



THE PREMIER SUGAR MILLS & DISTILLERY COMPANY LIMITED

**CONDENSED INTERIM
CONSOLIDATED FINANCIAL INFORMATION
FOR THE NINE MONTHS PERIOD
ENDED JUNE 30, 2025
(UN-AUDITED)**

THE PREMIER SUGAR MILLS & DISTILLERY CO., LIMITED

COMPANY INFORMATION

Board of Directors

Abbas Sarfaraz Khan
Ms. Najda Sarfaraz
Ms. Zarmine Sarfaraz
Mr. Iskander M. Khan
Mr. Nusrat Ali Khan
Mr. Shahbaz Haider Agha
Ms. Shahida Ahmad

Chief Executive
Chairperson
Director
Director
Director
Independent Director
Independent Director

Company Secretary

Mr. Mujahid Bashir

Chief Financial Officer

Mr. Rizwan Ullah Khan

Head of Internal Audit

Mr. Zaheer Mir

Auditors

M/s. Shinewing Hameed Chaudhri & Co.
Chartered Accountants

Tax Consultants

M/s. Shinewing Hameed Chaudhri & Co.
Chartered Accountants

Legal Advisors

Mr. Ishaq Ali Qazi
Advocate

Shares Registrar

M/s. Hameed Majeed Associates (Pvt.) Limited
H.M. House, 7- Bank Square, Lahore
Phone No.: 042-37235081 Fax No : 042-37235083

Bankers

Bank Al- Habib Limited
MCB Bank Limited
Allied Bank Limited
Bank Al Falah Limited
Habib Bank Limited

The Bank of Khyber
United Bank Limited
The Bank of Punjab
Soneri Bank Limited
National Bank of Pakistan

THE PREMIER SUGAR MILLS & DISTILLERY CO., LIMITED

DIRECTORS' REVIEW REPORT

The Directors are pleased to present the un-audited condensed interim financial information of the Company for the nine months' period that ended on June 30, 2025. This condensed interim financial information is presented to the shareholders of the Company in compliance with the International Accounting Standard No. 34 "Interim Financial Reporting", the Code of Corporate Governance, under Section 237 of the Companies Act, 2017 and the Listed Companies (Code of Corporate Governance) Regulations, 2019.

FINANCIAL PERFORMANCE

The Company incurred a loss after taxation of Rs. 322.871 million for the nine-month period ended June 30, 2025, compared to a profit of Rs. 134.966 million in the same period last year. Despite a significant rise in net sales to Rs. 1.442 billion from Rs. 527 million in the previous year, the Company's profitability continued to decline due to ongoing operational and cost challenges. The increase in sales was mainly driven by the Ethanol Division, which contributed a large portion of the revenue and partially reduced the overall impact of losses from the Sugar Division.

OPERATIONAL PERFORMANCE

DISTILLERY DIVISION

During the reporting period, the Ethanol Division outperformed expectations, producing 8,321 metric tons of ethanol. It recorded total sales of Rs. 1.268 billion, with Rs. 1.101 billion generated from exports and Rs. 166 million from local sales. The division posted a healthy gross profit and segment operating profit, reflecting the successful operation of the upgraded ethanol plant and improved access to international markets, which played a key role in this strong performance.

SUGAR DIVISION

The company is facing tough competition from the tax-free commercial gur manufacturing, causing sugarcane prices in the area to be 30% higher than in other regions, coupled with the reduced sugarcane availability compared to previous years. The management has decided to close the sugar operations to prepare for the next crushing season.

FUTURE OUTLOOK/ECONOMICAL CHALLENGES

- The European Commission has suspended Pakistan's Generalized Scheme of Preferences Plus (GSP+) status for ethanol imports, effective June 20, 2025. The suspension follows a request submitted in May 2024 by six EU member states, citing concerns over Pakistan's ethanol exports disrupting the EU market since 2022. This development is expected to adversely affect

the Company's ethanol sales to the European market and may lead to pressure on margins and a potential decline in profitability in the upcoming periods.

ACCOUNTING POLICIES

The accounting policies adopted in the preparation of this quarterly condensed interim financial information are the same as applied in the preparation of the preceding annual financial statements of the Company.

ACKNOWLEDGEMENT

The Directors appreciate the spirit of good work done by the Company's staff at all levels.

FOR AND ON BEHALF OF THE BOARD



(ABBAS SARFARAZ KHAN)
Chief Executive



(ISKANDER M. KHAN)
Director

Mardan:
July 28, 2025

دی پرنیمیر شوگر ملز اینڈ ڈسٹلری کمپنی لمیٹڈ

ڈائریکٹرز کی جائزہ رپورٹ

ڈائریکٹرز 30 جون 2025 کو ختم ہونے والی نو ماہ کی مدت کے لئے کمپنی کی غیر آڈٹ شدہ عبوری مالی معلومات پیش کرنے پر خوش ہیں۔ کمپنی ایکٹ 2017 کی دفعہ 237 اور لسٹڈ کمپنیز (کوڈ آف کارپوریٹ گورننس) ریگولیشنز، 2019 کے تحت کارپوریٹ گورننس کوڈ، انٹرنیشنل اکاؤنٹنگ اسٹینڈرڈ نمبر 34 "عبوری مالیاتی رپورٹنگ"، کوڈ آف کارپوریٹ گورننس کی تعمیل میں کمپنی کے شیئر ہولڈرز کو یہ مختصر عبوری مالی معلومات پیش کی جاتی ہیں۔

مالی کارکردگی

کمپنی کو 30 جون 2025ء کو ختم ہونے والے نو ماہ کی مدت کے دوران 322.871 ملین روپے کے بعد از ٹیکس خسارے کا سامنا کرنا پڑا جو گزشتہ سال کے اسی عرصے میں 134.966 ملین روپے کے منافع کے مقابلے میں گزشتہ سال کے 527 ملین روپے سے بڑھ کر 1.442 ارب روپے تک پہنچ گیا تھا، جاری آپریشنل اور لاگت کے چیلنجز کے باعث کمپنی کے منافع میں مسلسل کمی جاری رہی۔ فروخت میں اضافہ بنیادی طور پر ایتھنول ڈویژن کی طرف سے کیا گیا تھا، جس نے آمدنی کا ایک بڑا حصہ ڈالا اور شوگر ڈویژن سے نقصانات کے مجموعی اثرات کو جزوی طور پر کم کر دیا۔

آپریشنل کارکردگی

ڈسٹیلری ڈویژن

رپورٹنگ کی مدت کے دوران، ایتھنول ڈویژن نے توقعات سے بہتر کارکردگی کا مظاہرہ کرتے ہوئے 8,321 میٹرک ٹن ایتھنول پیدا کیا۔ اس کی مجموعی فروخت 1.268 ارب روپے ریکارڈ کی گئی جس میں سے 1.101 ارب روپے برآمدات اور 166 ملین روپے مقامی فروخت سے حاصل ہوئے۔ ڈویژن نے ایک صحت مند مجموعی منافع اور سیگمنٹ آپریشنل منافع حاصل کیا، جو اپ گریڈ شدہ ایتھنول پلانٹ کے کامیاب آپریشن اور بین الاقوامی مارکیٹوں تک بہتر رسائی کی عکاسی کرتا ہے، جس نے اس مضبوط کارکردگی میں کلیدی کردار ادا کیا۔

شوگر ڈویژن

کمپنی کو ٹیکس فری کمرشل گوڑ مینوفیکچرنگ سے سخت مقابلے کا سامنا ہے جس کی وجہ سے علاقے میں گنے کی قیمتیں دیگر علاقوں کے مقابلے میں 30 فیصد زیادہ ہیں اور اس کے ساتھ ساتھ پچھلے سالوں کے مقابلے میں گنے کی دستیابی میں کمی واقع ہوئی ہے۔ انتظامیہ نے اگلے کرشنگ سیزن کی تیاری کے لیے شوگر آپریشن بند کرنے کا فیصلہ کیا ہے۔

مستقبل کا نقطہ نظر / معاشی چیلنجز

یورپی کمیشن نے پاکستان کی ایتھنول درآمدات کے لیے جزلائڈ اسکیم آف پریفرنسز۔ پلس (جی ایس پی پلس) کا درجہ معطل کر دیا ہے جس کا اطلاق 20 جون 2025 سے ہوگا۔ یہ معطلی یورپی یونین کے چھرکن ممالک کی جانب سے مئی 2024 میں جمع کرائی گئی درخواست کے بعد کی گئی تھی، جس میں پاکستان کی ایتھنول کی درآمدات سے 2022 کے بعد سے یورپی یونین کی ملکیت میں خلل پڑنے پر خدشات کا اظہار کیا گیا تھا۔ توقع ہے کہ اس پیش رفت سے یورپی ملکیت میں کمپنی کی ایتھنول کی فروخت پر منفی اثر پڑے گا اور طے والے ادوار میں ملجن پر دباؤ اور منافع میں ممکنہ کمی ہوسکتی ہے۔

اکاؤنٹنگ پالیسیاں

اس سہ ماہی عبوری مالی معلومات کی تیاری میں اختیار کی جانے والی اکاؤنٹنگ پالیسیاں وہی ہیں جو کمپنی کے پچھلے سالانہ مالی بیانات کی تیاری میں لاگو ہوتی ہیں۔

اعتراف

ڈائریکٹرز ہر سطح پر کمپنی کے عملے کی جانب سے کیے گئے اچھے کام کے جذبے کو سراہتے ہیں۔

بورڈ کے لئے اور اس کی طرف سے



(اسکندر ایم خان)
ڈائریکٹر



(عباس سرفراز خان)
چیف ایگزیکٹو

مردان:

28 جولائی، 2025

The Premier Sugar Mills & Distillery Company Limited
Unconsolidated Condensed Interim Statement of Financial Position as At June 30, 2025

| | | Un-audited June 30, 2025 | Audited Sep. 30, 2024 |
|---|------|--------------------------------|-----------------------------|
| | Note | (Rupees in thousand) | |
| Assets | | | |
| Non-current Assets | | | |
| Property, plant and equipment | 5 | 3,466,260 | 3,405,361 |
| Investment property | | 19,442 | 19,633 |
| Long term investments | 6 | 170,006 | 170,006 |
| Security deposits | | 2,059 | 1,809 |
| | | <u>3,657,767</u> | <u>3,596,809</u> |
| Current Assets | | | |
| Stores and spares | | 186,246 | 131,585 |
| Stock-in-trade | 7 | 751,766 | 240,950 |
| Trade debts, unsecured-considered good | | 76,015 | 29 |
| Advances | 8 | 40,176 | 33,669 |
| Trade deposits and short-term prepayments | 9 | 6,160 | 5,119 |
| Other receivables | 10 | 13,303 | 6,924 |
| Sales tax refundable | | 278,611 | 0 |
| Income tax refundable, advance tax and tax deducted at source | | 48,329 | 19,166 |
| Bank balances | 11 | 86,789 | 62,217 |
| | | <u>1,487,395</u> | <u>499,659</u> |
| Total Assets | | <u>5,145,162</u> | <u>4,096,468</u> |
| Equity and Liabilities | | | |
| Share Capital and Reserves | | | |
| Authorised capital | | 57,500 | 57,500 |
| Issued, subscribed and paid-up capital | | <u>37,500</u> | <u>37,500</u> |
| Capital reserves | | | |
| - share redemption | | 1 | 1 |
| - revaluation surplus on property, plant and equipment | | 1,338,783 | 1,439,748 |
| General revenue reserve | | 900,000 | 900,000 |
| Accumulated loss | | <u>(731,186)</u> | <u>(509,280)</u> |
| Shareholders' Equity | | <u>1,545,098</u> | <u>1,867,969</u> |
| Non-current Liabilities | | | |
| Long term finances | | 856,532 | 839,102 |
| Lease liabilities | | 5,954 | 5,835 |
| Staff retirement benefits - gratuity | | 38,605 | 43,345 |
| Deferred taxation | | 10,376 | 95,603 |
| | | <u>911,467</u> | <u>983,885</u> |
| Current Liabilities | | | |
| Trade and other payables | 12 | 643,957 | 407,485 |
| Contract liabilities | | 228,005 | 36,538 |
| Unclaimed dividends | | 7,470 | 7,470 |
| Accrued mark-up | | 122,375 | 93,881 |
| Loan from subsidiary company | | 350,000 | 0 |
| Short term borrowings | | 1,112,851 | 524,323 |
| Current portion of non-current liabilities | | 177,106 | 147,015 |
| Taxation | | 46,833 | 27,902 |
| | | <u>2,688,597</u> | <u>1,244,614</u> |
| Total Liabilities | | <u>3,600,064</u> | <u>2,228,499</u> |
| Contingencies and Commitments | 13 | | |
| Total Equity and Liabilities | | <u>5,145,162</u> | <u>4,096,468</u> |

