

3rd Quarterly Report
March 31, 2026



NAZIR
COTTON MILLS LTD.

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COMPANY'S INFORMATION

Board of Directors	Muhammad Tayyab Col. Abdul Qayyum Muhammad Adeel Anwer Khan Mr. Tariq Javaid Miss. Batool Zahra Mr. Mujahid Ahmed Mr. Aftab Anwer	Chief Executive Officer Independent Director Independent Director
Audit Committee:	Mr. Aftab Anwer Col. Abdul Qayyum Mr. Tariq Javaid	Chairman Member Member
HR & R Committee	Mr. Mujahid Ahmed Muhammad Adeel Anwer Khan Miss. Batool Zahra	Chairman Member Member
Chief Financial Officer	Mr. Maqbool Hussain Bhutta	
Company Secretary	Muhammad Faisal	
Auditors:	Kamran & Co. Chartered Accountants Apartment # A/2, Ingola Apartments 24 Jail Road, Lahore.	
Bankers:	Al-Baraka Bank Limited	
Share Registrar	Corplink (Pvt) Limited Wings Arcade 1-K, Commercial Model Town, Lahore. Tel: 042-3561714, 3589182, 35916719	
Registered Office:	Tricon Corporate Centre, Office No. 702, 7 th Floor, 73-E, Main Jail Road, Gulberg-II, Lahore. Ph # 042-35775501-02, 36407302-03	
Mills:	8-Km, Faisalabad Road, Aslamabad, Khaareyanwala, Sheikhupura. Ph # 056-3544053	

DIRECTORS' REPORT

On behalf of the Board of Directors of M/s Nazir Cotton Mills Limited (the "Company"), we are pleased to present the Directors' Report for the quarter ended March 31, 2026.

During the period under review, the Company incurred a loss after tax amounting to Rs. 6,311 million as compared to a profit after tax of Rs. 25,258 million in the corresponding period of the previous year.

Loss per share for the quarter ended March 31, 2026, stood at Rs. 0.27, as compared to a profit per share of Rs. 1.12 in the corresponding period of the previous year.

Furthermore, the Company has entered into a formal agreement for the disposal of its dilapidated building which was approved by the shareholders of the company. The proceeds would be utilized as disclosed to the shareholders. As part of its ongoing strategic transformation and diversification initiative, the Company continues to focus on optimizing its operations to generate income.

FUTURE PROSPECTS

During the period under review, the Company initiated a strategic plan to dispose off its surplus land and its proceeds will be deployed in strategic opportunities and investment aimed at enhancing long-term business sustainability and maximizing shareholder returns. This initiative is aimed at strengthening the Company's financial position, improving liquidity and enhance long-term shareholder value.

The Board remains committed to enhancing shareholder value through prudent financial management, strategic investments, and sustainable growth initiatives.

The Board also extends its sincere appreciation to all employees for their dedication, hard work, and continued commitment to the Company's progress and operational excellence.

For and on behalf of the Board



Batool Zahra
Director

Lahore
April 24, 2026



Muhammad Tayyab
Chief Executive

ڈائریکٹرز کی رپورٹ

ڈائریکٹرز کی جانب سے، میسرز ندیر کائٹن ملز لمیٹڈ ("کمپنی") کے بورڈ آف ڈائریکٹرز کی طرف سے، ہمیں خوشی ہے کہ ہم 31 مارچ 2026 کو ختم ہونے والی سہ ماہی کے لیے ڈائریکٹرز کی رپورٹ پیش کر رہے ہیں۔

زیر جائزہ مدت کے دوران، کمپنی کو بعد از ٹیکس 6,311 ملین روپے کا نقصان ہوا، جبکہ گزشتہ سال کی اسی مدت میں بعد از ٹیکس نفع 25,258 ملین روپے تھا۔

31 مارچ 2026 کو ختم ہونے والی سہ ماہی کے لیے فی حصص نقصان 0.27 روپے رہا، جبکہ گزشتہ سال کی اسی مدت میں فی حصص منافع 1.12 روپے تھا۔

مزید برآں، کمپنی نے اپنی خستہ حال عمارت کی فروخت کے لیے ایک باقاعدہ معاہدہ کیا ہے، جسے کمپنی کے شیئر ہولڈرز نے منظور کیا۔ اس سے حاصل ہونے والی رقم کو شیئر ہولڈرز کو دی گئی معلومات کے مطابق استعمال کیا جائے گا۔ اپنی جاری اسٹریٹجک تبدیلی اور تنوع کی حکمت عملی کے تحت، کمپنی اپنی آپریشنز کو بہتر بنانے پر توجہ دے رہی ہے تاکہ آمدنی پیدا کی جا سکے۔

