

CHASHMA SUGAR MILLS LIMITED

COMPANY INFORMATION

Board of Directors

Begum Laila Sarfaraz	Chief Executive
Mr. Abbas Sarfaraz Khan	Chairman
Ms. Zarmine Sarfaraz	Director
Mr. Iskander Mohammad Khan	Director
Mr. Rizwan Ullah Khan	Director
Ms. Samia Liaqat Ali Khan	Independent Director
Mr. Faisal Kamal Khan	Independent Director

Company Secretary

Mr. Mujahid Bashir

Chief Financial Officer

Mr. Saqib Khan

Head of Internal Audit

Mr. Zaheer Mir

Auditors

M/s. Shინewing Hameed Chaudhri & Co
Chartered Accountants

Tax Consultants

M/s. Shინewing Hameed Chaudhri & Co
Chartered Accountants

Legal Advisor

Mr. Tariq Mehmood Khokhar
Barrister -at-Law, Advocate

Shares Registrar

M/S. Hameed Majeed Associates (Pvt) Limited.
H. M. House, 7-Bank Square, Lahore.

Bankers

Bank Al-Habib Limited	Habib Bank Limited
The Bank of Khyber	National Bank of Pakistan
MCB Bank Limited	Soneri Bank Limited
The Bank of Punjab	Askari Bank Limited
Bank Al-Falah Limited	United Bank Limited
Dubai Islamic Bank (Pakistan) Limited	Meezan Bank Limited
Al-Baraka Bank (Pakistan) Limited	Habib Metropolitan Bank Limited
Allied Bank Limited	Samba Bank Limited



CHASHMA SUGER MILLS LIMITED

UNCONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE SIX MONTH PERIOD ENDED MARCH 31, 2026

ECONOMICAL CHALLENGES & SUGAR PRICES

The global economy remains under pressure due to escalating geopolitical tensions linked to the U.S.–Iran conflict, which have disrupted energy markets and increased crude oil prices substantially increasing transportation, irrigation, and industrial operating costs across agriculture and manufacturing sectors across Pakistan.

Despite Pakistan recorded sugar production of approximately 7.573 million metric tons during the season, domestic sugar prices remained under pressure due to surplus **availability waiting for the Government to allow export of surplus sugar** stocks of around 1.3 million metric tons, which is expected to generate approximately USD 400–500 million in foreign exchange.

FUTURE DEVELOPMENT

- We would like to inform that Chashma Sugar Mills Limited has initiated the process of modernization of its Plant and Machinery and installation of Molecular Sieves in its ethanol fuel plant, situated at Ramak, Dera Ismail Khan (CSM Unit-II), in line with its growth-oriented policies and strategic expansion plans.
- The Federal Government has finalized a draft National De-Regulation Policy for the sugar sector, with full deregulation targeted by June 2026. The policy aims to eliminate political intervention in sugar pricing, zoning restrictions, and licensing barriers in line with commitments made under the IMF reform program.

PRINCIPLE RISKS AND UNCERTAINTIES

The Company is exposed to the following risks and uncertainties:

- Lack of export quotas and inconsistent government policies create market volatility in domestic and international sugar prices, where regulated or market-driven price movements may not fully align with rising production costs.
- Heavy reliance on short-term borrowings increases finance costs and may strain cash flows.
- Thin regulated margins in wheat operations can affect profitability.

ACCOUNTING POLICIES

The accounting policies adopted in the preparation of this half yearly condensed interim financial information are consistent with as applied in the preparation of the preceding annual financial statements of the Company.

ACKNOWLEDGEMENT

The Directors appreciate the dedication, hard work, and commitment of the Company's staff at all levels, and also extend their sincere gratitude to the Company's bankers and all stakeholders for their continued trust, cooperation, and valuable support.

ON BEHALF OF THE BOARD

Mardan:

May 21, 2026

Chief Executive Officer/Director

Directors

Chashma Sugar Mills Limited

DIRECTORS REVIEW REPORT

The Board of Directors are pleased to present the un-audited condensed interim financial information of the Company for the six months' period ended on March 31, 2026. This condensed 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 Listed Companies (Code of Corporate Governance) Regulations, 2019. The enclosed financial information is un-audited and have been reviewed by the external auditors as required by the Code of Corporate Governance.

Operational Highlights

Season 2025-2026

Date of Crushing Started	November 15, 2025
Date of Crushing Closed	March 19, 2026
Crushing - M. Tons	1,912,969
Sucrose Recovery	10.78%
Sugar Production - M. Tons	206,312
Ethanol Fuel Plant Production -M. Tons (till May 17, 2026)	22,805
Flour Production -M. Tons (till May 17, 2026)	37,696

FINANCIAL PERFORMANCE

During the six months ended 31 March 2026, the Company reported a net profit of Rs. 310.64 million (2025: net loss of Rs. 1,242.417 million). This improvement was mainly due to higher sugar crushing, production, sales volumes along with better performance of core operating segments, and improved overall operational efficiency.

Net sales increased by 68.6% to Rs. 16.78 billion (2025: Rs. 9.95 billion), driven by stronger demand in local and export markets, particularly in Sugar and Ethanol divisions, along with the initial contribution from the Flour Division. Although selling prices remained under regulatory and market pressure, higher volumes supported overall revenue growth.

Gross profit improved to Rs. 3.29 billion from Rs. 344.90 million last year, as sales growth outpaced cost of sales of Rs. 13.50 billion, which remained high due to sugarcane procurement prices and fixed overheads. Finance cost decreased to Rs. 1.35 billion from Rs. 1.83 billion in the previous period due to improved working capital management and relatively better borrowing conditions despite of increase in short term borrowings, though finance costs continue to remain a significant burden.

Overall, the improvement in results was supported by higher sales volumes, partial cost control measures, and better segment performance. The Company continues to focus on operational efficiency, cost management, and financial stability.