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



Chief Executive



Director



Chief Financial Officer

The Premier Sugar Mills & Distillery Company Limited
Unconsolidated Condensed Interim Statement of Profit
or Loss and Other Comprehensive Income (Un-audited)
For the Quarter and Nine Months Period Ended June 30, 2025

| | | For the Quarter | | Nine Months Ended | |
|------------------------------------|------|--------------------------------|------------|-------------------|-----------|
| | | April-June | April-June | Oct.-June | Oct.-June |
| | | 2025 | 2024 | 2025 | 2024 |
| | Note | ----- Rupees in thousand ----- | | | |
| Sales | 14 | 946,054 | 110,612 | 1,497,666 | 622,144 |
| Less: sales tax | | (32,197) | (16,873) | (55,778) | (94,903) |
| Sales - net | | 913,857 | 93,739 | 1,441,888 | 527,241 |
| Cost of sales | | (775,487) | (215,262) | (1,425,283) | (939,377) |
| Gross profit / (loss) | | 138,371 | (121,523) | 16,606 | (412,136) |
| Distribution cost | | (110,831) | (383) | (162,388) | (2,899) |
| Administrative expenses | | (34,906) | (30,316) | (95,934) | (104,481) |
| Other income | 15 | 10,572 | 588,358 | 77,033 | 681,275 |
| Other expenses | 16 | 7 | (4) | (787) | (4) |
| Profit / (loss) from operations | | 3,212 | 436,133 | (165,471) | 161,756 |
| Finance cost | | (96,326) | (62,280) | (223,695) | (184,547) |
| (Loss) / profit before taxation | | (93,114) | 373,853 | (389,166) | (22,791) |
| Taxation | 17 | 73,332 | 173,504 | 66,295 | 157,756 |
| (Loss)/ profit after taxation | | (19,782) | 547,358 | (322,871) | 134,966 |
| Other comprehensive income | | 0 | 0 | 0 | 0 |
| Total comprehensive (loss)/ profit | | (19,782) | 547,358 | (322,871) | 134,966 |
| | | ----- Rupees ----- | | | |
| (Loss)/ earning per share | | (5) | 146 | (86) | 36 |

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


Chief Executive


Director


Chief Financial Officer

The Premier Sugar Mills & Distillery Company Limited
Unconsolidated Condensed Interim Statement of Cash Flows (Un-audited)
For The Nine Months Ended June 30, 2025

| | Nine Months Ended | |
|---|-----------------------------|--------------------|
| | June 30, | June 30, |
| | 2025 | 2024 |
| | (Rupees in thousand) | |
| Cash flows from operating activities | | |
| Profit / (loss) for the period - before taxation | (389,166) | (22,791) |
| Adjustments for non-cash charges and other items: | | |
| Depreciation on property, plant and equipment | 221,772 | 170,671 |
| Depreciation on investment property | 191 | 201 |
| Unclaimed payable balances written-back | 0 | (525) |
| Profit on bank deposits | (5,827) | (4,054) |
| Gain on sale of vehicles | (35) | (586,208) |
| Staff retirement benefits - gratuity (net) | (4,740) | 5,231 |
| Dividends from Subsidiary Company and Associated Company | 0 | (68,755) |
| Finance cost | 223,695 | 184,547 |
| (Loss) / profit before working capital changes | 45,891 | (321,683) |
| Effect on cash flows due to working capital changes | | |
| Decrease / (increase) in current assets: | | |
| Stores and spares | (54,661) | (7,810) |
| Stock-in-trade | (510,816) | (1,174,187) |
| Trade debts | (75,986) | (69,641) |
| Advances | (6,507) | 141,362 |
| Trade deposits and short term prepayments | (1,041) | (1,868) |
| Other receivables | (6,379) | 3,472 |
| Sales tax refundable | (278,611) | (45,174) |
| Increase / (decrease) in trade and other payables | 427,939 | 120,794 |
| | (506,062) | (1,033,051) |
| Net Cash generated from / (used in) operations | (460,171) | (1,354,735) |
| Income tax paid | (250) | (0) |
| Income tax paid | (29,163) | (21,499) |
| Net cash generated from/ (used in) operating activities | (489,585) | (1,376,234) |
| Cash flows from investing activities | | |
| Additions to property, plant and equipment | (282,673) | (802,512) |
| Sale proceeds of vehicles | 36 | 590,850 |
| Advance received against non-current assets classified as held for sale | 0 | (539,965) |
| Dividends received | 0 | 68,755 |
| Profit received bank deposits | 5,827 | 4,054 |
| Net cash generated from / (used in) investing activities | (276,810) | (678,818) |
| Cash flows from financing activities | | |
| Long term finances obtained | 47,521 | 702,899 |
| Loan from a subsidiary company | 350,000 | 0 |
| Lease finances - net | 119 | 4,466 |
| Short term borrowings - net | 588,528 | 1,329,965 |
| Finance cost paid | (195,201) | (92,136) |
| Net cash (used in) / generated from financing activities | 790,966 | 1,945,194 |
| Net (decrease)/ increase in cash and cash equivalents | 24,572 | (109,857) |
| Cash and cash equivalents - at beginning of the period | 62,217 | 120,095 |
| Cash and cash equivalents - at end of the period | 86,789 | 10,238 |

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



Chief Executive



Director



Chief Financial Officer

THE PREMIER SUGAR MILLS & DISTILLERY COMPANY LIMITED
Unconsolidated Condensed Interim Statement Of Changes In Equity (Un-Audited)
FOR THE NINE MONTHS PERIOD ENDED JUNE 30, 2025

| | Share capital | Reserves | | | Revaluation surplus on Property, plant and equipment | Accumul-ated loss | Total |
|---|---------------|-------------------|----------------|----------------|--|-------------------|------------------|
| | | Capital | Revenue | Sub-total | | | |
| | | Share redempt-ion | General | | | | |
| ----- Rupees in thousand ----- | | | | | | | |
| Balance as at September 30, 2023 | 37,500 | 1 | 900,000 | 900,001 | 1,634,949 | (532,693) | 2,039,757 |
| Total comprehensive income / (loss) for the period | | | | | | | |
| Profit after taxation for the nine months ended June 30, 2024 | 0 | 0 | 0 | 0 | 0 | 134,966 | 134,966 |
| Transfer from surplus on revaluation of property, plant and equipment on account of incremental depreciation for the period | | | | | | | |
| -net of deferred taxation | 0 | 0 | 0 | 0 | (100,965) | 100,965 | 0 |
| Balance as at June 30, 2024 | 37,500 | 1 | 900,000 | 900,001 | 1,533,984 | (296,762) | 2,174,723 |
| Total comprehensive income / (loss) for the period | | | | | | | |
| Loss after taxation for the three months ended Sep 30, 2024 | 0 | 0 | 0 | 0 | 0 | (308,077) | (308,077) |
| Transfer from surplus on revaluation of property, plant and equipment on account of incremental depreciation for the period | | | | | | | |
| -net of deferred taxation | 0 | 0 | 0 | 0 | (94,236) | 94,236 | 0 |
| Other comprehensive income | 0 | 0 | 0 | 0 | 0 | 1,323 | 1,323 |
| Balance as at September 30, 2024 | 37,500 | 1 | 900,000 | 900,001 | 1,439,748 | (509,280) | 1,867,969 |
| Total comprehensive loss for the period | | | | | | | |
| Loss after taxation for the nine months ended June 30, 2025 | 0 | 0 | 0 | 0 | | (322,871) | (322,871) |
| Transfer from surplus on revaluation of property, plant and equipment on account of incremental depreciation for the period | | | | | | | |
| -net of deferred taxation | 0 | 0 | 0 | 0 | (100,965) | 100,965 | 0 |
| Balance as at June 30, 2025 | 37,500 | 1 | 900,000 | 900,001 | 1,338,783 | (731,186) | 1,545,098 |

The annexed notes form an integral part of this condensed interim financial information.



Chief Executive



Director



Chief Financial Officer

The Premier Sugar Mills & Distillery Company Limited
Notes to the unconsolidated condensed interim financial statements (Un-audited)
For the Nine Months Period Ended June 30, 2025

1. Legal status and nature of business

The Premier Sugar Mills & Distillery Company Limited (the Company) was incorporated on July 24, 1944 as a Public Company and its shares are quoted on Pakistan Stock Exchange Ltd. The Company is principally engaged in manufacture and sale of white sugar and spirit. The Company's Mills and Registered Office are located at Mardan (Khyber Pakhtunkhwa) whereas the Head Office is situated at King's Arcade, 20-A, Markaz F-7, Islamabad. The Company has shifted its distillery from Mardan to Ramak Dera Ismail Khan during the financial year ended September 30, 2020.

2. Basis of preparation

2.1 Statement of Compliance

These unconsolidated condensed interim financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan for interim 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 IFRS standards, the provisions of and directives issued under the Companies Act, 2017 have been followed.

2.2 These interim financial statements do not include all the information required for full annual financial statements and should be read in conjunction with the annual audited financial statements of the Company as at and for the year ended September 30, 2024.

2.3 The comparative unconsolidated condensed interim statement of financial position presented in these interim financial statements has been extracted from the audited financial statements of the Company for the year ended September 30, 2024, whereas the unconsolidated condensed comparative interim statement of profit or loss & other comprehensive income, unconsolidated condensed interim statement of changes in equity and unconsolidated condensed interim statement of cash flows have been extracted from the un-audited condensed interim financial statements for the period ended June 30, 2024.

2.4 These interim financial statements are un-audited and are being submitted to the shareholders as required by the listing regulations of Pakistan Stock Exchange Ltd. vide section 237 of the Companies Act, 2017.

2.5 Basis of measurement

These interim financial statements have been prepared under the historical cost convention except for the Company's liability under defined benefit plan (gratuity), which is determined on the present value of defined benefit obligations determined by an independent actuary, liabilities against assets subject to finance lease at present value of minimum lease payments and property, plant and equipment at revalued amounts assessed by an independent valuer.

