670,817	9,081,363	9,603,630

	NOTE	(Un-audited)	
		Half year ended	
		31 December 2025	31 December 2024
(RUPEES IN THOUSAND)			
8. CASH (USED IN) / GENERATED FROM OPERATIONS			
Profit before taxation and levy		1,273,309	638,662
Adjustments for non-cash charges and other items:			
Depreciation on property, plant and equipment		556,358	537,943
Depreciation on right-of-use asset		4,728	5,910
Finance cost		732,397	1,138,154
Net unrealized exchange (gain) / loss		(3,162)	12,297
Allowance for expected credit losses - net		3,169	1,913
Provision for workers' welfare fund		-	12,324
Provision for workers' profit participation fund		45,500	32,431
Provision for doubtful advances		470	-
Other receivables written off		882	-
Loss / (gain) on sale of property, plant and equipment		133	(875)
Gain on sale of non-current assets held for sale		(112)	-
Gain on sale of investments at FVTPL		(767)	(10,298)
Profit on saving accounts and term deposit receipts		(31,540)	(31,962)
Unrealized gain on remeasurement of investments at FVTPL		(4,444)	(3,379)
Working capital changes	8.1	(3,121,791)	(1,509,854)
		(544,870)	823,266

Selected Notes To The Condensed Interim Financial Statements (Un-Audited)

FOR THE HALF YEAR ENDED 31 DECEMBER 2025

	NOTE	(Un-audited)	
		Half year ended	
		31 December 2025	31 December 2024
(RUPEES IN THOUSAND)			
8.1 Working capital changes			
(Increase) / decrease in current assets:			
Stores, spare parts and loose tools		(30,243)	(59,138)
Stock-in-trade		(2,594,849)	(2,910,597)
Trade debts		508,763	1,064,932
Advances		(171,092)	(189,992)
Short term deposits and prepayments		(29,334)	1,965
Other receivables		(199,270)	23,749
Sales tax refundable		(427,096)	754,647
		(2,943,121)	(1,314,434)
Decrease in trade and other payables		(178,670)	(195,420)
		(3,121,791)	(1,509,854)

9. TRANSACTIONS WITH RELATED PARTIES

The related parties comprise the associate, other related parties, employees' provident fund trust and key management personnel. The Company in the normal course of business carried out transactions with various related parties. Detail of transactions with related parties along with period end balances are as follows:

	(Un-audited)			
	Half year ended		Quarter ended	
	31 December 2025	31 December 2024	31 December 2025	31 December 2024
(RUPEES IN THOUSAND)				
i) Transactions				
Associate				
J.K. Tech (Private) Ltd (JKTPL)				
Service charges	1,440	1,320	720	660
Rental income	1,320	1,200	660	600
Expenses paid on behalf of JKTPL	267	70	267	9
Other related parties:				
Company's contribution to Employees' Provident Fund Trust	36,979	36,929	18,329	19,681
Remuneration paid to Chief Executive Officer, directors and executives	108,029	95,867	63,057	51,083
Vehicles sold to executives	16,239	10,842	1,968	1,161
Loans repaid to Chief Executive Officer and director	-	(500,000)	-	(700,000)
Dividend paid to executives	2	-	2	-

Selected Notes To The Condensed Interim Financial Statements (Un-Audited)

FOR THE HALF YEAR ENDED 31 DECEMBER 2025

	(Un-audited) 31 December 2025	Audited 30 June 2025
(RUPEES IN THOUSAND)		
<hr/>		
ii) Period end balances		
Associate		
Trade and other payables	-	72
Advances	75	-
Other related parties		
Trade and other payables	3,474	-
Advances	2,079	12,906

Selected Notes To The Condensed Interim Financial Statements (Un-Audited)