چشمہ شوگر ملز لمیٹڈ

ڈائریکٹرز کی جائزہ رپورٹ

بورڈ آف ڈائریکٹرز خوشی سے ساتھ کمپنی کی غیر آڈٹ شدہ مختصر عبوری مالی معلومات پیش کرتا ہے جو 31 مارچ 2026 کو ختم ہونے والے چھ ماہ کی مدت کے لیے ہے۔ یہ مختصر مالی معلومات کمپنی کے شیئر ہولڈرز کو انٹرنیشنل اکاؤنٹنگ اسٹینڈرڈ نمبر 34 "انٹیم فنانشل رپورٹنگ"، کارپوریٹ گورننس کوڈ، کمپنیز ایکٹ 2017 کے سیکشن 237 اور لسٹڈ کمپنیز (کوڈ آف کارپوریٹ گورننس) ریگولیشنز، 2019 کے تحت فراہم کی جاتی ہے۔ منسلک مالی معلومات غیر آڈٹ شدہ ہیں اور بیرونی آڈیٹرز نے ان کا جائزہ لیا ہے جیسا کہ کوڈ آف کارپوریٹ گورننس کے تحت ضروری ہے۔

Season 2025-2026

Date of Cruching Started	November 15, 2025
Date of Cruching Closed	March 19, 2026
Cruching - M. Tons	1,912,969
Sucrose Recovery	10.78%
Sugar Production - M. Tons	206,312
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مالی کارکردگی

31 مارچ 2026 کو ختم ہونے والے چھ ماہ کے دوران، کمپنی نے 310.64 ملین روپے کا خالص منافع یورٹ کیا (2025: 242.417 ملین روپے کا خالص نقصان)۔ یہ بہتری بنیادی طور پر چینی کرشنگ، پیداوار، فروخت کے حجم میں اضافے کے ساتھ ساتھ بنیادی آپریشنل شعبوں کی بہتر کارکردگی اور مجموعی آپریشنل کارکردگی میں بہتری کی وجہ سے ہوئی۔

خالص فروخت 68.6% بڑھ کر 16.78 ارب روپے (2025: 9.95 ارب روپے) ہو گئی، جس کی وجہ مقامی اور برآمدی منڈیوں، خاص طور پر چینی اور ایشیائی منڈیوں میں مضبوط طلب اور آئے کے ڈویژن کی ابتدائی شراکت تھی۔ اگرچہ فروخت کی قیمتیں ریگولیٹری اور مارکیٹ کے دباؤ میں رہیں، زیادہ حجم نے مجموعی آمدنی میں اضافے کی حمایت کی۔

مجموعی منافع پچھلے سال 344.90 ملین روپے سے بڑھ کر 3.29 ارب روپے ہو گیا، کیونکہ فروخت کی ترقی 13.50 ارب روپے کی فروخت کی لاگت سے زیادہ رہی، جو گنے کی خریداری کی قیمتوں اور مقررہ اخراجات کی وجہ سے بلند رہی۔ مالیاتی لاگت پچھلے عرصے میں 1.83 ارب روپے سے کم ہو کر 1.35 ارب روپے رہ گئی، جس کی وجہ ورکنگ کیپیٹل مینجمنٹ میں بہتری اور قلیل مدتی قرضوں میں اضافے کے باوجود نسبتاً بہتر قرض لینے کے حالات تھے، اگرچہ مالیاتی اخراجات اب بھی ایک بڑا بوجھ ہیں۔

مجموعی طور پر، نتائج میں بہتری کی حمایت زیادہ فروخت کی حجم، جزوی لاگت کنٹرول کے اقدامات، اور بہتر سیگمنٹ کارکردگی سے ہوئی۔ کمپنی آپریشنل کارکردگی، لاگت کے انتظام، اور مالی استحکام پر توجہ مرکوز رکھے ہوئے ہے۔

معاشی چیلنجز اور چینی کی قیمتیں

عالمی معیشت امریکہ-ایران تنازعے سے جڑی بڑھتی ہوئی جغرافیائی سیاسی کشیدگیوں کی وجہ سے دباؤ میں ہے، جس نے توانائی کی منڈیوں کو متاثر کیا ہے اور خام تیل کی قیمتوں میں اضافہ کیا ہے، جس سے پاکستان بھر میں زرعی اور مینوفیکچرنگ شعبوں میں نقل و حمل، آبپاشی، اور صنعتی آپریشنل اخراجات میں نمایاں اضافہ ہوا ہے۔

اگرچہ پاکستان نے سینز کے دوران تقریباً 7.57 ملین میٹرک ٹن چینی کی پیداوار ریکارڈ کی، لیکن ملکی چینی کی قیمتیں اضافی دستیابی کی وجہ سے دباؤ میں رہیں اور حکومت کے لیے تقریباً 1.3 ملین میٹرک ٹن اضافی چینی کے ذخائر برآمد کرنے کی اجازت دینے کا انتظار کر رہی ہے، جس سے تقریباً 400 سے 500 ملین امریکی ڈالر زرمبادلہ کی آمدنی متوقع ہے۔

مستقبل کی ترقی

1. ہم یہ اطلاع دینا چاہتے ہیں کہ چشمہ شوگر ملز لمیٹڈ نے اپنے پلانٹ اور مشینری کی جدید کاری اور اپنے ایتھانول فیول پلانٹ میں مالدیکوٹو سیزر کی تنصیب کا عمل شروع کیا ہے، جو رامک، ڈیرہ اسماعیل خان (CSM) پونٹ-II میں واقع ہے، جو اس کی ترقی پر مبنی پالیسیوں اور اسٹریٹجک توسیعی منصوبوں کے مطابق ہے۔

2. وفاقی حکومت نے شوگر سیکٹر کے لیے نیشنل ڈی ریگولیشن پالیسی کا مسودہ حتمی شکل دی ہے، جس کا مکمل ڈی ریگولیشن جون 2026 تک ہدف ہے۔ یہ پالیسی آئی ایم ایف اصلاحاتی پروگرام کے تحت کیے گئے وعدوں کے مطابق چینی کی قیمتوں، زوننگ پابندیوں، اور لائسنسنگ ریگولیشنوں میں سیاسی مداخلت کو ختم کرنے کا مقصد رکھتی ہے۔

اصولی خطرات اور غیر یقینی صورتحال

کمپنی درج ذیل خطرات اور غیر یقینی صورتحال سے دوچار ہے:

- برآمدی کوٹہ کی کمی اور غیر مستقل حکومتی پالیسیاں ملکی اور بین الاقوامی چینی کی قیمتوں میں مارکیٹ میں اتار چڑھاؤ پیدا کرتی ہیں، جہاں منظم یا مارکیٹ پر مبنی قیمتوں کی حرکات بڑھتی ہوئی پیداواری لاگت کے ساتھ مکمل طور پر ہم آہنگ نہیں ہوتیں۔
- قابل مدتی قرضوں پر بھاری انحصار مالی اخراجات میں اضافہ کرتا ہے اور نقد بہاؤ پر دباؤ ڈال سکتا ہے۔
- گندم کے آپریشنز میں کم ریگولیشن مارجن منافع کو متاثر کر سکتے ہیں۔

اکاؤنٹنگ پالیسیز

اس نصف سالہ مختصر عبوری مالی معلومات کی تیاری میں اپنائی گئی اکاؤنٹنگ پالیسیاں کمپنی کے پچھلے سالہ مالیاتی بیانات کی تیاری میں لاگو کی گئی پالیسیوں کے مطابق ہیں۔

شکریہ

ڈائریکٹرز کمپنی کے تمام سطحوں پر عملے کے لگن، محنت، اور عزم کی قدر کرتے ہیں، اور کمپنی کے بینکروں اور تمام اسٹیک ہولڈرز کا ان کے مسلسل اعتماد، تعاون اور قیمتی تعاون پر مخلصانہ شکریہ ادا کرتے ہیں۔

بورڈ کی جانب سے

محمد اسلم
چیف ایگزیکٹو آفیسر/ڈائریکٹر

مرادان
2026 مئی، 21

CHASHMA SUGAR MILLS LIMITED
CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION
AS AT MARCH 31, 2026

	Un-Audited March 31, 2026	Audited September 30, 2025
	-----	-----
	Rupees in '000	-----
Equity and Liabilities		
Share Capital and Reserves		
Authorised capital	5,000,000	5,000,000
Issued, subscribed and paid-up capital	286,920	286,920
Reserves	(1,045,869)	(1,045,869)
Surplus on revaluation of property, plant and equipment	8,134,647	8,473,044
Unappropriated profits	3,146,880	2,497,840
Shareholders' equity	<u>10,522,578</u>	<u>10,211,935</u>

Non-Current Liabilities		
Long term finances - secured	3,386,603	3,950,480
Loans from related parties - secured	115,597	104,972
Lease Liabilities	141,010	141,853
Deferred liabilities		
- Deferred taxation	929,053	844,611
- Provision for gratuity	54,877	47,009
- Deferred government grant	18,862	27,797
	<u>1,002,792</u>	<u>919,417</u>
	4,646,002	5,116,722

Current Liabilities		
Trade and other payables	4,207,063	4,286,727
Short term finances - secured	29,673,665	12,875,517
Current maturity of non-current liabilities	1,231,038	1,097,404
Unclaimed dividend	15,172	15,172
Provision for income tax / levies	606,021	315,497
	<u>35,732,959</u>	<u>18,590,317</u>
Total Liabilities	<u>40,378,961</u>	<u>23,707,039</u>
Contingencies and commitments		
Total Equity And Liabilities	<u>50,901,539</u>	<u>33,918,974</u>

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


 Chief Executive Officer / Director


 Chief Financial Officer

INDEPENDENT AUDITORS' REVIEW REPORT

To the Members of Chashma Sugar Mills Limited
Report on Review of Condensed Interim Financial Statements

Introduction

We have reviewed the accompanying condensed interim statement of financial position of **Chashma Sugar Mills Limited** (the Company) as at March 31, 2026 and the related condensed interim statement of profit or loss, condensed interim statement of other comprehensive income, condensed interim statement of changes in equity, condensed interim statement of cash flows, and notes to the condensed interim financial statements for the six months period then ended (hereinafter referred to as the "interim financial statements"). Management is responsible for the preparation and presentation of these interim financial statements in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on these interim financial statements based on our review.

Scope of Review

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

Conclusion

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

Other Matter

Pursuant to the requirement of section 237 (1) (b) of the Companies Act, 2017, only cumulative figures for the six months presented in the second quarter accounts are subject to a limited scope review by the statutory auditors of the Company. Accordingly, the figures of the condensed interim statement of profit or loss and condensed interim statement of other comprehensive income for the three months period ended March 31, 2026 and 2025 have not been reviewed by us.

The engagement partner on the review resulting in this independent auditors' review report is Osman Hameed Chaudhri.



SHINewing HAMEED CHAUDHRI & CO.,
CHARTERED ACCOUNTANTS
LAHORE
UDIN: RR202610104mY96M5b2p
Date: May 21, 2026

CHASHMA SUGAR MILLS LIMITED

CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS (UN-AUDITED)
FOR THE QUARTER AND SIX MONTHS PERIOD ENDED MARCH 31, 2026

	Note	Quarter ended			Six months period ended		
		March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025		
Gross sales	24	5,550,228	5,317,669	18,498,295	11,253,624		
Sales tax, other government levies and discounts	24	(463,457)	(755,909)	(1,716,324)	(1,300,736)		
Sales - net		5,086,771	4,561,760	16,781,971	9,952,888		
Cost of sales		(3,765,543)	(4,292,445)	(13,495,790)	(9,607,992)		
Gross profit		1,321,228	269,315	3,286,181	344,896		
Selling and distribution expenses		(128,724)	(298,310)	(598,794)	(568,828)		
Administrative and general expenses		(296,446)	(349,801)	(697,653)	(667,261)		
Other income		206,647	145,110	250,014	635,647		
Other expenses		(51,080)	(2,009)	(51,089)	(2,015)		
Profit / (loss) from operations		1,051,625	(235,695)	2,188,659	(257,561)		
Finance cost - net		(864,189)	(780,315)	(1,344,467)	(1,834,510)		
Profit / (loss) before revenue tax and income tax		187,436	(1,016,010)	844,192	(2,092,071)		
Minimum tax levy	25	(50,094)	(57,672)	(171,306)	(125,078)		
Profit / (loss) before income tax		137,342	(1,073,682)	672,886	(2,217,149)		
Income tax expenses	25	(58,708)	478,399	(362,243)	974,732		
Profit / (loss) for the period		78,634	(595,283)	310,643	(1,242,417)		
----- Rupees -----							
Earnings / (loss) per share		2.74	(20.75)	10.83	(43.30)		
- basic and diluted							