2.6 Functional and presentation currency

These condensed interim financial statements are presented in Pak Rupees, which is also the Company's functional currency. All amounts have been rounded to the nearest thousand, unless otherwise stated.

3. Significant accounting policies

The accounting policies and methods of computation adopted in the preparation of these condensed interim financial statements are the same as those applied in the preparation of audited annual financial statements of the Company as at ended September 30, 2024.

3.1 Changes in accounting standards, interpretations and pronouncements

a) Standards and amendments to approved accounting and reporting standards that are effective

There are certain amendments and interpretations to the accounting and reporting standards, which are mandatory for the Company's annual accounting period commenced on October 01, 2022. However, these do not have any significant impact on the Company's financial reporting and, therefore, have not been disclosed in these condensed interim financial statements.

b) Standards and amendments to approved accounting and reporting standards that are not yet effective

There are certain amendments and interpretations to the accounting and reporting standards, that will be mandatory for the Company's annual accounting periods commencing on or after January 01, 2021. However, these will not have any material impact on the Company's financial reporting and, therefore, have not been disclosed in these condensed interim financial statements.

4. Accounting estimates, judgments and financial risk management

4.1 The preparation of condensed interim financial statements in conformity with accounting and reporting standards, as applicable in Pakistan, requires management to make judgments, estimates and assumptions that affect the application of the accounting policies and reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments about the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

4.2 The significant judgments made by the management in applying the Company's accounting policies and the key sources of estimation uncertainty were the same as those that were applied to the annual audited financial statements of the Company as at and for the year ended September 30, 2024.

4.3 The Company's financial risk management objectives and policies are consistent with those disclosed in the audited annual financial statements as at and for the year ended September 30, 2024.

4.4 The Company follows the practice of conducting actuarial valuation annually at the year-end. Hence, the impact of remeasurement of staff retirement benefits - gratuity has not been incorporated in these condensed interim financial statements.

5. Property, plant and equipment

Un-audited
Note June 30, 2025
(Rupees in
thousand)

| | |
|-------------------------|------------------|
| Operating fixed assets | 5.1 3,318,846 |
| Capital work in process | 147,413 |
| | <u>3,466,260</u> |

5.1 Operating fixed assets

| | |
|--|------------------|
| Book value at beginning of the period - audited | 2,191,100 |
| Additions during the period | |
| - furniture, fittings & offices equipment | 1,491 |
| - Vehicles (right of use assets) | 4,612 |
| - plant and machinery | 1,340,205 |
| - buildings on freehold land | 3,005 |
| - vehicles disposal | (116) |
| - Railway rolling stock and vehicles | 323 |
| Depreciation charge for the period | (221,772) |
| Book value at end of the period - un-audited | <u>3,318,846</u> |

6. Long term investments

Market values of the Company's quoted investments in Chashma Sugar Mills Ltd. (a Subsidiary Company) and Arpak International Investments Ltd. (an Associated Company) at period-end were Rs.839.636 million (September 30, 2024: Rs.825.060 million) and Rs.13.164 million (September 30, 2024: Rs.11.782 million) respectively.

7. Stock-in-trade

| | Note | Un-audited June 30, 2025 (Rupees in thousand) | Audited Sep 30, 2024 |
|-----------------|------|--|----------------------------|
| In-process | | | |
| - sugar | | 23,432 | 23,432 |
| - molasses | | <u>3,597</u> | <u>3,948</u> |
| | | 27,029 | 27,380 |
| Finished goods: | | | |
| - sugar | | 0 | 139,132 |
| - molasses | | 402,536 | 74,438 |
| - ethanol | | <u>322,201</u> | |
| | | 724,737 | 213,570 |
| | | <u>751,766</u> | <u>240,950</u> |

8. Advances - Considered good

| | | | |
|---------------------------|--|---------------|---------------|
| Suppliers and contractors | | 34,435 | 27,500 |
| Employees | | 5,742 | 6,169 |
| | | <u>40,176</u> | <u>33,669</u> |

9. Trade deposits and short term prepayments

| | | | |
|-----------------------------------|-----|--------------|--------------|
| Excise duty deposit | | 136 | 136 |
| Short term prepayments | | 3,162 | 2,121 |
| Deposits against decretal amounts | 9.1 | 2,862 | 2,862 |
| | | <u>6,160</u> | <u>5,119</u> |

9.1 These have been deposited with the Commissioner for Workers' Compensation and Authority under the Payment of Wages Act, 2013 for Mardan.

10. Other receivables

| | Note | Un-audited June 30, 2025 (Rupees in thousand) | Audited Sep. 30, 2024 |
|--|------|--|-----------------------------|
| Sugar export subsidy | | 2,991 | 2,991 |
| Gas infrastructure development cess paid under protest – refundable | | 3,018 | 3,018 |
| Others | | 7,294 | 915 |
| | | <u>13,303</u> | <u>6,924</u> |

11. Bank balances

Cash at banks on:

| | | | |
|---|------|---------------|---------------|
| - PLS accounts | | 11,565 | 981 |
| - current accounts | | 71,490 | 57,502 |
| - deposit accounts | 11.1 | 8,734 | 8,734 |
| | | <u>91,789</u> | <u>67,217</u> |
| Less: provision for doubtful bank balance | | 5,000 | 5,000 |
| | | <u>86,789</u> | <u>62,217</u> |

11.1 These include deposits amounting Rs.3.734 million (September 30, 2024: Rs.3.734 million), which are under lien of a bank against guarantees issued by it in favor of Sui Northern Gas Pipelines Ltd. on behalf of the Company.

11.2 The Company has not accrued profit on these deposits during the current period and preceding financial years.

12. Trade and other payables

| | Un-audited June 30, 2025 (Rupees in thousand) | Audited Sep 30, 2024 |
|--|--|----------------------------|
| Due to related parties: | | |
| - Chashma Sugar Mills Ltd. (Subsidiary Company) | 208,564 | 98,126 |
| - The Frontier Sugar Mills & Distillery Ltd.(Subsidiary Company) | 1,411 | 8 |
| - Azlak Enterprises (Pvt) Ltd. (Associated Company) | 30,338 | 21,529 |
| - Syntron Ltd. (Associated Company) | 14,927 | 14,927 |
| - Syntronics Ltd. (Associated Company) | 157 | 157 |
| - Ultimate Whole Food (Private) Limited | 4,087 | |
| Creditors | 262,113 | 145,066 |
| Accrued expenses | 47,739 | 55,654 |
| Due to employees | 6,985 | 4,560 |
| Deposits from contractors and others | 11,080 | 1,031 |
| Income tax deducted at source | 41,522 | 22,704 |
| Sales tax payable | 0 | 29,448 |
| Gratuity payable to ex-employees | 5,816 | 5,816 |
| Employees' provident fund payable | 8,747 | 7,791 |
| Others | 470 | 668 |
| | <u>643,957</u> | <u>407,485</u> |

13. Contingencies and commitments**13.1**

There has been no significant change in the status of contingencies as disclosed in note 25 to the financial statements of the Company for the year ended September 30, 2024.

13.2 The Company's appeal filed before the Peshawar High Court (PHC) against order of the Customs; Sales Tax & Central Excise Appellate Tribunal is still pending adjudication. The Department, during the financial year ended September 30, 2001, had raised sales tax demand aggregating Rs.4.336 million along with additional tax. The Company, however, during the financial year ended September 30, 2005, had paid sales tax amounting Rs.2.123 million along with additional tax amounting Rs.0.658 million as per the requirements of S.R.O. 247(I) / 2004 dated May 05, 2004.

- 13.3** Petitions filed before the Supreme Court of Pakistan (SCP) against imposition of Gas Infrastructure Development Cess (GIDC) were dismissed vide judgment dated August 13, 2020 in 2-1 ratio. The SCP's judgment stated that the cess under GIDC Act, 2015 was levied on those consumers of natural gas which on account of their industrial or commercial dealings had passed on GIDC burden to their customers. The SCP's judgment stated that no late payment surcharge would be collected while the GIDC amount that had become due upto July 31, 2020 would be recovered in 24 equal monthly instalments. Based on this judgment, the Company has filed the a writ petition before the PHC challenging the demand of GIDC arrears amounting Rs. 29.936 million on the ground that the Company has not passed on GIDC burden to its customers. The PHC, vide its order dated September 19, 2021, has granted interim relief.
- 13.4** The Company's petition filed before the PHC, against the Government of Khyber Pakhtunkhwa's notification dated August 12, 2015 in which minimum wages for unskilled workers was fixed at Rs.12,000 per month with effect from July 01, 2014 was dismissed by the PHC vide its judgment dated April 02, 2019. The Company has filed a review petition before the PHC against the said judgment; the additional wage liabilities aggregate Rs.2.359 million approximately.
- 13.5** The sales tax appeal filed before the Appellate Tribunal Inland Revenue (ATIR), Peshawar against ex-parte order passed by the CIR(A) was succeeded vide order dated March 29, 2018. The assessment order dated June 23, 2016 was passed by the DCIR, Peshawar in violation of SRO 488(I)/2004 dated June 12, 2014; the Company claimed input tax to the tune of Rs.41.672 million against the supplies to unregistered persons. A withdrawal application has been filed before the ATIR, Peshawar in pursuance of the aforesaid rectification order.
- 13.6** The DCIR for the tax year 2013 initially has held the Company as taxpayer-in-default for non-deduction of tax on certain supplies / services and tax demand was raised at Rs.77.750 million under section 161 (Failure to pay tax collected or deducted) along with default surcharge of Rs.4.730 million under section 205 (Default surcharge) of the Income Tax Ordinance, 2001 (the Ordinance). The Company filed rectification application under section 221 of the Ordinance and the demand was reduced to Rs.237,360. Against the said demand, the Company has filed an appeal before the CIR(A), who dismissed the Company's appeal. Presently, the Company's appeal against the CIR(A)'s order is pending before the ATIR, Peshawar.
- 13.7** The Company has filed a writ petition before the PHC challenging Federal Government Order No.1(1) 2020 ROP dated July 16, 2021 and Provincial Government Order No.13/12-Sugar /IND / Vol-V / 7862 dated July 16, 2021 issued under section 6 of the Price Control and Prevention of Profiteering and Hoarding Act ,1977 whereby the retail price of sugar at the rate of Rs.88.24 per kilo gram was fixed. The PHC, vide its order dated July 30, 2021, has allowed interim relief and ordered that in the meanwhile status quo be maintained.
- 13.8**
- 13.9**

Various cases have been filed against the Company by some former employees. Based on legal advice, no provision has been made in the books of account.

Guarantees given to Sui Northern Gas Pipelines Ltd. by commercial banks on behalf of the Company outstanding as at June 30, 2024 were for Rs.37.340 million (September 2024: Rs.37.340 million).