FOR THE HALF YEAR ENDED 31 DECEMBER 2025

10. SEGMENT INFORMATION

	Spinning		Fabric		Elimination of inter-segment transactions		Total Company	
	(Un-audited)		(Un-audited)		(Un-audited)		(Un-audited)	
	31 December 2025	31 December 2024	31 December 2025	31 December 2024	31 December 2025	31 December 2024	31 December 2025	31 December 2024
Revenue								
External Intersegment	7,998,138	9,053,377	12,829,824	12,094,005	-	-	20,827,962	21,147,382
	2,737,094	1,279,733	-	-	(2,737,094)	(1,279,733)	-	-
Cost of sales	10,735,232	10,333,110	12,829,824	12,094,005	(2,737,094)	(1,279,733)	20,827,962	21,147,382
Gross profit	(9,191,822)	(9,237,276)	(11,601,354)	(10,713,274)	2,737,094	1,279,733	(18,056,082)	(18,670,817)
	1,543,410	1,095,834	1,228,470	1,380,731	-	-	2,771,880	2,476,565
Distribution cost	(125,504)	(116,076)	(544,623)	(549,949)	-	-	(670,127)	(666,025)
Administrative expenses	(194,529)	(162,615)	(88,929)	(117,177)	-	-	(283,458)	(279,792)
Profit before levy and taxation and unallocated income and expenses	(320,033)	(278,691)	(633,552)	(667,126)	-	-	(953,585)	(945,817)
Unallocated income and expenses								
Other expenses	1,223,377	817,143	594,918	713,605	-	-	1,818,295	1,530,748
Other income							(72,409)	(51,102)
Finance cost							259,820	297,170
Levy							(732,397)	(1,138,154)
Taxation							(135,331)	(161,337)
Profit after taxation							(395,524)	(174,633)
							742,454	302,692

10.1 Reconciliation of reportable segment assets and liabilities:

	Spinning		Fabric		Total Company	
	(Audited)		(Audited)		(Audited)	
	31 December 2025	30 June 2025	31 December 2025	30 June 2025	31 December 2025	30 June 2025
Total assets for reportable segments						
Sales tax refundable	21,452,375	20,359,766	10,841,284	9,685,834	32,293,659	30,245,600
Advance income tax - net					2,190,272	1,763,176
Total assets as per condensed interim statement of financial position					12,560	-
					34,496,491	32,008,776
Total liabilities for reportable segments						
Derived income tax liability	12,321,139	10,926,468	7,247,923	6,741,763	19,569,062	17,668,231
Unallocated liabilities						
Taxation and levy - net					144,729	-
Other unallocated liabilities					45,500	21,708
Total liabilities as per condensed interim statement of financial position					19,713,791	17,965,561

All segment liabilities are allocated to reportable segments other than corporate liabilities.

Selected Notes To The Condensed Interim Financial Statements (Un-Audited)

FOR THE HALF YEAR ENDED 31 DECEMBER 2025

Spinning (Un-audited)		Fabric (Un-audited)		Total Company (Un-audited)	
Half year ended		Half year ended		Half year ended	
31 December 2025	31 December 2024	31 December 2025	31 December 2024	31 December 2025	31 December 2024

----- (RUPEES IN THOUSAND) -----

10.2 Geographical Information

The Company's revenue from external customers by geographical locations is detailed below:

Europe	-	9,110,503	8,560,177	9,110,503	8,560,177
North America	-	2,457,272	2,540,371	2,457,272	2,540,371
South America	-	190,309	435,366	190,309	435,366
Asia	-	76,573	216,938	76,573	216,938
Australia	-	651,047	-	651,047	-
Africa	-	31,103	49,710	31,103	49,710
Pakistan	7,998,138	282,908	250,199	8,281,046	9,303,576
Export rebate	-	30,109	41,244	30,109	41,244
	7,998,138	12,829,824	12,094,005	20,827,962	21,147,382

10.3 The Company's revenue from external customers in respect of products is detailed below:

Yarn	7,881,756	8,632,936	5,563	7,933,548	8,638,499
Fabric	-	-	2,888,734	2,530,403	2,888,734
Made ups	-	-	9,037,415	10,183,775	9,037,415
Processing income	116,382	420,441	93,278	58,932	93,278
Waste	7,998,138	9,053,377	69,015	121,304	489,456
	7,998,138	12,829,824	12,094,005	20,827,962	21,147,382

Selected Notes To The Condensed Interim Financial Statements (Un-Audited)