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


Chief Executive Officer / Director


Director


Chief Financial Officer

CHASHMA SUGAR MILLS LIMITED
CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION
AS AT MARCH 31, 2026

	Note	Un-Audited	Audited
		March 31, 2026	September 30, 2025
---- Rupees in '000 ----			
Assets			
Non-Current Assets			
Property, plant and equipment	15	18,847,561	19,668,278
Right-of-use assets	16	289,094	241,967
Long term investments	17	828,752	714,665
Long term loans and deposits	18	375,843	375,843
Current Assets		20,341,250	21,000,753
Stores and spares		1,248,442	1,299,513
Stock-in-trade	19	21,237,246	7,103,687
Trade debits	20	1,085,240	1,284,887
Loans and advances	21	2,930,295	1,189,352
Trade deposits and other receivables	22	2,732,707	713,786
Income tax refundable		704,212	533,360
Cash and bank balances	23	622,147	793,636
		30,560,289	12,918,221
Total Assets		50,901,539	33,918,974

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


Chief Executive Officer / Director


Director


Chief Financial Officer

CHASHMA SUGAR MILLS LIMITED

CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)
FOR THE SIX MONTHS PERIOD ENDED MARCH 31, 2026

	Share capital	General reserve	Merger reserve	Surplus on revaluation of Property, plant and equipment	Un-appropriated profits	Total
Balance as at October 01, 2024 (Audited)	286,920	327,000	-	8,978,222	3,550,096	13,142,238
Total comprehensive loss for the six month period ended March 31, 2025	-	-	-	-	(1,242,417)	(1,242,417)
Loss for the period	-	-	-	-	(1,242,417)	(1,242,417)
Other comprehensive income for the period	-	-	-	-	-	-
Effect of change in effective tax rate	-	-	-	1,002,000	-	1,002,000
Transfer on account of incremental depreciation (Net of deferred taxation)	-	-	-	(355,710)	355,710	-
Balance as at March 31, 2025 (Un-Audited)	286,920	327,000	-	9,624,512	2,663,389	12,901,821
Balance as at October 01, 2025 (Audited)	286,920	327,000	(1,372,869)	8,473,044	2,497,840	10,211,935
Total comprehensive income for the six month period ended March 31, 2026	-	-	-	-	310,643	310,643
Profit for the period	-	-	-	-	310,643	310,643
Other comprehensive income for the period	-	-	-	-	-	-
Transfer on account of incremental depreciation (Net of deferred taxation)	-	-	-	(338,397)	338,397	-
Balance as at March 31, 2026 (Un-Audited)	286,920	327,000	(1,372,869)	8,134,647	3,146,880	10,522,578

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


Chief Executive Officer / Director

Director



Director


Chief Financial Officer

Chief Financial Officer

CHASHMA SUGAR MILLS LIMITED

CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE QUARTER AND SIX MONTHS PERIOD ENDED MARCH 31, 2026

	Quarter ended		Six months period ended	
	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025
Profit / (loss) for the period	78,634	(595,283)	310,643	(1,242,417)
Other comprehensive income	-	-	-	-
Surplus on revaluation of property, plant and equipment	-	-	-	-
Add: deferred tax on surplus on revaluation of property, plant and equipment	-	-	-	-
Total comprehensive income / (loss) for the period	78,634	(595,282)	310,643	(1,242,417)

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


Chief Executive Officer / Director

Director



Director


Chief Financial Officer

Chief Financial Officer

CHASHMA SUGAR MILLS LIMITED
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE SIX MONTHS PERIOD ENDED MARCH 31, 2026

1. LEGAL STATUS AND NATURE OF BUSINESS

Chashma Sugar Mills Limited (the Company) was incorporated in Pakistan on May 5, 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, 1982. The Company has its shares quoted on the Pakistan Stock Exchange Limited. The Company is principally engaged in manufacturing, production, processing, compounding, preparation and sale of sugar, other allied compounds, intermediates and allied products. The Company is a subsidiary of The Premier Sugar Mills and Distillery Company Limited. The head office of the Company is situated at King's Arcade, 20-A, Markaz F-7, Islamabad and its manufacturing facilities are located at Dera Ismail Khan, Khyber Pakhtunkhwa.

2. BASIS OF PREPARATION

2.1 Statement of compliance

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

- International Accounting Standard ('IAS') 34, 'Interim Financial Reporting', issued by International Accounting Standards Board ('IASB') as notified under the Companies Act, 2017 (the Act),
- Islamic Financial Accounting Standards (IFAS) issued by the Institute of Chartered Accountants of Pakistan as notified under the Act, and
- Provisions of and directives issued under the Act.

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

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

2.2 New standards, amendments to approved accounting standards and interpretations that are effective during the period

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

2.3 Standards, amendments to approved accounting standards and interpretations that are not yet effective and have not been early adopted by the Company

There are certain standards, amendments to the accounting standards and interpretations that are effective for accounting periods after October 01, 2026 but are considered not to be relevant or to have any significant effect on the Company's operations and are, therefore, not detailed in these condensed interim financial statements.

CHASHMA SUGAR MILLS LIMITED
CONDENSED INTERIM STATEMENT OF CASH FLOWS (UN-AUDITED)
FOR THE SIX MONTHS PERIOD ENDED MARCH 31, 2026