14. Sales - Net

| | Quarter ended | | Nine Months Ended | |
|--------------|---------------------------------------|------------------|--------------------------|------------------|
| | June 30, 2025 | June 30, 2024 | June 30, 2025 | June 30, 2024 |
| Sales | ----- Rupees in thousand ----- | | | |
| Local | 202,933 | 110,612 | 357,523 | 622,144 |
| Export | 743,122 | 0 | 1,140,144 | 0 |
| | 946,054 | 110,612 | 1,497,666 | 622,144 |

15. Other income

| | | Un-audited nine months ended | |
|---|-------------|---|--------------------------|
| | | June 30, 2025 | June 30, 2024 |
| | Note | (Rupees in thousand) | |
| Income from financial assets: | | | |
| Profit on bank deposits and saving accounts | | 5,827 | 4,054 |
| Dividend from a Subsidiary Company | | 0 | 68,755 |
| Income from other than financial assets: | | | |
| Un-claimed payable balances written-back | | 0 | 525 |
| Sale of agricultural produce - net | | 18,373 | 20,028 |
| Gain on sale of fixed assets | | 35 | 586,208 |
| Miscellaneous | | 52,798 | 1,704 |
| | | <u>77,033</u> | <u>681,275</u> |

16. Other expenses

| | | | |
|---------------|--|------------|----------|
| Exchange loss | | 787 | 0 |
| Others | | 0 | 4 |
| | | <u>787</u> | <u>4</u> |

17. Taxation

| | | | |
|----------|------|-----------------|------------------|
| Current | 17.1 | 18,932 | 16,926 |
| Deferred | | (85,227) | (174,682) |
| | | <u>(66,295)</u> | <u>(157,756)</u> |

17.1 The Company during the current period and preceding years is mainly liable to pay tax due under sections 5 (Tax on dividends), 113 (Minimum tax on the income of certain persons) and 154 (Exports) of the income Tax Ordinance, 2001 (the Ordinance).

18. Operating segment

Upto June 30, 2025, the Company considered itself to be a single reportable segment on the basis of its internal reporting structure. The Company's reportable segments during the current period are as follows:

- Sugar - Distillery

18.1 Segment operating results for the nine months period ended June 30, 2025

| | Sugar Division June 30, 2025 | Ethanol Division June 30, 2025 | Total |
|--|---|---|------------------|
| Sales | | | |
| - Local | 191,290 | 166,233 | 357,523 |
| - Export | 38,747 | 1,101,397 | 1,140,144 |
| | 230,037 | 1,267,629 | 1,497,666 |
| Less: sales tax | (30,421) | (25,358) | (55,778) |
| Sales - net | 199,617 | 1,242,272 | 1,441,888 |
| Cost of sales | (451,823) | (973,460) | (1,425,283) |
| Gross (loss) / profit | (252,206) | 268,812 | 16,606 |
| Distribution cost | (1,951) | (160,438) | (162,388) |
| Other Expenses | - | (787) | (787) |
| Administrative expenses | (93,759) | (2,175) | (95,934) |
| | (95,709) | (163,400) | (259,110) |
| (Loss) / profit from operations (segment results) | (347,915) | 105,411 | (242,504) |
| Other income | | | <u>77,033</u> |
| | | | <u>(165,471)</u> |
| Finance cost | | | (223,695) |
| Loss before taxation | | | (389,166) |
| Taxation | | | 66,295 |
| Loss after taxation | | | <u>(322,871)</u> |

18.2 Segment assets and liabilities

| | Un-audited Nine Months Ended | |
|-------------------------------------|---------------------------------|--------------------|
| | June 30, 2025 | June 30, 2025 |
| Sugar | Assets | Liabilities |
| | 3,421,140 | 3,357,071 |
| Ethanol | 1,724,022 | 242,990 |
| Total for reportable segment | 5,145,162 | 3,600,064 |

19. Transactions with related parties

19.1

The Company has related party relationship with its Subsidiary and Associated Companies, employee benefit plans, its directors and key management personnel. Transactions with related parties are carried-out on arm's length basis. There were no transactions with key management personnel other than under the terms of employment. Aggregate transactions with Subsidiary and Associated Companies during the period were as follows:

| | Un-audited nine months ended | |
|--|---------------------------------|------------------|
| | June 30, 2025 | June 30, 2024 |
| | (Rupees in thousand) | |
| Subsidiary Companies: | | |
| - purchase of store items | 24,197 | 3,839 |
| - markup on loan from Subsidiary Company | 29,833 | 0 |
| - temporary loan from Subsidiary Company | 350,000 | 0 |
| - receipt against sale of building | 0 | 50,885 |
| - dividend | 0 | 68,755 |
| - rent expense | 86 | 86 |
| - Expenses paid by the Company | 7,775 | 3,489 |
| - Expenses paid on behalf of the Company | 172,476 | 40,678 |
| Associated Companies: | | |
| - purchase of store items | 5,710 | 14,927 |

19.2 Receivables from and payables to Subsidiary and Associated Companies have been disclosed in notes 10 and 14 respectively to these unconsolidated condensed interim financial statements.

19.3 Return has not been charged on the current account balances of Subsidiary and Associated Companies as these have arisen due to normal trade dealings.

20. Corresponding figures

Corresponding figures have been re-arranged and re-classified, wherever necessary, for the purposes of comparison; however, no significant re-classifications / re-statements have been made to these condensed interim financial statements.

21. Date of authorization for issue

These unconsolidated condensed interim financial statements were approved and authorized for issue by the Board of Directors of the Company on July 28, 2025.



Chief Executive



Director



Chief Financial Officer



THE PREMIER SUGAR MILLS & DISTILLERY COMPANY LIMITED

**CONDENSED INTERIM
UNCONSOLIDATED FINANCIAL INFORMATION
FOR THE NINE MONTHS PERIOD
ENDED JUNE 30, 2025
(UN-AUDITED)**

The Premier Sugar Mills & Distillery Company Limited
Condensed Interim Consolidated Statement of Financial Position As At June 30, 2025

| | | Un-audited June 30, 2025 (Rupees in thousand) | Audited Sep. 30, 2024 |
|---|-------------|--|-----------------------------|
| Assets | Note | | |
| Non-current assets | | | |
| Property, plant and equipment | 7 | 25,155,865 | 29,649,297 |
| Right-of-use assets | 8 | 365,859 | 326,003 |
| Investment property | | 19,442 | 19,633 |
| Long term investments | 9 | 179,726 | 203,917 |
| Security deposits | | 17,495 | 17,244 |
| Deferred tax asset | | 487,647 | 192,100 |
| | | <u>26,226,034</u> | <u>30,408,194</u> |
| Current assets | | | |
| Stores and spares | 10 | 891,165 | 913,342 |
| Stock-in-trade | 11 | 14,106,956 | 4,986,667 |
| Trade debts | 12 | 1,430,940 | 440,448 |
| Loans and advances | 13 | 1,397,287 | 1,121,798 |
| Trade deposits, short term prepayments and other receivables | 14 | 288,152 | 126,370 |
| Tax refunds due from the Government | | 270,928 | 466,899 |
| Income tax refundable | | 845,662 | 0 |
| Short term investments | 15 | 82 | 78 |
| Bank balances | 16 | 1,389,664 | 1,114,598 |
| | | <u>20,620,836</u> | <u>9,170,200</u> |
| Total assets | | <u>46,846,869</u> | <u>39,578,394</u> |
| Equity and liabilities | | | |
| Share capital and reserves | | | |
| Authorised capital | | 57,500 | 57,500 |
| Issued, subscribed and paid-up capital | | <u>37,500</u> | <u>37,500</u> |
| Capital reserves | | | |
| - share redemption | | 1 | 1 |
| - revaluation surplus on property, plant and equipment | | 4,556,716 | 5,929,257 |
| General revenue reserve | | 1,010,537 | 1,010,537 |
| Unappropriated profit | | <u>1,642,424</u> | <u>285,358</u> |
| Equity attributable to equity holders of the Holding Company | | <u>7,247,178</u> | <u>7,262,653</u> |
| Non-controlling interest | | <u>6,836,193</u> | <u>8,017,411</u> |
| | | <u>14,083,371</u> | <u>15,280,064</u> |
| Non-current liabilities | | | |
| Long term finances | 17 | 3,504,442 | 6,265,941 |
| Loans from related parties | 18 | 137,472 | 153,547 |
| Lease liabilities | 19 | 196,656 | 165,814 |
| Government Grant | | 32,973 | 49,696 |
| Deferred liabilities | 20 | 1,115,955 | 3,306,111 |
| | | <u>4,987,498</u> | <u>9,941,109</u> |
| Current liabilities | | | |
| Trade and other payables | 21 | 4,148,049 | 2,188,735 |
| Contract Liabilities | | 228,005 | 36,538 |
| Unclaimed dividends | | 23,547 | 23,149 |
| Accrued mark-up | | 991,658 | 461,443 |
| Short term borrowings | 22 | 20,426,076 | 9,671,811 |
| Current portion of non-current liabilities | 23 | 1,323,605 | 1,556,429 |
| Dividends payable to non-controlling interest | | 0 | 572 |
| Taxation | | 635,061 | 418,544 |
| | | <u>27,776,000</u> | <u>14,357,221</u> |
| Total liabilities | | <u>32,763,498</u> | <u>24,298,330</u> |
| Contingencies and commitments | 24 | | |
| Total equity and liabilities | | <u>46,846,869</u> | <u>39,578,394</u> |

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


Chief Executive


Director


Chief Financial Officer

The Premier Sugar Mills & Distillery Company Limited
Condensed Interim Consolidated Statement of Profit or Loss
For The Quarter And Nine Month Period Ended June 30, 2025

| | Note | Quarter ended June 30 2025 | June 30 2024 | Nine month period ended June 30 2025 | June 30 2024 |
|---|------|----------------------------------|-----------------|--|-----------------|
| ----- Rupees in thousand ----- | | | | | |
| Sales | | | | | |
| - local | | 5,635,470 | 11,252,907 | 15,642,265 | 22,645,189 |
| - export | | 2,521,615 | 1,533,573 | 7,183,842 | 5,540,412 |
| | | 8,157,084 | 12,786,480 | 22,826,106 | 28,185,601 |
| Less: sales tax, other government levies and discounts | | | | | |
| | | -777,625 | -1,467,498 | -2,094,965 | -2,998,329 |
| Sales - net | | 7,379,459 | 11,318,982 | 20,731,141 | 25,187,272 |
| Cost of sales | | -6,137,888 | -11,453,218 | (19,382,093) | (22,581,654) |
| Gross profit/ (loss) | | 1,241,572 | -134,236 | 1,349,049 | 2,605,618 |
| Selling and distribution expenses | | -411,158 | -240,313 | -1,092,596 | -720,290 |
| Administrative and general expenses | | -481,422 | -469,806 | -1,380,427 | -1,220,602 |
| Net impairment losses on financial assets | | 0 | 0 | 0 | 0 |
| Other income | | 51,015 | 32,242 | 669,627 | 170,069 |
| Other expenses | | (2,059) | 13,290 | -4,811 | 3,172 |
| Profit/ (loss) from operations | | 397,948 | -798,824 | -459,158 | 837,967 |
| Finance cost | | -1,053,534 | -1,553,887 | -3,246,205 | -3,806,593 |
| | | -655,586 | -2,352,711 | -3,705,363 | -2,968,627 |
| Share of profit / (loss) from Associated Companies | 9 | -6,154 | 789 | -11,819 | -11,819 |
| (Loss) before income tax, minimum tax and final levies | | -661,740 | -2,351,922 | -3,717,182 | -2,980,446 |
| Final taxes- levy | | 0 | 0 | -203,304 | (55,404) |
| (Loss) before income tax | | -661,740 | -2,351,922 | -3,920,486 | -3,035,850 |
| Taxation | | | | | |
| Group | | | | | |
| - current | | -18,932 | -175,526 | -18,932 | -233,025 |
| - prior year | | 0 | 0 | 0 | 0 |
| - deferred | | 311,514 | 470,976 | 1,507,604 | 741,977 |
| | | 292,582 | 295,450 | 1,488,672 | 508,952 |
| Associated Companies | 9 | -74 | -23 | -77 | -77 |
| | | 292,508 | 295,427 | 1,488,595 | 508,875 |
| (Loss) after taxation | | -369,232 | -2,056,495 | -2,431,891 | -2,526,975 |
| Attributable to : | | | | | |
| - Equity Holders of the Holding Company | | -187,858 | -1,122,551 | -1,343,211 | -1,493,259 |
| - Non-controlling interest | | -181,374 | -933,944 | -1,088,680 | -1,033,716 |
| | | -369,232 | -2,056,495 | -2,431,891 | -2,526,975 |
| ----- Rupees ----- | | | | | |
| Combined (loss) per share | | -50.10 | -299.35 | -358.19 | -398.20 |