مستقبل کے امکانات

زیر جائزہ مدت کے دوران، کمپنی نے اپنی اضافی زمین کی فروخت کے لیے ایک اسٹریٹجک منصوبہ شروع کیا ہے، اور اس سے حاصل ہونے والی رقم کو ایسے اسٹریٹجک مواقع اور سرمایہ کاری میں لگایا جائے گا جو طویل المدتی کاروباری استحکام کو بہتر بنانے اور شیئر ہولڈرز کے منافع کو زیادہ سے زیادہ کرنے میں مددگار ہوں گے۔

یہ اقدام کمپنی کی مالی پوزیشن کو مضبوط بنانے، لیکویڈیٹی کو بہتر کرنے اور طویل المدتی شیئر ہولڈر ویلیو میں اضافہ کرنے کے لیے کیا جا رہا ہے۔

بورڈ محتاط مالی انتظام، اسٹریٹجک سرمایہ کاری اور پائیدار ترقی کے اقدامات کے ذریعے شیئر ہولڈر ویلیو کو بڑھانے کے لیے پُر عزم ہے۔

بورڈ تمام ملازمین کی لگن، محنت اور کمپنی کی ترقی اور آپریشنل بہترین کارکردگی کے لیے مسلسل وابستگی پر دلی شکر یہ ادا کرتا ہے۔

بورڈ کی جانب سے

M. J. J. J.

محمد طیب
چیف ایگزیکٹو

Bahra

بتول زہرا
ڈائریکٹر

لاہور
24 اپریل 2026

NAZIR COTTON MILLS LIMITED
CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2026

	Note	Un-Audited 31/Mar/2026 Rupees	Audited 30/Jun/2025 Rupees
EQUITY AND LIABILITIES			
Share capital and reserves			
Share capital	5	230,000,000	230,000,000
Capital reserve			
Surplus on revaluation of property, plant and equipment		278,624,427	278,624,427
-(Deficit) on remeasurement of available for sale investments		(479,125)	(479,125)
-Capital reserve		434,000	434,000
Revenue reserve			
Accumulated loss		(423,353,840)	(417,042,978)
Revenue reserve - general		45,829,500	45,829,500
		<u>131,054,962</u>	<u>137,365,824</u>
Non-current liabilities			
Deferred liabilities		12,866,389	12,866,389
Current liabilities			
Trade and other payables		9,165,788	3,838,674
Income tax liability		1,362,747	1,362,747
Accrued mark-up		3,710,173	2,852,907
Short term borrowings	6	131,144,774	131,144,774
		145,383,482	139,199,102
CONTINGENCIES AND COMMITMENTS			
	7	-	-
		<u>289,304,833</u>	<u>289,431,315</u>
ASSETS			
Non-current assets			
Property, plant and equipment	8	238,310,400	238,310,400
Biological assets		2,416,285	2,416,285
		240,726,685	240,726,685
Current assets			
Trade debts		79,730	79,730
Deposits, prepayments and other receivables		3,157,890	3,157,512
Cash and bank balances		159,328	286,188
		3,396,948	3,523,430
Non-Current Assets Classified as held for Sale		45,181,200	45,181,200
		<u>289,304,833</u>	<u>289,431,315</u>

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


Chief Executive Officer


Director


Chief Financial officer

NAZIR COTTON MILLS LIMITED
CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS
AND OTHER COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE NINE MONTHS PERIOD ENDED 31 MARCH 2026

Note	Nine months ended		Quarter ended	
	31/Mar/2026	31/Mar/2025	31/Mar/2026	31/Mar/2025
	Rupees		Rupees	
Sales - net	-	-	-	-
Cost of sales	-	-	-	-
Gross profit / (loss)	-	-	-	-
Other Income				
-Gain on disposal of plant and machinery	-	16,691,535	-	-
-Gain on settlement of loan from banks	-	45,319,059	-	-
-Gain on sale of milk	810,590	349,973	366,390	290,233
Profit on Bank deposits	1,886	-	334	-
Sale of Biological Assets	175,000	-	124,714	-
-Other income	650,000	1,087,300	570,000	155,323
	1,637,476	63,447,867	1,061,438	445,556
Administrative and general expenses	(7,083,880)	(14,931,793)	(1,589,848)	(4,147,147)
Other expenses		(17,435,443)	-	-
Finance cost	(864,458)	(2,596,963)	(281,454)	(630,488)
(Loss) / Profit before taxation and levies	(6,310,862)	28,483,668	(281,454)	(4,332,079)
Levies	-	(4,842,224)	-	736,453
(Loss) / Profit before income tax	(6,310,862)	23,641,444	(809,864)	(3,595,626)
Deferred taxation		2,116,502		(159,931)
(Loss) / Profit after income tax	(6,310,862)	25,757,946	(809,864)	(3,755,557)
Other comprehensive income	-	-	-	-
Total comprehensive (Loss) / Profit	(6,310,862)	25,757,946	(809,864)	(3,755,557)
(Loss) / Earning per share - basic and diluted	(0.27)	1.12	(0.16)	(0.16)