	Six months period ended		Note
	March 31, 2026	March 31, 2025	
	-- Rupees in '000 --		
Cash flow from operating activities			
Profit / (loss) for the period before taxation	672,886	(2,217,149)	
Adjustments for non-cash charges and other items:			
Depreciation	913,096	871,939	
Gain on disposal of operating fixed assets	(199)	(6,400)	
Profit on deposit accounts	(1,755)	(1,057)	
Mark-up earned on term depository receipts	-	(444,442)	
Mark-up income on loan to a related party	(49,542)	(130,310)	
Finance cost	1,344,467	1,834,510	
Provision for staff retirement benefits - gratuity	8,045	4,293	
Minimum tax levy	171,306	125,078	
Profit before working capital changes	3,058,304	36,462	
(Increase) / decrease in current assets:			
Stores and spares	51,071	3,044	
Stock-in-trade	(14,133,559)	(11,415,087)	
Trade debts	194,328	-374,888	
Loans and advances	(1,740,943)	(1,717,508)	
Trade deposits and other receivables	(2,018,921)	(139,068)	
	(17,648,024)	(13,643,507)	
Increase / (decrease) in current liabilities:			
Trade and other payables	(79,664)	1,675,222	
Cash used in operating activities	(14,669,384)	(11,931,823)	
Income taxes and levies paid	(329,435)	(203,008)	
Staff retirement benefits (gratuity) - paid	(177)	(5,442)	
Net cash used in operating activities	(14,998,996)	(12,140,273)	
Cash flow from investing activities			
Additions to property, plant and equipment	(100,132)	(118,565)	
Sale proceeds of operating fixed assets	2,120	15,104	
Increase in long term investment	(114,087)	-	
Profit on bank deposit received	1,755	1,057	
Profits on term finance certificates	-	444,442	
Interest income on loan provided to related party	49,542	130,310	
Net cash (used in) / generated from investing activities	(160,802)	472,328	
Cash flow from financing activities			
Long term finances - net	(387,569)	372,598	
Short term finances - net	2,284,400	(779,100)	
Loan repaid to related party	(10,625)	(10,625)	
Lease liabilities - net	(52,581)	(85,835)	
Finance cost paid	(1,128,843)	(1,556,891)	
Encashment of TDR	-	454,000	
Net cash generated from / (used in) financing activities	704,782	(1,605,853)	
Net decrease in cash and cash equivalent	(14,455,016)	(13,273,798)	
Cash and cash equivalents - at beginning of the period	(8,189,337)	(2,127,991)	
Cash and cash equivalents - at end of the period	(22,644,353)	(15,401,789)	
Cash and cash equivalents comprised of:			
Cash and bank balances	622,147	476,484	23
Short term running finance - secured	(23,266,500)	(15,878,273)	12
	(22,644,353)	(15,401,789)	

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


Chief Executive Officer / Director


Director


Chief Financial Officer

8. LONG TERM FINANCES - SECURED

	Un-Audited March 31, 2026	Audited September 30, 2025
	-- Rupees in '000 --	
Note		
Bank Al-Habib Limited	436,607	534,983
Soneri Bank Limited	1,333,333	1,416,666
Al-Baraka Bank (Pakistan) Limited	168,213	223,832
United Bank Limited	1,800,000	1,850,000
MCB Bank Limited	360,819	413,492
National Bank of Pakistan	75,521	85,068
MCB Islamic Bank Limited	14,643	17,559
The Bank of Khyber	221,258	256,363
Total	4,410,394	4,797,963
Accrued mark-up	77,026	91,587
	4,487,420	4,889,550
Less: amount payable within next 12 months	(1,023,791)	(847,483)
Principal	(77,026)	(91,587)
Accrued mark-up	3,386,603	3,950,480
Amount due after 12 months		

8.1 These represent term and demand finances obtained by the Company from the aforesaid banks and are repayable in 1-5 years with varied grace periods. The rate of mark-up ranges from KIBOR + 1% per annum to KIBOR + 2.50% per annum and SBP rate + 4%. These are secured against first / joint pari passu hypothecation charge over all present and future movable fixed assets of the Company along with first / joint pari passu charge by way of equitable on all present and future immovable fixed assets of the Company. There is no material change in the terms and conditions of the long term loans as disclosed in note 20 to the annual audited financial statements of the Company as at September 30, 2025.

9. LOANS FROM RELATED PARTIES - SECURED

Associated companies		
Premier Board Mills Limited	37,472	37,472
Arpak International Investments Limited	25,000	25,000
Aztlak Enterprises (Private) Limited	63,750	74,375
Accrued mark-up	54,201	63,242
	180,423	200,089
Less: amount payable within next 12 months		
Principal	(10,625)	(31,875)
Accrued mark-up	(54,201)	(63,242)
Amount due after 12 months	115,597	104,972

3. MATERIAL ACCOUNTING POLICY INFORMATION

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

4. ACCOUNTING ESTIMATES AND JUDGEMENTS

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

Judgments and estimates made by the management in the preparation of these condensed interim financial statements are the same as those that were applied to the financial statements as at and for the year ended September 30, 2025.

5. SEASONALITY OF OPERATIONS

The Company is inter-alia engaged in manufacturing of sugar for which the season begins in November / December and ends in March. Therefore, majority of expenses are incurred and production activities are undertaken in the first half of the Company's financial year thus increasing volume of inventories, trade payables and borrowings at the end of first half. Operating results of the company are expected to fluctuate in the last six months of the year in comparison with the first six months of the year.

6. SHARE CAPITAL

As at period end, the issued, subscribed and paid-up capital of the Company includes following share capital holdings by the related parties:

	Un-Audited March 31, 2026	Audited September 30, 2025
	(Number of shares)	
Holding company	13,751,000	13,751,000
The Premier Sugar Mills & Distillery Company Limited		
Associated companies	1,497,359	1,497,359
Aztlak Enterprises (Private) Limited		
Phipson & Co. Pakistan (Private) Limited	307,500	307,500
Syntronics Limited	3,590,475	3,590,475
	19,146,334	19,146,334
	-- Rupees in '000 --	
RESERVES		
General reserves	327,000	327,000
Merger reserves - Capital reserve	(1,372,869)	(1,372,869)
	(1,045,869)	(1,045,869)

7.1 These represent amounts appropriated by the Board of Directors of the Company from 1993 to 2005 to a separate reserve available for distribution to shareholders by way of dividend.

7.2 This represents merger reserve arisen upon merger of Ultimate Whole Foods (Private) Limited (UWFPL) with and into the Company on June 10, 2025. This also include the effect of merger adjustments, elimination of inter company balances and cross investments.