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



Chief Executive



Director



Chief Financial Officer

The Premier Sugar Mills & Distillery Company Limited
Condensed Interim Consolidated Statement of Other Comprehensive Income (Un-audited)
For The Quarter And Nine Month Period Ended June 30, 2025

| | Quarter ended | | Nine month period ended | |
|---|--------------------------------|-------------------|-------------------------|-------------------|
| | June 30, 2025 | June 30, 2024 | June 30, 2025 | June 30, 2024 |
| | ----- Rupees in thousand ----- | | | |
| Profit after taxation | -369,232 | -2,056,495 | -2,431,891 | -2,526,975 |
| Other comprehensive income | | | | |
| Item that may be reclassified subsequently to profit or loss: | | | 1,318,586 | -391,319 |
| Share of other comprehensive income from Associated Companies | 6,530 | 6,530 | 7,402 | 7,402 |
| Total comprehensive income/ (loss) | -362,702 | -2,049,964 | -1,105,903 | -2,910,891 |
| Attributable to: | | | | |
| - Equity holders of the Holding Company | 731,474 | -1,010,752 | -17,223 | -1,877,175 |
| - Non-controlling interest | -1,094,176 | -1,039,212 | -1,088,680 | -1,033,716 |
| | -362,702 | -2,049,964 | -1,105,903 | -2,910,891 |

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



Chief Executive



Director



Chief Financial Officer

The Premier Sugar Mills & Distillery Company Limited
Condensed Interim Consolidated Statement of Changes in Equity (Un-audited)
For The Nine Month Period Ended June 30, 2025

| | ----- Attributable to equity holders of the Holding Company----- | | | | | | Non- controlling interest | Total equity |
|---|--|---------------------|---|--------------------|---------------------------------|------------|---------------------------------|--------------|
| | Share capital | Reserves | | | | Total | | |
| | | Capital | | General revenue | Unappropriated profit/(Loss) | | | |
| | | Share redemption | Revaluation surplus on property, plant and equipment | | | | | |
| ----- Rupees in thousand ----- | | | | | | | | |
| Balance as at September 30, 2023 | 37,500 | 1 | 5,804,999 | 1,010,537 | 2,342,927 | 9,195,965 | 8,608,832 | 17,804,797 |
| Transaction with owners: | | | | | | | | |
| - Cash dividend at the rate of Rs.5.00 per ordinary share for the year ended September 30, 2023 | 0 | 0 | 0 | 0 | -143,460 | -143,460 | | -143,460 |
| Total comprehensive income: | | | | | | | | |
| Profit for the nine month period ended June 30, 2024 | 0 | 0 | 0 | 0 | -1,493,259 | -1,493,259 | -1,033,716 | -2,526,975 |
| Other comprehensive income | 0 | 0 | 0 | 0 | -383,917 | -383,917 | 0 | -383,917 |
| Effect of items directly credited in equity by Associated Companies | 0 | 0 | 0 | 0 | -1,877,175 | -1,877,175 | -1,033,716 | (2,910,891) |
| Transfer from revaluation surplus on property, plant and equipment (net of deferred taxation) | 0 | 0 | 0 | 0 | 0 | 0 | 90,558 | 90,558 |
| - on account of incremental depreciation | 0 | 0 | -501,660 | 0 | 501,660 | 0 | 0 | 0 |
| Balance as at June 30, 2024 | 37,500 | 1 | 5,303,339 | 1,010,537 | 461,342 | 7,314,379 | 7,665,674 | 14,836,593 |
| Balance as at September 30, 2024 | 37,500 | 1 | 5,929,257 | 1,010,537 | 285,358 | 7,262,653 | 8,017,411 | 15,280,064 |
| Transaction with owners: | | | | | | | | |
| - Cash dividend at the rate of Rs.5.00 per ordinary share for the year ended September 30, 2024 | 0 | 0 | 0 | 0 | 0 | 0 | | 0 |
| Total comprehensive income: | | | | | | | | |
| Loss for the nine month period ended June 30, 2025 | 0 | 0 | 0 | 0 | -1,343,211 | -1,343,211 | -1,088,680 | -2,431,891 |
| Other comprehensive loss | 0 | 0 | 0 | 0 | 1,325,988 | 1,325,988 | 0 | 1,325,988 |
| Effect of items directly credited in equity by Associated Companies | 0 | 0 | 0 | 0 | 1,748 | 1,748 | 0 | 1,748 |
| Transfer from revaluation surplus on property, plant and equipment (net of deferred taxation) | 0 | 0 | 480,259 | 0 | -480,259 | 0 | 0 | 0 |
| Disposal | | | -1,167,459 | | 1,167,459 | | | |
| - on account of incremental depreciation | 0 | 0 | -685,341 | 0 | 685,341 | 0 | -92,538 | -92,538 |
| Balance as at June 30, 2025 | 37,500 | 1 | 4,556,716 | 1,010,537 | 1,642,424 | 7,247,178 | 6,836,193 | 14,083,371 |

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

Chief Executive

Director

Chief Financial Officer

The Premier Sugar Mills & Distillery Company Limited
Condensed Interim Consolidated Statement of Cash Flows (Un-audited)
For The Quarter And Nine Month Period Ended June 30, 2025

Nine month period ended
June 30, June 30,
2025 2024
(Rupees in thousand)

Cash flows from operating activities

| | | |
|---|----------------|------------------|
| Profit/ (loss) for the period - before taxation | -3,920,486 | (3,035,850) |
| Adjustments for non-cash charges and other items: | | |
| Depreciation on property, plant and equipment | 1,776,331 | 1,531,863 |
| Depreciation on right-of-use assets | 73,156 | 64,953 |
| Depreciation on investment property | 191 | 4,843 |
| Loss from Associated Companies | 11,819 | 11,819 |
| Mark-up / profit on bank deposits and saving accounts | -486,714 | 0 |
| Un-claimed payable balances written-back | 0 | 0 |
| Gain on sale of operating fixed assets | -16,342 | 0 |
| Gain on redemption and re-measurement of short term investments to fair value | -4 | (568) |
| Reversal of impairment loss for doubtful debts | 0 | 0 |
| Finance cost | 3,246,205 | 3,806,593 |
| Profit before working capital changes | 684,156 | 2,383,654 |

Effect on cash flows due to working capital changes

(Increase) / decrease in current assets

| | | |
|--|------------|-------------|
| Stores and spares | 22,177 | 66,929 |
| Stock-in-trade | -9,120,289 | -10,589,128 |
| Trade debts | -990,492 | 75,972 |
| Loans and advances | -275,489 | -749,225 |
| Trade deposits, short term prepayments and other receivables | -161,782 | -18,472 |
| Sales tax refundable -net | 0 | 0 |
| Increase in trade and other payables | 2,150,781 | -184,516 |
| | -8,375,094 | -11,398,440 |

Cash used in operations

| | | |
|--|----------|----------|
| Taxation - net | -452,107 | -452,915 |
| Security deposits | -251 | -260 |
| Staff retirement benefits - gratuity (net) | -3,743 | 9,466 |

Net cash used in operating activities

Cash flows from investing activities

| | | |
|--|-----------|------------|
| Additions to property, plant and equipment | -365,253 | -1,410,395 |
| Sale proceeds of operating fixed assets | 3,699,117 | 47,045 |
| Dividend received | 0 | 0 |
| Short term investments - made | 0 | 0 |
| - redeemed | 0 | 9,301 |
| Mark-up / profit received on bank deposits and saving accounts | 486,714 | 0 |

Net cash used in investing activities

Cash flows from financing activities

| | | |
|---|------------|------------|
| Long term finances and loans from related parties - net | -3,173,868 | 688,158 |
| Lease liabilities - net | -145,733 | -116,023 |
| Government grant | 32,974 | 56,077 |
| Short term borrowings - net | 10,343,965 | 12,832,851 |
| Finance cost paid | -2,455,637 | -2,668,755 |
| Dividends paid | -174 | -72,491 |

Net cash generated from financing activities

Net increase in cash and cash equivalents

| | | |
|---|------------------|----------------|
| Cash and cash equivalents - at beginning of the period | 1,114,598 | 950,611 |
| Cash and cash equivalents - at end of the period | 1,389,664 | 857,884 |

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



Chief Executive



Director



Chief Financial Officer

The Premier Sugar Mills & Distillery Company Limited
Notes To The Condensed Interim Consolidated Financial Statements (Un-audited)
For The Nine Month Period Ended June 30, 2025

1. The Group and its operations

1.1 The Premier Sugar Mills & Distillery Company Ltd. (the Holding Company)

The Holding Company was incorporated on July 24, 1944 as a Public Company and its shares are quoted on Pakistan Stock Exchange Ltd. The Holding Company is principally engaged in manufacture and sale of white sugar and spirit. The Holding Company's Mills and Registered Office are located at Mardan (Khyber Pakhtunkhwa) whereas the Head Office is situated at King's Arcade, 20-A, Markaz F-7, Islamabad. The Holding Company has shifted its distillery from Mardan to Ramak, Dera Ismail Khan during the financial year ended September 30, 2020.

1.2 Subsidiary Companies and Sub-subsidiary Companies

(a) Chashma Sugar Mills Ltd. (CSML)

CSML was incorporated in Pakistan on May 05, 1988 as a Public Limited Company, under the repealed Companies Ordinance, 1984 (repealed upon enactment of the Companies Act, 2017 on May 30, 2017) and commenced its commercial production from October 01, 1992. CSML has its shares quoted on the Pakistan Stock Exchange Ltd. CSML is principally engaged in manufacturing, production, processing, compounding, preparation and sale of sugar, other allied compound, intermediates and allied products. CSML is a Subsidiary of The Premier Sugar Mills & Distillery Company Ltd. The head office of CSML is situated at King's Arcade, 20-A, Markaz F-7, Islamabad and its manufacturing facilities are located at Dera Ismail Khan, Khyber Pakhtunkhwa.

The Holding Company directly and indirectly controls / beneficially owns more than fifty percent of CSML's paid-up capital and also has the power to elect and appoint more than fifty percent of its directors; accordingly, CSML has been treated a Subsidiary with effect from the financial year ended September 30, 2010.

(b) Whole Foods (Pvt.) Ltd. (WFPL)

WFPL - 100% owned Subsidiary of CSML was incorporated in Pakistan as a Private Limited Company under the Companies Act, 2017 on October 26, 2017. The principal activity of WFPL is to set-up, manage, supervise and control the storage facilities for agricultural produce.

(c) Ultimate Whole Foods (Pvt.) Ltd. (UWFPL)

UWFPL (Subsidiary of CSML) was incorporated in Pakistan as a Private Limited Company under the Companies Act, 2017 on May 17, 2021. The objective of UWFPL is to set-up mills for milling wheat, gram, other grains and other allied products and by-products from flours. The operations of UWFPL have not yet been started. CSML holds 72% shares of UWFPL.