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


Chief Executive Officer


Director


Chief Financial officer

NAZIR COTTON MILLS LIMITED
CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)
FOR THE NINE MONTHS PERIOD ENDED 31 MARCH 2026

	Reserves					Total Equity	
	Capital		General	Revenue			
	Capital reserves	(Deficit) / surplus on remeasurement of available	Revenue reserve - General	Accumulated loss			
Share capital							
Balance as at 30 June 2024	230,000,000	434,000	(479,125)	280,845,693	45,829,500	(417,569,803)	139,060,265
Profit for the period	-	-	-	-	-	25,757,946	25,757,946
Other Comprehensive Loss disposal during the year	-	-	-	-	-	-	-
Incremental depreciation on revaluation of assets for the year (net of Tax)	-	-	-	(9,843,814)	-	9,843,814	-
Balance as at 31 March 2025	230,000,000	434,000	(479,125)	271,001,879	45,829,500	(381,968,043)	164,818,211
Balance as at 30 June 2025	230,000,000	434,000	(479,125)	278,624,427	45,829,500	(417,042,978)	137,365,824
Loss for the period	-	-	-	-	-	(6,310,862)	(6,310,862)
Other Comprehensive Loss disposal during the year	-	-	-	-	-	-	-
Incremental depreciation on revaluation of	-	-	-	-	-	-	-
Balance as at 31 March 2026	230,000,000	434,000	(479,125)	278,624,427	45,829,500	(423,353,840)	131,054,962

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



Chief Executive Officer



Director



Chief Financial officer

NAZIR COTTON MILLS LIMITED
CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED)
FOR THE NINE MONTHS PERIOD ENDED 31 MARCH 2026

	31/Mar/2026	31/Mar/2025
	Rupees	Rupees
CASH FLOWS FROM OPERATING ACTIVITIES		
(Loss)/ Profit before taxation	(6,310,862)	28,483,668
Adjustments for non-cash charges / items:		
Depreciation of property, plant and equipment	-	5,811,650
Settlement of loan	-	(45,319,059)
Provision for stores, spares and loose tools	-	750,688
Impairment of investment	-	3,838,000
Impairment of fixed assets	-	428,453
Allowance for advances and receivables	-	12,418,302
Gain on sale of fixed assets	-	(16,691,535)
Gain on sale of biological assets	-	90,000
Finance cost	864,458	2,596,963
	<u>864,458</u>	<u>(36,076,538)</u>
(Loss) before working capital changes	(5,446,404)	(7,592,870)
Working capital changes		
Decrease/ (Increase) in current assets	378	(2,011,379)
Increase in trade and other payables	6,184,380	434,029
	<u>12,369,138</u>	<u>(1,577,350)</u>
Cash generated / (used in) from operations	737,976	(9,170,220)
Income tax paid	(26,986)	-
Finance cost paid	-	-
Net cash generated / (used in) from operating activities	<u>710,990</u>	<u>(9,170,220)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of biological assets	-	(409,000)
Proceeds from disposal of fixed assets	-	33,898,305
Net cash out flow from investing activities	<u>-</u>	<u>33,489,305</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayments of short term borrowings	-	(79,403,152)
Proceeds of short term borrowings	-	48,000,000
Net cash used in flow from financing activities	<u>-</u>	<u>(31,403,152)</u>
Net decrease in cash and cash equivalents	<u>710,990</u>	<u>(7,084,067)</u>
Cash and cash equivalents at beginning of period	<u>286,188</u>	<u>10,375,414</u>
Cash and cash equivalents at end of period	<u>159,328</u>	<u>3,291,347</u>

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



Chief Executive Officer



Director



Chief Financial officer

NAZIR COTTON MILLS LIMITED
SELECTED EXPLANATORY NOTES TO THE CONDENSED INTERIM FINANCIAL
INFORMATION (UN-AUDITED)
FOR THE NINE MONTHS PERIOD ENDED 31 MARCH 2026

1 STATUS AND ACTIVITIES

- 1.1 Nazir Cotton Mills Limited (the "Company") was incorporated in Pakistan as a public limited company under the repealed Companies Act, 1913 (now the Companies Act, 2017) and is quoted on Pakistan Stock Exchange.

The principle business of the Company is manufacturing and sale of yarn and the other related / allied operations. The members of the Company has authorised to enter into a new line of business of dairy farming.