11.1	This represents amounts due to the following related parties and are interest free and payable on demand:	Un-Audited March 31, 2026	Audited September 30, 2025
	Associated Companies		
	Syntronics Limited	-	12,659
	Syntron Limited	177,907	41,637
	Azlake Enterprises (Private) Limited	73,230	59,103
	Directors	295,990	295,990
		<u>547,127</u>	<u>409,389</u>
12.	SHORT TERM FINANCES -secured		
	Cash / running finance	23,266,500	8,982,973
	Export re-finance	5,611,000	3,326,600
		<u>28,877,500</u>	<u>12,309,573</u>
	Accrued mark-up	796,165	565,944
		<u>29,673,665</u>	<u>12,875,517</u>
12.1	The Company has available short term cash / running finance facilities from various banks aggregating to Rs.23,950 million (September 30, 2025: Rs.25,800 million). The effective rate of rate of mark-up charged by the banks ranged from KIBOR + 0.1% to KIBOR + 2.5% per annum. These facilities are secured against pledge charge over crystalline sugar inclusive of margin of 10 - 25%. These facilities are expiring on various dates by March 31, 2027.		
12.2	The Company has available Export Re Finance / Finance Against Packing Credit (ERF / FAPC) facility from various commercial banks for Rs.7,300 million (September 30, 2025: Rs.3,700 million). These facilities are secured by the joint parri passu hypothecation charge over current assets of the Company and lien over export documents.		
13.	CURRENT PORTION OF NON CURRENT LIABILITIES		
	Long term finances	1,100,817	939,070
	Loans from related parties	64,826	95,117
	Lease liabilities	65,395	63,217
		<u>1,231,038</u>	<u>1,097,404</u>
14.	CONTINGENCIES AND COMMITMENTS		
14.1	There has been no significant change in the status of contingencies as disclosed in note 29 to the audited financial statements of the Company for the year ended September 30, 2025.		
14.2	COMMITMENTS		
	The Company has following commitments in respect of:		
	- foreign letter of credit for purchase of plant and machinery	323,542	127,482
	- capital expenditure other than for letters of credit	-	4,000

9.1	This long term finance facility has been renewed on November 22, 2024. The principal is repayable in 4 semi annual installments commencing from November 2028. The rate of mark-up is one month KIBOR + 1.25%, provided the mark up to be charged by the associated company is not less than the borrowing cost of the associated company. This loan is secured against promissory note issued by the Company.	Un-Audited March 31, 2026	Audited September 30, 2025
9.2	The long term finance facility has been renewed on November 22, 2024. The principal is repayable in 4 semi annual installments commencing from November 2028. The rate of mark-up is one month KIBOR + 1.25%, provided the mark up to be charged by the associated company is not less than the borrowing cost of the associated company. This loan is secured against promissory note issued by the Company.		
9.3	The long term finance facility had been renewed on January 3, 2022. The principal is repayable in 8 semi annual installments commenced from December 2024. The rate of mark-up is one month KIBOR + 1.25%, provided the mark up to be charged by the associated company is not less than the borrowing cost of the associated company. This loan is secured against promissory note issued by the Company.		
10.	LEASE LIABILITIES		
	Balance at beginning of the period / year	205,070	227,956
	Transfer of liability pursuant to merger of UWFPL with and into the Company	-	15,116
	Additions during the period / year	41,295	93,389
	Unwinding of interest on lease liabilities	12,621	32,961
	Payments made during the period / year	(52,581)	(149,534)
	Early termination of lease liabilities	-	(14,818)
	Balance at end of the period / year	<u>206,405</u>	<u>205,070</u>
	Less: current portion of long term lease liabilities	<u>(65,395)</u>	<u>(63,217)</u>
		<u>141,010</u>	<u>141,853</u>
11.	TRADE AND OTHER PAYABLES		
	Creditors	1,654,259	598,086
	Due to related parties	547,127	409,389
	Accrued expenses	132,411	157,448
	Retention money	30,285	30,587
	Security deposits	1,669	1,299
	Advance payments from customers - contract liabilities	1,323,988	2,063,943
	Sales tax payable	-	393,041
	Income tax deducted at source	292,742	498,181
	Payable for workers' profit participation fund	42,210	-
	Payable to employees	133,121	109,918
	Payable to provident fund	24,662	20,899
	Others	24,589	3,936
		<u>4,207,063</u>	<u>4,286,727</u>

15.2	Capital work-in-progress	Un-Audited March 31, 2026	Audited September 30, 2025
	Note	-- Rupees in '000 --	
	At the beginning of the period / year	146,916	861,864
	Additions during the period / year	99,561	409,994
	Capitalized during the period / year	(110,739)	(1,124,942)
	Balance at the end of the period / year	135,738	146,916
15.2.1	Additions during the period / year		
	Land and building	43,423	121,227
	Plant and machinery	7,246	29,409
	Electric installations	-	11,996
	Vehicles - owned	1,827	25,952
	Vehicles - leased	43,375	209,155
	Advance payments to contractors	-	8,755
	Advance payments against land and buildings	2,000	3,500
	Un-allocated capital expenditure	1,690	-
		99,561	409,994
16.	Right of Use Assets		
	Net book value at the beginning of the period / year	241,967	295,474
	Additions during the period / year	75,102	92,407
	Transfer of right-of-use assets pursuant to merger of UWFPL	-	16,516
	Transfers from right of use assets to owned	(1,035)	(86,503)
	Depreciation charged for the period / year	(26,940)	(75,927)
	Net book value at the end of the period / year	289,094	241,967
17.	LONG TERM INVESTMENT		
	Investment in subsidiary company - unquoted		
	Whole Foods (Private) Limited (WFL)		
	- at cost 92,350,000	923,500	100,000
	(September 30, 2025: 10,000,000) fully paid ordinary shares	-	619,466
	Advance for equity contribution	-	89,947
	Mark-up charged during the period / year	923,500	809,413
	Difference in fair value and present value on initial recognition of interest free loan	119,964	119,964
		1,043,464	929,377
17.2	Less : Impairment recognised on subsidiary - Whole Foods (Private) Limited	214,712	214,712
	Balance as at end of the period / year	828,752	714,665