FOR THE HALF YEAR ENDED 31 DECEMBER 2025

11. RECOGNIZED FAIR VALUE MEASUREMENTS - FINANCIAL INSTRUMENTS

Fair value hierarchy

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

	Level 1	Level 2	Level 3	Total
----- (Rupees in thousand) -----				
Recurring fair value measurements				
FINANCIAL ASSETS:				
At 31 December 2025 - (Un-audited)				
At fair value through profit or loss	12,283	-	-	12,283
Derivative financial assets	-	219,901	-	219,901
	12,283	219,901	-	232,184
At 30 June 2025 - (Audited)				
At fair value through profit or loss	11,445	-	-	11,445
	11,445	-	-	11,445
Financial liabilities				
At 31 December 2025 - (Un-audited)				
Derivative financial assets	-	-	-	-
	-	-	-	-
At 30 June 2025 - (Audited)				
Derivative financial assets	-	64,332	-	64,332
	-	64,332	-	64,332

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

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

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

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

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

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

Selected Notes To The Condensed Interim Financial Statements (Un-Audited)

FOR THE HALF YEAR ENDED 31 DECEMBER 2025

12. DISCLOSURE REQUIREMENT FOR COMPANY NOT ENGAGED IN SHARIAH NON-PERMISSIBLE BUSINESS ACTIVITIES AS ITS CORE BUSINESS ACTIVITIES

Description	(Un-audited)	Audited
	31 December 2025	30 June 2025
(RUPEES IN THOUSAND)		
Financing (long-term, short-term, or lease financing) obtained as per Islamic mode		
Short term borrowings	2,570,434	1,484,780
Long term financing	589,068	679,403
Interest or mark-up accrued on any conventional loan or advance		
Short term borrowings	397,906	1,086,869
Long term financing	147,312	261,122
Long-term and short-term Shariah compliant Investments		
Short term investments	10,379	9,080
Shariah-compliant bank deposits, bank balances, and TDRs	68,116	83,371
Description	(Un-audited)	(Un-audited)
	31 December 2025	31 December 2024
(RUPEES IN THOUSAND)		
Revenue earned from shariah compliant business segment	20,827,962	21,147,382
Gain or loss or dividend earned on Shariah compliant investments or share of profit from Shariah-compliant associates		
Dividend income	126	477
Unrealized gain on remeasurement of investments at FVTPL	2,540	2,596
Realized gain on sale of investments	767	10,301
Profit earned from Shariah Compliant bank deposits, bank balances or TDRs	22	24
Exchange gain earned from actual currency - net	-	233,627
Profit paid on Islamic mode of financing	103,836	267,045
Source and detailed breakup of other income, including breakup of other or miscellaneous portions of other income into Shariah-compliant and non-compliant income		
Shariah-compliant		
Dividend income on investments at FVTPL	126	477
Unrealized gain on remeasurement of investments at FVTPL	2,540	2,479
Gain on sale of investments at FVTPL	767	10,301
Profit on saving accounts and TDRs	22	24
Net exchange gain	-	158,557
Reversal of allowance for expected credit losses	140	-
Rental income	1,320	1,200
Scrap sales	1,438	15,360
Gain on disposal of operating fixed assets - net	-	875
Gain on disposal of non-current asset held for sale	112	-
Non-compliant		
Profit on saving accounts and TDRs	31,537	31,938

Selected Notes To The Condensed Interim Financial Statements (Un-Audited)

FOR THE HALF YEAR ENDED 31 DECEMBER 2025

Description	(Un-audited)	(Un-audited)
	31 December 2025	31 December 2024
	(RUPEES IN THOUSAND)	
Dividend income on investments at FVTPL	13	106
Unrealized gain on remeasurement of investments at FVTPL	1,904	666
Unrealised exchange gain on forward contracts	219,901	72,009
Exchange gain earned using conventional derivative financial instruments - net	-	3,061

There was no late payment or liquidated damages during the period.

Relationship with Shariah-compliant financial institutions, including banks, takaful operators and their windows, etc

Name	Relationship
Meezan Bank Limited	Bank balances, long term financing and short term borrowings
Dubai Islamic Bank Pakistan Limited	Bank balance and short term borrowings
BankIslami Pakistan Limited	Bank balance and short term borrowings
First Habib Modaraba	Long term financing
Al Baraka Bank (Pakistan) Limited	Bank balance
Faysal Bank Limited	Bank balance

13. DATE OF AUTHORIZATION FOR ISSUE

These condensed interim financial statements were approved and authorized for issue on February 25, 2026 by the Board of Directors of the Company.

14. CORRESPONDING FIGURES

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

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

15. GENERAL

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



Faiq Jawed
Chief Executive Officer



Shaiq Jawed
Director



Khawaja Nadeem Abbas
Chief Financial Officer

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