(d) The Frontier Sugar Mills and Distillery Ltd. (FSM)

FSM was incorporated on March 31, 1938 as a Public Company and its shares were quoted on all the Stock Exchanges of Pakistan; FSM was delisted from the Stock Exchanges as detailed in paragraph 1.2(c) to the consolidated financial statements for the year ended September 30, 2022. The principal activity of FSM was manufacturing and sale of white sugar and its Mills and Registered Office are located at Takht-I-Bhai, Mardan (Khyber Pakhtunkhwa). FSM is a Subsidiary of The Premier Sugar Mills & Distillery Company Ltd.

Going concern basis

The financial statements of FSM have been prepared on going concern basis despite the uncertainties detailed below that may cast doubt about FSM's ability to continue as a going concern:

- FSM's production facilities are closed since the year 2008 due to diversion of entire sugarcane crop to Gur making;
- the small size of the plant is not economical to run; and
- FSM has been suffering losses over the years; accumulated loss as at June 30, 2025 aggregated Rs.151.067 million.

The financial statements of FSM have been prepared on going concern basis as the management is exploring different avenues / options for future purposes, which include but are not limited to flour mills and other industrial / commercial projects. The management is of the view that with the start of these projects, FSM will be able to cover losses and continue as a going concern. FSM is in possession of property, plant and equipment having carrying values of Rs.1.146 billion at the reporting date, which may be utilised for proposed future projects. Further, being part of Premier Group of Companies, FSM also enjoys financial backing from the Group.

1.3

For the purpose of these condensed interim consolidated financial statements, the Holding Company, CSML and its Subsidiaries and FSM are referred to as the Group.

2. Basis of preparation

2.1 Statement of compliance

These condensed interim consolidated financial statements (the interim consolidated financial statements) for nine month period ended June 30, 2025 have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting. The accounting and reporting standards as applicable in Pakistan for interim financial reporting comprise of:

- International Accounting Standard (IAS) 34, *Interim Financial Reporting*, issued by the International Accounting 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 interim consolidated financial statements do not include all of the information required for full annual financial statements and should be read in conjunction with the audited consolidated financial statements of the Group as at and for the year ended September 30, 2024. Selected explanatory notes are included to explain events and transactions that are significant to the understanding of the changes in the Group's financial position and performance since the last annual audited consolidated financial statements.

2.3 These interim consolidated financial statements are un-audited and are being submitted to the members as required by section 237 of the Companies Act, 2017.

2.4 Basis of measurement

These interim consolidated financial statements have been prepared under the historical cost convention except for the Group's liability under defined benefit plans (gratuity), which is determined on the present value of defined benefit obligations determined by

independent actuaries, liabilities against assets subject to finance lease at present value of minimum lease payments and property, plant and equipment at revalued amounts assessed by independent Valuers.

2.5 Functional and presentation currency

These condensed interim consolidated financial statements are presented in Pak Rupees, which is also the Group's functional currency. All amounts have been rounded to the nearest thousand, unless otherwise stated.

3. Significant accounting policies

The accounting policies adopted for the preparation of these interim consolidated financial statements are the same as those applied in the preparation of audited consolidated financial statements of the Group as at and for the year ended September 30, 2024.

3.1 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

There were certain amendments to accounting and reporting standards which became mandatory for the Group during the period. However, these do not have any significant impact on the Group's financial reporting and, therefore, have not been detailed in these condensed interim consolidated financial statements.

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

There are certain amendments to the accounting and reporting standards that will be mandatory for the Group's annual accounting periods beginning on or after October 01, 2024. However, these amendments will not have any significant impact on the financial reporting of the Group and, therefore, have not been disclosed in these condensed interim consolidated financial statements.

4. Accounting estimates and judgements

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

4.2 In preparing these interim consolidated financial statements, the significant judgements made by the management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those applied to the consolidated financial statements for the year ended September 30, 2024.

4.3 The Holding Company follows the practice of conducting actuarial valuation annually at the year-end; hence, the impact of remeasurement of staff retirement benefits - gratuity has not been incorporated in the books of account of the Holding Company.

5. Principles of consolidation

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

These interim consolidated financial statements include the financial statements of the Holding Company, consolidated financial statements of CSML and the financial statements of FSM as at and for the nine month period ended June 30, 2025. The Holding Company's direct interest, as at June 30, 2025 and September 30, 2024, in CSML was 47.93% and in FSM was 82.49%.

Investments in Associated Companies, as defined in the Companies Act, 2017, are accounted for by the equity method.

Non-controlling interest is calculated on the basis of their proportionate share in the net assets of the Subsidiary Companies.

Subsidiary is fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

All significant inter-company transactions, balances, income and expenses on transactions between Group Companies are eliminated. Profits and losses resulting from inter-company transactions that are recognised in assets are also eliminated.

6. Seasonality of operations

Due to seasonal nature of sugar segment of the Group, operating results of the Group are expected to fluctuate in the second half of the year in comparison with the first six month of the year.

7. Property, plant and equipment

| | Note | Un-audited June 30, 2025 (Rupees in thousand) | Audited Sep. 30, 2024 |
|--------------------------------|------|--|-----------------------------|
| Operating fixed assets | 7.1 | 24,694,086 | 27,594,903 |
| Capital work-in-progress | 7.2 | 461,779 | 2,053,939 |
| Advance against leased vehicle | | 0 | 455 |
| | | 25,155,865 | 29,649,297 |

7.1 Operating fixed assets

Book value as at September 30, 2024 - **audited** **28,191,031**

Additions during the period:

| | |
|--|------------------|
| - Freehold land | 1,560 |
| - buildings and roads | 58,420 |
| - plant and machinery | 1,718,039 |
| - electric installations | 96,392 |
| - office equipment | 21,304 |
| - furniture and fixtures | 12,645 |
| - vehicles | 8,111 |
| - Transferred from right of use assets owned | 45,689 |
| | 1,962,160 |

Book value of operating fixed assets

disposed-off during the period **-3,682,774**

Depreciation charge for the period **-1,776,331**

Book value as at June 30, 2025- **un-audited** **24,694,086**

| | Note | Un-audited June 30, 2025 Rupees in thousand |
|--|------|---|
| 7.2 Capital work-in-progress | | |
| At beginning of the period | | 840,134 |
| Add: additions during the period | 7.3 | 399,569 |
| Less: capitalised / adjusted during the period | | -777,924 |
| Balance at end of the period | | <u>461,779</u> |
| 7.3 Additions during the period | | |
| - land and building | | 57,842 |
| - plant and machinery | | 173,913 |
| - electric installations | | 11,996 |
| - office equipment | | 0 |
| - vehicles - owned | | 2,677 |
| - leased | | 144,381 |
| - capital stores | | 0 |
| - advance payments to contractors | | 6,260 |
| - advance payments against freehold land and buildings | | 2,500 |
| | | <u>399,569</u> |
| 8. Right-of-use assets | | |
| Book value at beginning of the period - audited | | 316,081 |
| Additions during the period | | 168,623 |
| Transfer from right of use assets to owned | | -45,689 |
| Depreciation charge for the period | | -73,156 |
| Book value at end of the period - un-audited | | <u>365,859</u> |
| 9. Long term investments | | |
| Investments in equity instruments of Associated Companies | | |
| Balance at beginning of the period - cost | | 5,638 |
| Add: post acquisition profit brought forward | | 176,833 |
| | | <u>182,471</u> |
| Add: share for the period: | | |
| - loss | | -11,819 |
| - other comprehensive income | | 7,402 |
| - items directly credited in equity | | 1,748 |
| Less: taxation | | -77 |
| | | <u>-2,745</u> |
| Balance at end of the period - un-audited | | <u>179,726</u> |

10. Stores and spares

10.1 FSM has not carried-out manufacturing operations during the current period and prior years. The management, during the financial year ended September 30, 2021, had carried out a detailed exercise to identify obsolete / damaged stores and spares inventory. Carrying values of the stores and spares inventory were adjusted accordingly as at September 30, 2021.

10.2 Stores and spares include items which may result in fixed capital expenditure but are not distinguishable.

11. Stock-in-trade

| | Note | Un-audited June 30, 2025 (Rupees in thousand) | Audited Sep. 30, 2024 |
|----------------------------|------|--|-----------------------------|
| Finished goods: | | | |
| - sugar | | 8,628,538 | 1,917,574 |
| - molasses | 11.1 | 3,734,274 | 1,117,556 |
| - ethanol | | 638,791 | 1,028,872 |
| - bagasse | 11.1 | 146,361 | 107,203 |
| - wheat flour- UWFPL | | 19,154 | 37,865 |
| | | <u>13,167,118</u> | <u>4,209,070</u> |
| Work-in-process | | 53,673 | 52,248 |
| Raw Material-wheat (UWFPL) | | 886,165 | 725,349 |
| | | <u>14,106,956</u> | <u>4,986,667</u> |

11.1 Molasses and bagasse are used both for internal consumption as well as for sales to external parties.

11.2 Certain short term and long term borrowings of the Group are secured by way of collateral charge on stock-in-trade.

12. Trade debts - unsecured

| | | |
|----------------------|------------------|----------------|
| Considered good | 1,430,940 | 459,417 |
| Considered doubtful | 21,574 | 2,043 |
| | <u>1,452,514</u> | <u>461,460</u> |
| Less: loss allowance | 21,574 | 21,012 |
| | <u>1,430,940</u> | <u>440,448</u> |

13. Loans and advances

Advances to:

| | | |
|---|-----------|-----------|
| - employees - secured | 25,525 | 21,640 |
| - suppliers and contractors - unsecured | 1,369,747 | 1,086,372 |

Letters of credit

31,758 43,529

Due from relative of director

0 0

1,427,030 1,151,541

Less:

| | | |
|-----------------------------------|--------|--------|
| - provision for doubtful advances | 29,743 | 28,838 |
| - loss allowance | - | 905 |

29,743 29,743

1,397,287 1,121,798

| | Un-audited June 30, 2025 (Rupees in thousand) | Audited Sep. 30, 2024 |
|--|--|-----------------------------|
| 14. Trade deposits, short term prepayments and other receivables | | |
| Sugar export subsidy receivable | 305,519 | 308,510 |
| Prepayments | 7,622 | 14,136 |
| Excise duty deposits | 136 | 136 |
| Gas infrastructure development cess paid under protest - refundable | | 3,018 |
| Accrued markup | 29,833 | |
| Retention money-leasehold land | 200,000 | |
| Guarantees issued | 15,000 | 15,000 |
| Trade deposits | 28,402 | 0 |
| Sales tax | 0 | 0 |
| Deposits against decretal amounts | 2,862 | 20,377 |
| Other receivables | 4,297 | 70,712 |
| | 593,671 | 431,889 |
| Less: loss allowance | -305,519 | -305,519 |
| | 288,152 | 126,370 |
| 15. Short term investments - At fair value through profit or loss | | |
| First Habib Cash Fund | | |
| Opening balance - 726 Units (2024: 100,402 Units) | 78 | 10,305 |
| Investment made during the period | 0 | 0 |
| Gain on redemption / re-measurement to fair value | 4 | 574 |
| Bonus received during the period / year - Nil Units (2024: 26,752 Units) | 0 | 0 |
| Units redeemed during the period / year - Nil Units (2024: 105,520 Units) | 0 | -10,801 |
| Closing balance - 807 Units (2024: 726 Units) | 82 | 78 |
| 16. Bank balances | | |
| 16.1 Bank balances include deposits amounting Rs.3.734 million (September 30, 2024: Rs.3.734 million), which are under lien of a bank against guarantees issued in favour of Sui Northern Gas Pipelines Ltd. on behalf of the Holding Company. | | |
| 16.2 The Securities and Exchange Commission of Pakistan winding-up petition filed against Innovative Investment Bank Ltd. was decided by the Lahore High Court, Lahore (LHC) and LHC appointed Joint Official Liquidators (JOLs). The LHC, vide its order dated April 14, 2018 had approved release of payment upto Rs.20 million in respect of principal amounts only. The Group, during July, 2020, had received second tranche of Rs.22 million vide the LHC's order dated June 12, 2020. The Group, during November, 2020, had received the third tranche of Rs.24 million from JOLs as per the LHC's order dated October 01, 2020. The management, for the release of balance amounts of Rs.12 million, anticipates that JOLs will intimate in due course of time; no provision, therefore, for the remaining deposits | | |

balance amounting Rs.12 million has been made in the books of account of the Holding Company and FSM.