14.3	The Company has entered into Ijarah arrangements for lab equipments with OLP Modaraba. Aggregate commitments for rentals under Ijarah arrangements as follows:	Un-Audited March 31, 2026	Audited September 30, 2025
		-- Rupees in '000 --	
	Not later than one year	16,526	16,535
	Later than one year but not later than five years	16,868	29,676
14.4	CORPORATE GUARANTEES		
	The Company has issued corporate guarantees in favour of lenders of PSM (holding company) aggregating to Rs.3,900 million (September 30, 2025: Rs.3,900 million).		
15.	PROPERTY, PLANT AND EQUIPMENT		
	Operating fixed assets	18,711,823	19,521,362
	Capital work-in-progress	135,738	146,916
		18,847,561	19,668,278
15.1	Operating fixed assets -at net book value		
	Net book value at the beginning of the period / year	19,521,362	20,683,321
	Additions during the period / year	77,503	968,729
	Acquisition of property, plant and equipment pursuant to merger of UWFPL	-	3,269,509
	Transfers from right of use assets to owned	1,035	71,185
	Disposals during the period / year	(1,921)	(3,720,392)
	Depreciation charged for the period / year	(886,156)	(1,750,990)
		(888,077)	(5,471,382)
	Net book value at the end of the period / year	18,711,823	19,521,362
15.1.1	Additions during the period / year		
	Freehold land	-	1,560
	Building and roads	9,053	98,923
	Plant and machinery	12,390	590,428
	Electric installations	56	117,921
	Office equipment	11,102	21,328
	Farm equipment	-	73
	Furniture and fixtures	2,586	11,571
	Vehicles	42,316	126,925
		77,503	968,729

20. TRADE DEBTS - UNSECURED

	Un-Audited March 31, 2026	Audited September 30, 2025
	-- Rupees in '000 --	
Considered good	1,085,240	1,284,887
Considered doubtful	39,594	38,579
	<u>1,124,834</u>	<u>1,323,466</u>
Less: loss allowance	(39,594)	(38,579)
	<u>1,085,240</u>	<u>1,284,887</u>

Note

21. LOANS AND ADVANCES

Advances to:

Employees - secured	37,202	19,678
Suppliers and contractors - unsecured	<u>2,875,330</u>	<u>1,109,200</u>
	2,912,532	1,128,878
Short term loans due from subsidiary company Whole Foods (Private) Limited (WFL)	14,278	58,614
Letters of credit - secured	<u>33,228</u>	<u>31,603</u>
	<u>2,960,038</u>	<u>1,219,095</u>
Less:		
- Provision for doubtful advances	(28,838)	(28,838)
- Loss allowance	(905)	(905)
	<u>2,930,295</u>	<u>1,189,352</u>

21.1

21.1 During the financial year ended September 30, 2025, the Company extended finances to meet the debt servicing and working capital requirements of WFL vide addendum made by the Company and WFL on February 26, 2025 to the previous loan agreement dated October 01, 2023 to convert the closing balance including mark-up as at September 30, 2025 into equity after members' approval in the 38th annual general meeting. The Company and WFL completed the procedure for the issuance of share capital there against.

In pursuance of the aforementioned agreements, the Company, during the period, has enhanced its loan facility to Rs. 880 million (September 30, 2025: Rs. 772.233 million), with the approval of the shareholders obtained at the Annual General Meeting held on January 28, 2026. Also refer note 17.1.

22. TRADE DEPOSITS AND OTHER RECEIVABLES

Prepayments	38,020	41,100
Export subsidy receivable	<u>305,519</u>	<u>305,519</u>
Accrued mark-up on loans and advances to the related parties	36,492	19,098
Due from related parties	<u>1,655,467</u>	<u>648,329</u>
Sales tax refundable	1,000,637	-
Others	2,091	5,259
	<u>3,038,226</u>	<u>1,019,305</u>
Less: Loss allowance	(305,519)	(305,519)
	<u>2,732,707</u>	<u>713,786</u>

17.1 The Company and WFL have entered into an agreement to convert outstanding balance of receivables including mark-up receivable from WFL into equity. During the period, on January 31, 2026, the Company agreed to convert Rs.823.50 million (receivable balance including mark-up) into equity of WFL. The transaction was approved by the shareholders of the Company in their Annual General Meeting held on January 28, 2026.

17.2 The Company has used Market Value of Net Assets Approach to calculate the Value in Use (VIU) under IAS 36. This valuation was carried out by independent valuer M/s. A.B.M & Co. Chartered Accountants - a QCR rated firm. Latest valuation was carried out on September 30, 2025 and provision for impairment loss was recorded accordingly. The management intends to re-assess the impairment loss as on September 30, 2026.

18. LONG TERM LOANS AND DEPOSITS - considered good

	Un-Audited March 31, 2026	Audited September 30, 2025
	-- Rupees in '000 --	
Long term security deposits	15,343	15,343
Loan to holding company - PSM	<u>360,500</u>	<u>360,500</u>
	<u>375,843</u>	<u>375,843</u>

Note

18.1

18.1 The Company has provided loan facility of Rs.500 million to PSM (the Holding company). The loan carries mark-up at the rate of 3-Months KIBOR+1% per annum, subject to a minimum of the Company's borrowing cost. The loan is repayable within three years, with the option for early repayment. The loan is secured against demand promissory note from the Holding Company. The members of the Company, in the Annual General Meeting held on February 26, 2025, approved the loan limit of Rs.500 million to the Holding Company.

19. STOCK-IN-TRADE

	312,175	1,227,350
Raw material		
- Wheat		
Finished goods		
- Sugar	<u>16,597,050</u>	<u>3,834,384</u>
- Molasses	<u>3,042,806</u>	<u>893,078</u>
- Ethanol	<u>599,219</u>	<u>1,017,581</u>
- Bagasse	<u>653,510</u>	<u>74,418</u>
- Wheat flour	<u>11,323</u>	<u>29,206</u>
	<u>20,903,908</u>	<u>5,848,667</u>
Work-in-process	21,163	27,670
	<u>21,237,246</u>	<u>7,103,687</u>