Registered office of the Company is situated at Office # 702, 7th Floor, Tricon Corporate Centre, Main Jail Road, Gulberg II, Lahore. The manufacturing facility of the Company is located at 8 KM, Faisalabad Road, Aslamabad, Kharianwala, Sheikhpura.

1.2 **Going concern assumption**

The accompanying financial statements have been prepared assuming that the Company will continue as a going concern, which contemplates the realization of assets and liquidation of liabilities in the normal course of business.

The Company incurred recurring losses resulting in accumulated losses at the end of the period of t Rs. 423.353 million (June 2025: Rs. 417.042 million. The Company's current liabilities exceed its current assets at reporting date by Rs. 96.805 million (June 2025: Rs. 90.495 million)

The Company had ceased its operations from many years due to working capital. However, subsequent to the reporting date, the management is taking steps to recommence operations and are in negotiations with financial institutions to obtain funds to manage working capital requirements. The Company managed its liquidity constraints thru financing from its sponsors and its ability to continue as a going concern is dependent on continued financing from sponsors. Management is of view that the company will restart its commercial production in foreseeable future. Management's efforts for obtaining finances from financial institutions are not so far materialized, however, management is confident that efforts will be realized and that the Company will be able to continue as a going concern.

2 STATEMENT OF COMPLIANCE

This condensed interim financial information is unaudited and has been prepared in accordance with the requirements of the International Accounting Standard 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 provisions of and directives issued under the Companies Act, 2017 differ from the IAS 34 and IFRSs, the provisions of and directives issued under the Companies Act, 2017 have been followed.

This condensed interim financial information has, however, been subjected to limited scope review by the auditors, as required by the Code of Corporate Governance, and should be read in conjunction with the audited annual financial statements of the Company for the year ended 30 June 2025.

3 BASIS OF MEASUREMENT

This condensed interim financial information has been prepared unnder the historical cost convention modified by adjustment of revaluation of certain assets. In this condensed interim financial information, except for the cash flow statements, all the transactions have been accounted for on accrual basis.

4 SIGNIFICANT ACCOUNTING POLICIES

The accounting policies and method for computation adopted for the preparation of this condensed interim financial information is the same as those applied in preparation of the financial statements for the year ended June 30, 2025.

	Un-Audited 31/March/2026 Rupees	Audited 30/ Jun/2025 Rupees
5 SHARE CAPITAL		
Authorized capital		
Ordinary shares of Rs. 10 each	250,000,000	250,000,000
Issued, subscribed and paid-up share capital		
20,312,530 (June 30, 2025: 20,312,530) ordinary shares of Rs 10/- each fully paid in cash	203,125,300	203,125,300
2,317,470 (June 30, 2025: 2,317,470) ordinary shares of Rs 10/- each fully paid as bonus shares	23,174,700	23,174,700
370,000 (June 30, 2025: 370,000) ordinary shares of Rs 10/- each fully paid fully paid in consideration of Property and assets of Sargodha Textile Mills Limited as per bifurcation scheme approved by the Honorable High Court in 1974.	3,700,000	3,700,000
	230,000,000	230,000,000
6 SHORT TERM FINANCES		
-From financial institutions		
Sponsor's loan - note 6.1	123,144,774	123,144,774
Other's loan - note 6.2	8,000,000	8,000,000
	131,144,774	131,144,774
6.1	This represents unsecured and interest free loan obtained from sponsors of the Company to meet the Company's past B.M.R. plans and liquidity problems, this loan is repayable on demand. The maximum aggregate amount due at the end of any month during the year was Rs. 123.144 million (2025: Rs. 123.144 million).	
6.2	The Company during the period has entered in to a loan agreement and obtained interest bearing loan for settlement of loan liabilities of the Company. It carries mark up at the rate of 3 months kibar plus 3.5% per annum. The loan is repayable within the next twelve months.	
7 CONTINGENCIES AND COMMITMENTS		
Contingencies and Commitments		
- Pakistan Stock Exchange had placed the Company in defaulter's segment due to non compliances with the regulations of Pakistan Stock Exchange.		
- Other than above, there is no known contingent liability and commitments as on period end.		
	Un-Audited 31/March/2026 Rupees	Audited 30/ Jun/2025 Rupees
8 PROPERTY PLANT AND EQUIPMENT		
Opening net book value	238,310,400	323,802,473
Revaluation loss during the year	-	-
Disposal	-	(78,567,994)
Impairment of fixed assets	-	-
Depreciation charged	-	(6,924,079)
	238,310,400	238,310,400

9 AUTHORIZATION FOR ISSUE

These financial statements have been approved by the board of directors of the Company and authorized for issue on April 24, 2026.

10 CORRESPONDING FIGURES

- 10.1 Corresponding figures have been re-arranged, wherever necessary to the facilitation of comparison.
- 10.2 Figures have been rounded off to the nearest of rupees.

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

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