The Holding Company and FSM have not accrued profit on these deposits during the current period and preceding financial years.

- 16.3** There is no significant change in the status of matter as disclosed in note 17.6 to the audited consolidated financial statements of the Group for the year ended September 30, 2024. The appeal filed by State Bank Pakistan was remanded-back to Additional District Judge, Peshawar. The appeal was disposed-off vide judgment dated November 29, 2019. The judgment states that the Holding Company is entitled to recover Rs.5 million with profit at the rate of 12.5% per annum from National Bank of Pakistan from the year 1999. The said execution petition is pending adjudication. Full provision for the said deposit amounting Rs.5 million exists in the books of account of the Holding Company.

| | | Un-audited June 30, 2025 | Audited Sep. 30, 2024 |
|--|-------------|---|--------------------------------------|
| | Note | (Rupees in thousand) | |
| 17. Long term finances - secured | | | |
| CSML and its Subsidiaries | | | |
| Bank Al-Habib Ltd. | | 637,117 | 727,708 |
| Soneri Bank Ltd. | | 1,846,334 | 1,091,993 |
| Dubai Islamic Bank Pakistan Ltd. | | 0 | 0 |
| MCB Bank Ltd. | | 428,859 | 519,299 |
| MCB Islamic Bank Ltd. | | 19,017 | 23,391 |
| Al-Baraka Bank (Pakistan) Ltd. | | 223,832 | 334,646 |
| The Bank of Khyber | | 305,486 | 325,157 |
| United Bank Ltd. | | 892,131 | 4,330,841 |
| | 17.1 | 4,352,776 | 7,353,035 |
| Less: | | | |
| Amounts payable within next 12 months grouped under current liabilities - Principal | | 848,334 | 1,087,094 |
| Amount due after June 30, 2024 | | 3,504,442 | 6,265,941 |

- 17.1** These represent term and demand finance obtained by CSML and its Subsidiaries from the aforesaid banks and are repayable in 3-5 years with varied grace period. The rate of mark-up ranges from KIBOR + 1% per annum to KIBOR + 2.10% per annum and SBP rate + 1%. These are secured against first / joint pari passu hypothecation charge over all present and future movable fixed assets of CSML and its Subsidiaries and first / joint pari passu charge by way of equitable mortgage on all present and future immovable fixed assets of CSML and its Subsidiaries, pledge of sugar stock and lien on export contract / LC.

| | | Un-audited June 30, 2025 | Audited Sep. 30, 2024 |
|---|-------------|---|--------------------------------------|
| | Note | (Rupees in thousand) | |
| 18. Loans from related parties - secured | | | |
| Premier Board Mills Ltd. | 18.1 | 62,472 | 67,922 |
| Arpak International Investments Ltd. | 18.2 | 25,000 | 25,000 |
| Azlak Enterprises (Pvt.) Ltd. | 18.3 | 74,375 | 85,000 |
| | | 161,847 | 177,922 |

| | | |
|--|----------------|---------|
| Less: amount payable within next twelve months | 24,375 | 24,375 |
| | 137,472 | 153,547 |

18.1 This includes long term finance facilities obtained by CSML and its Subsidiary.

The long term finance facility was renewed on November 04, 2019. The principal is repayable in 7 semi annual instalments commenced from November, 2022. The rate of mark-up is one month KIBOR + 1.25%, provided the mark-up charged by the associated company is not less than the borrowing cost of the associated company. This loan is secured against promissory note from CSML.

Long term finance facility amounting to Rs. 25 million was obtained by the Subsidiary of CSML. The principal is repayable in 8 semi annual instalments commenced from December, 2022. The rate of mark-up is one month KIBOR + 1.25%, provided the mark-up charged by the associated company is not less than the borrowing cost of the associated company. These loans are secured against promissory note from the Subsidiary of CSML.

18.2 The long term finance facility was renewed on November 04, 2019. The principal is repayable in 7 semi annual instalments commenced from November, 2022. The rate of mark-up is one month KIBOR + 1.25%, provided the mark-up charged by the associated company is not less than the borrowing cost of the associated company. This loan is secured against promissory note from CSML.

18.3 The long term finance facility has been renewed on January 03, 2022. The principal is repayable in 8 semi annual instalments commencing from December, 2024. The rate of mark-up is one month KIBOR + 1.25%, provided the mark-up charged by the associated company is not less than the borrowing cost of the associated company. This loan is secured against promissory note from CSML.

| | | | |
|---|-------------|--|--------------------------------------|
| 19. Lease liabilities - secured | | Un-audited June 30, 2025 Rupees in thousand | |
| Balance at beginning of the period - audited | | 249,480 | |
| Additions during the period | | 133,179 | |
| Unwinding of interest on lease liabilities | | 38,154 | |
| Payments / adjustments made during the period | | -145,733 | |
| Balance at end of the period -un-audited | | 275,080 | |
| Less: current portion grouped under current liabilities | | -78,424 | |
| | | 196,656 | |
| 20. Deferred liabilities | | Un-audited June 30, 2025 | Audited Sep. 30, 2024 |
| Deferred taxation | | (Rupees in thousand) | |
| | Note | | |
| - The Holding Company | | 10,376 | 95,603 |
| - FSM | | 0 | 0 |
| - CSML | | 1,043,779 | 3,144,965 |
| | | 1,054,155 | 3,240,568 |
| Staff retirement benefits - gratuity | | | |
| - The Holding Company | | 38,605 | 43,345 |

| | | |
|-------------------------|------------------|------------------|
| - FSM | 66 | 66 |
| - CSML | 23,129 | 22,132 |
| | 61,800 | 65,543 |
| Government grant | 32,973 | 0 |
| | 1,115,955 | 3,306,111 |

21. Trade and other payables

| | | |
|--|------------------|------------------|
| Creditors | 969,247 | 765,631 |
| Due to related parties | 449,999 | 186,760 |
| Accrued expenses | 178,234 | 206,716 |
| Retention money | 30,926 | 30,565 |
| Security deposits | 1,320 | 2,351 |
| Advance payments from customers | 1,681,101 | 0 |
| Income tax deducted at source | 412,032 | 238,454 |
| Sales tax payable | 205,051 | 373,564 |
| Gratuity payable to ex-employees | 7,619 | 7,619 |
| Advance received against sale of scrap | 0 | 0 |
| Workers profit participation fund-allocation for the year(the Holding Company) | 0 | 0 |
| Payable for workers' welfare obligations | 30,258 | 30,258 |
| Payable to provident fund | 17,601 | 17,365 |
| Payable to employees | 137,521 | 93,677 |
| Deposit from contractors and others | 11,080 | 0 |
| Others | 16,060 | 235,775 |
| | 4,148,049 | 2,188,735 |

| | |
|------------|----------|
| Un-audited | Audited |
| June 30, | Sep. 30, |
| 2025 | 2024 |

22. Short term borrowings

Note

(Rupees in thousand)

The Holding Company :

| | | |
|------------------------------------|-----------|---------|
| Secured | 1,112,851 | 497,000 |
| Temporary Bank overdraft-unsecured | 0 | 27,323 |

CSML :

| | | | |
|-------------------------------------|------|-------------------|------------------|
| - Cash / running finances - secured | 22.1 | 15,517,880 | 9,147,488 |
| - Export refinances - secured | 22.1 | 3,795,345 | 0 |
| | | 20,426,076 | 9,671,811 |

22.1 These cash, running and export re-finance facilities are repayable in six months to one year period. The rate of mark-up ranges from SBP Rate+1% per annum to KIBOR + 1.75% per annum and are secured against pledge of sugar stock with margin ranging from 10% to 25%, lien on export contracts / LCs and import documents.

23. Current portion of non-current liabilities

| | | | |
|--|------|---------|-----------|
| Long term finances - the Holding Company | 23.1 | 0 | 0 |
| Long term finances - CSML & its Subsidiaries | 17 | 967,561 | 1,357,929 |
| Loans from related parties | 18 | 100,514 | 106,440 |

| | | | |
|-------------------|----|------------------|------------------|
| Lease liabilities | 19 | 255,530 | 92,060 |
| Government grant | | 0 | 0 |
| | | 1,323,605 | 1,556,429 |

- 23.1** These finances were obtained during the financial year ended September 30, 2020 from Bank Al-Habib Ltd. under Refinance Scheme against a facility amount of Rs.50 million for payment of salaries and wages to workers and employees of the Holding Company to dampen the effect of COVID-19. The finance facility carried profit at SBP rate + 3%; the effective mark-up rate during the period was 3% per annum. This finance facility was repayable in 8 equal quarterly instalments commenced from January, 2021 and was secured against first exclusive registered charge over the Holding Company's head office second and third floors (without land) located at King's Arcade, Markaz F-7, Islamabad through token registered mortgage of Rs.0.500 million and remaining through equitable mortgage of Rs.580 million. The outstanding balance of this finance facility was fully repaid during the period.

24. Contingencies and commitments

The Holding Company

- 24.1** No commitments were outstanding as at June 30, 2025 and September 30, 2024.
- 24.2** The Holding Company's appeal filed before the Peshawar High Court (PHC) against order of the Customs, Sales Tax & Central Excise Appellate Tribunal is still pending adjudication. The Department, during the financial year ended September 30, 2001, had raised sales tax demand aggregating Rs.4.336 million along with additional tax. The Holding Company, however, during the financial year ended September 30, 2005, had paid sales tax amounting Rs.2.123 million along with additional tax amounting Rs.0.658 million as per the requirements of S.R.O. 247(I) / 2004 dated May 05, 2004.
- 24.3** Petitions filed before the Supreme Court of Pakistan (SCP) against imposition of Gas Infrastructure Development Cess (GIDC) were dismissed vide judgment dated August 13, 2020. The SCP's judgment states that the cess under GIDC Act, 2015 was levied on those consumers of natural gas which on account of their industrial or commercial dealings had passed on GIDC burden to their customers. The SCP's judgment states that no late payment surcharge would be collected while the GIDC amount that had become due up to July 31, 2020 would be recovered in 24 equal monthly instalments. Based on this judgment, the Holding Company had filed a writ petition before the PHC challenging the demand of GIDC arrears amounting Rs.29.936 million on the ground that the Holding Company had not passed on GIDC burden to its customers. The PHC, vide its order dated September 19, 2021, has granted interim relief.
- 24.4** The Holding Company's petition filed before the PHC, against the Government of Khyber Pakhtunkhwa's notification dated August 12, 2015 in which minimum wages for unskilled workers was fixed at Rs.12,000 per month with effect from July 01, 2014 was dismissed by the PHC vide its judgment dated April 02, 2019. The Holding Company has filed a review petition before the PHC against the said judgment, which was also dismissed. The additional wage liabilities aggregate Rs.2.359 million approximately.
- 24.5** The sales tax appeal filed before the Appellate Tribunal Inland Revenue (ATIR), Peshawar against ex-parte order passed by the Commissioner Inland Revenue (Appeals) {CIR(A)} was succeeded vide order dated June 29, 2018. The assessment order dated June 23, 2016 was passed by the Deputy Commissioner Inland Revenue (DCIR), Peshawar in violation of SRO 488(I)/2004 dated June 12, 2014; the Holding Company claimed input tax to the tune of Rs.41.672 million against the supplies to unregistered persons. A withdrawal application has been filed before the ATIR, Peshawar in pursuance of the aforesaid rectification order.

24.6 The DCIR for the tax year 2013 initially has held the Holding Company as taxpayer-in-default for non-deduction of tax on certain supplies / services and tax demand was raised at Rs.77.750 million under section 161 (Failure to pay tax collected or deducted) along with default surcharge of Rs.4.730 million under section 205 (Default surcharge) of the Income Tax Ordinance, 2001 (the Ordinance). The Holding Company filed rectification application under section 221 of the Ordinance and the demand was reduced to Rs.237,360. Against the said demand, the Holding Company has filed an appeal before the CIR(A), who dismissed the Holding Company's appeal. Presently, the

24.7 Holding Company's appeal against the CIR(A)'s order is pending before the ATIR, Peshawar. The Holding Company has filed a writ petition before the PHC challenging Federal Government Order No.1(1) 2020 ROP dated July 16, 2021 and Provincial Government Order No.13/12-Sugar /IND / Vol-V / 7862 dated July 16, 2021 issued under section 6 of the Price Control and Prevention of Profiteering and Hoarding Act, 1977 whereby the retail price of sugar at the rate of Rs.88.24 per kilo gram was fixed. The PHC, vide its order dated July 30, 2021, has allowed interim relief and ordered that in the meanwhile status quo be maintained.

24.80 Various cases have been filed against the Holding Company by some former employees.

24.90 Based on legal advice, no provision has been made in the books of account. Guarantees given to Sui Northern Gas Pipelines Ltd. by commercial banks on behalf of the Holding Company outstanding as at June 30, 2025 were for Rs.37.340 million (September 30, 2024: Rs.37.340 million).

24.10 FSM

There has been no significant change in the status of contingencies as disclosed in notes 30.10 to 30.12 to the audited consolidated financial statements of the Group for the year ended September 30, 2024.

24.11 CSML and its Subsidiaries

There has been no significant change in the status of contingencies as disclosed in notes 30.14 to 30.16 to the audited consolidated financial statements of the Group for the year ended September 30, 2024.

24.12 In case of CSML, commitments in respect of :

| | Un-audited June 30, 2025 (Rupees in thousand) | Audited Sep. 30, 2024 |
|---|--|-----------------------------|
| - foreign letters of credit for purchase of plant & machinery | 0 | 285,663 |
| - local letters of credit for purchase of plant & machinery | 0 | 0 |
| - capital expenditure other than for letters of credit | 0 | 25,515 |

25. Operating segment

The Holding Company's reportable segments are as follows:

- Sugar
- Distillery

25.1 Segment operating results of the Holding Company for the nine month period ended June 30, 2025

| | Sugar Division June 30, 2025 | Ethanol Division June 30, 2025 | Total |
|---|---------------------------------------|---|--------------------|
| Sales | | | |
| - Local | 191,290 | 166,233 | 357,523 |
| - Export | 38,747 | 1,101,397 | 1,140,144 |
| | 230,037 | 1,267,629 | 1,497,666 |
| Less: sales tax | (30,421) | (25,358) | (55,778) |
| Sales – net | 199,617 | 1,242,272 | 1,441,888 |
| Cost of sales | <u>(451,823)</u> | <u>(973,460)</u> | <u>(1,425,283)</u> |
| Gross (loss) / profit | (252,206) | 268,812 | 16,606 |
| Distribution cost | (1,951) | (160,438) | (162,388) |
| Other Expenses | - | (787) | (787) |
| Administrative expenses | (93,759) | (2,175) | (95,934) |
| | (95,709) | (163,400) | (259,110) |
| (Loss) / profit from operations (segment results) | <u>(347,915)</u> | <u>105,411</u> | <u>(242,504)</u> |
| Other income | | | <u>77,033</u> |
| | | | <u>(165,471)</u> |
| Finance cost | | | <u>(223,695)</u> |
| Loss before taxation | | | (389,166) |
| Taxation | | | 66,295 |
| Loss after taxation | | | <u>(322,871)</u> |

25.1 Segment operating results of the CSML for the nine month period ended on June 30, 2025

| | Sugar Division | | | Ethanol Division | | | Total | | |
|--|--------------------------|---------------|---------------|--------------------------|---------------|---------------|--------------------------|---------------|---------------|
| | Three month period ended | | | Three month period ended | | | Three month period ended | | |
| | June 30, 2025 | June 30, 2024 | June 30, 2025 | June 30, 2024 | June 30, 2025 | June 30, 2024 | June 30, 2025 | June 30, 2024 | June 30, 2024 |
| ----- Rupees in '000 ----- | | | | | | | | | |
| Sales | | | | | | | | | |
| - External Customers | 4,273,956 | 8,767,300 | 11,764,305 | 17,626,042 | 1,944,191 | 2,893,291 | 5,707,466 | 7,425,234 | 6,218,147 |
| - Inter segment | 136,179 | - | 719,291 | 876,583 | - | - | - | - | 136,179 |
| | 4,410,135 | 8,767,300 | 12,483,596 | 18,502,625 | 1,944,191 | 2,893,291 | 5,707,466 | 7,425,234 | 6,354,326 |
| Less : sales tax & others | (709,099) | (1,243,211) | (1,959,970) | (2,615,911) | (25,579) | (207,414) | (75,444) | (287,515) | (734,678) |
| Sales - net | 3,701,036 | 7,524,089 | 10,523,626 | 15,886,714 | 1,918,612 | 2,685,877 | 5,632,022 | 7,137,719 | 5,619,648 |
| Segment expenses: | | | | | | | | | |
| Cost of Sales | (3,419,714) | (7,630,433) | (10,335,799) | (14,244,359) | (1,004,205) | (2,432,085) | (3,696,112) | (4,897,906) | (4,423,919) |
| Less: inter segment cost | - | - | - | - | (136,179) | - | (719,291) | (876,583) | (136,179) |
| | (3,419,714) | (7,630,433) | (10,335,799) | (14,244,359) | (1,140,384) | (2,432,085) | (4,415,403) | (5,774,489) | (4,560,098) |
| Gross profit / (loss) | 281,322 | (106,344) | 187,827 | 1,642,355 | 778,228 | 253,792 | 1,216,619 | 1,363,230 | 1,059,550 |
| Selling and distribution expenses | (6,073) | (10,148) | (140,793) | (37,586) | (239,172) | (212,569) | (673,280) | (651,725) | (245,245) |
| Administrative and general expenses | (262,461) | (251,515) | (698,696) | (676,273) | (120,204) | (53,121) | (351,230) | (226,551) | (382,665) |
| | (268,534) | (261,663) | (839,489) | (713,859) | (359,376) | (265,690) | (1,024,510) | (878,276) | (627,910) |
| (Loss) / profit from operations | 12,788 | (368,007) | (651,662) | 928,496 | 418,852 | (11,898) | 192,109 | 484,954 | 431,640 |
| Other income | 79,773 | 32,945 | 711,449 | 195,401 | 1,307 | 561 | 5,278 | 4,489 | 81,080 |
| Other expenses - net | (2,009) | 13,293 | (4,024) | 3,175 | - | - | - | - | (2,009) |
| | 77,764 | 46,238 | 707,425 | 198,576 | 1,307 | 561 | 5,278 | 4,489 | 79,071 |
| Segment results | 90,552 | (321,769) | 55,763 | 1,127,072 | 420,159 | (11,337) | 197,387 | 489,443 | 510,711 |
| Finance cost | | | | | | | | | (828,958) |
| Loss before revenue tax and income tax | | | | | | | | | (318,247) |
| Final / minimum tax - levy | | | | | | | | | (68,594) |
| Loss before income tax | | | | | | | | | (386,841) |
| Income taxation | | | | | | | | | 147,285 |
| Loss for the period | | | | | | | | | (239,556) |

26. Transactions with related parties

The Group has related party relationship with its Associated Companies, employee benefit plans, directors and key management personnel. Transactions with related parties are carried-out on arm's length basis. There were no transactions with key management personnel other than under the terms of employment. Aggregate transactions with related parties during the period were as follows:

| | Un-audited Nine month period ended | |
|---|---------------------------------------|------------------|
| | June 30, 2025 | June 30, 2024 |
| | (Rupees in thousand) | |
| Associated Companies | | |
| Purchase of store items | 5,710 | 0 |
| Rental income | 0 | 0 |
| Expenses paid on behalf of the Holding Company | 7,775 | 0 |
| Key management personnel | | |
| Salaries and other benefits | 0 | 0 |
| CSML | | |
| Associated Undertakings | | |
| Services | 44,697 | 27,505 |
| Expenses paid by Associated Companies | 8,194 | 1,355 |
| Purchase of goods | 264,125 | 257,828 |
| Dividend paid | 0 | 0 |
| Mark-up charged | 18,774 | 26,655 |
| Post employment benefit | | |
| Expense charged in respect of retirement benefit plan | 325,529 | 23,372 |
| Key management personnel / Directors | | |
| Salaries and other benefits | 245,979 | 190,500 |
| Dividend paid | 0 | 0 |

27. Financial risk management**Financial risk factors**

The Group's activities expose it to a variety of financial risks: market risk (including currency risk, fair value interest rate risk, cash flow interest rate risk and price risk), credit risk and liquidity risk.

These interim consolidated financial statements do not include all financial risk management information and disclosures required in the annual consolidated financial statements, and should be read in conjunction with the Group's annual financial statements as at and for the year ended September 30, 2024.

There have been no changes in the risk management department or in any risk management policies since the year ended September 30, 2024.

Fair value estimation

During the period, there were no significant changes in the business or economic circumstances that affect the fair value of the Group's financial assets and financial liabilities. Further, there were no reclassifications of financial assets.

28. Corresponding figures

The comparative condensed interim consolidated statement of financial position presented in these interim consolidated financial statements has been extracted from the audited consolidated financial statements of the Group for the year ended September 30, 2024, whereas the comparative condensed interim consolidated statement of profit or loss, condensed interim consolidated statement of other comprehensive income, condensed interim consolidated statement of changes in equity and condensed interim consolidated statement of cash flows have been extracted from the un-audited condensed interim consolidated financial statements for the period ended June 30, 2024.

29. Date of authorization for issue

These condensed interim consolidated financial statements have been authorized for issue by the Board of Directors of the Holding Company on July 28, 2025.

**Chief Executive****Director****Chief Financial Officer**