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

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

26. Segment operating results for the six month period ended March 31, 2025 (Un-audited)

	Sugar Division						Ethanol Division					
	Three month period ended		Six month period ended		Three month period ended		Six month period ended		Three month period ended		Six month period ended	
	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025	March 31, 2025	
Sales												
- External Customers	2,597,463	4,007,552	10,227,535	7,490,349	1,590,573	1,310,117	4,348,168	3,793,275				
- Inter segment	59,450	371,237	191,827	563,112	-	-	-	-				
	2,656,913	4,378,789	10,419,362	8,053,461	1,590,573	1,310,117	4,348,168	3,793,275				
Less: sales tax & others	(392,639)	(741,088)	(1,550,762)	(1,250,971)	(65,197)	(14,921)	(100,050)	(49,865)				
Sales - net	2,264,274	3,637,701	8,868,600	6,802,490	1,525,376	1,295,196	4,248,118	3,743,410				
Segment expenses:												
Cost of Sales	(1,388,461)	(3,611,256)	(7,030,334)	(6,916,065)	(1,027,912)	(681,081)	(3,032,265)	(2,691,307)				
Less: inter segment cost	-	-	-	-	(58,459)	(371,237)	(191,827)	(563,112)				
	(1,388,461)	(3,611,256)	(7,030,334)	(6,916,065)	(1,086,371)	(1,052,318)	(3,224,092)	(3,254,419)				
Gross profit	844,834	2,046,445	1,798,266	(63,465)	441,014	242,870	983,966	488,991				
Selling and distribution expenses	(24,539)	(69,654)	(35,429)	(134,720)	(63,177)	(208,756)	(490,741)	(494,108)				
Administrative and general expenses	(153,881)	(209,859)	(428,394)	(438,235)	(69,754)	(112,942)	(182,498)	(231,029)				
	(178,420)	(279,513)	(463,823)	(572,955)	(132,931)	(321,698)	(673,239)	(725,137)				
Profit / (loss) from operations	666,414	(233,068)	1,334,443	(664,450)	278,083	(78,828)	322,761	(228,745)				
Other income	202,660	142,532	243,174	631,076	2,999	2,576	5,636	3,971				
Other expenses	(51,080)	(2,009)	(51,069)	(2,015)	-	-	-	-				
	151,580	140,523	192,105	629,061	2,999	2,576	5,636	3,971				
Segment results	818,044	(93,545)	1,526,548	(34,389)	281,082	(76,252)	328,397	(224,774)				
Finance cost												
Profit / (loss) before revenue tax and income tax												
Minimum tax - levy												
Profit / (loss) before income tax												
Income tax												
Profit / (loss) for the period												

22.1 This represents amounts due from The Premier Sugar Mills and Distillery Company Limited (the Holding Company) and are interest free and has under normal course of business transactions.

23. **CASH AND BANK BALANCES**

	Un-Audited March 31, 2026	Audited September 30, 2025
Cash at banks		
Current accounts	601,077	770,714
Saving accounts	21,070	22,922
	<u>622,147</u>	<u>793,636</u>

23.1 These carry mark up at the rate ranging from 9.00% to 9.50% (September 30, 2025: 9.50% to 16.00%) per annum.

24. **GROSS SALES**

	Quarter ended		Six months period ended	
	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025
Local	4,386,499	3,981,162	14,804,928	6,988,419
Export	1,163,729	1,336,507	3,693,367	4,265,205
	<u>5,550,228</u>	<u>5,317,669</u>	<u>18,498,295</u>	<u>11,253,624</u>

Sales tax, other government levies and discounts

Indirect taxes	456,945	754,721	1,687,108	1,298,502
Discounts	6,512	1,188	29,216	2,234
	<u>463,457</u>	<u>755,909</u>	<u>1,716,324</u>	<u>1,300,736</u>

25. **LEVIES AND INCOME TAXATION**

	Un-Audited March 31, 2026	Un-Audited March 31, 2025
Minimum tax levy		
Levy:		
- for the period	171,306	125,078
Income tax		
Current tax	136,202	-
- for the period	141,599	-
- for the prior period	84,442	(974,732)
Deferred tax	<u>362,243</u>	<u>(974,732)</u>

25.1 Provision for taxation, made during the current period, represent minimum tax payable under section 113 of the Income Tax Ordinance, 2001.

25.2 Provision for income taxation, made during the current period, represent super tax payable under section 4C of the Income Tax Ordinance, 2001.

26.1 Segment assets and liabilities

	Un-audited March 31, 2026 Rupees in '000		Audited September 30, 2025 Rupees in '000	
	Assets	Liabilities	Assets	Liabilities
Sugar	37,797,703	29,168,612	21,576,871	13,577,454
Ethanol	8,923,774	6,551,185	6,967,326	3,857,889
Flour	4,180,062	1,981,364	5,374,777	3,844,202
Total for reportable segment	50,901,539	37,701,161	33,918,974	21,279,545
Others	-	2,677,800	-	2,427,494
Total assets / liabilities	50,901,539	40,378,961	33,918,974	23,707,039

27. Transactions with related parties

The Company has related party relationship, with its Holding Company, subsidiary companies and associated companies, its directors, key management personnel and employee benefit plan. The Company in the normal course of business carries out transactions with various related parties. There were no transactions with key management personnel other than under the terms of employment. Aggregate transactions with the related parties during the period were as follows:

	Three month period ended March 31, 2026	Six month period ended March 31, 2026	Three month period ended March 31, 2025	Six month period ended March 31, 2025
Holding Company				
Sales	764,239	-	1,153,452	-
Issuance of store items	17,972	15,280	18,471	19,303
Expenses paid on behalf of the Company	4,939	2,346	14,866	3,898
Expenses paid by the Company	103,375	46,377	168,368	73,469
Rent income	29	29	58	58
Loan provided	-	350,000	-	350,000
Markup charged by the Company	10,382	18,262	21,468	18,262
Subsidiary Companies				
Expenses paid by the Company	1,869	70,013	3,900	173,597
Issuance of shares	823,500	-	823,500	-
Mark-up charged by the Company	6,882	77,475	28,074	112,048
Associated undertakings				
Services	12,423	14,663	24,862	32,274
Expenses paid by Associated Companies	-	6,897	281	6,942
Purchase of goods	94,445	102,631	192,773	233,100
Mark-up charged	4,034	4,567	8,372	11,469
Post employment benefit				
Expense charged in respect of retirement benefit plan	11,669	11,372	24,194	22,010
Key management personnel / Directors				
Salaries and other benefits	114,783	79,603	214,685	155,673

	Flour Division					
	Three month period ended March 31, 2026		Three month period ended March 31, 2025		Total Six month period ended March 31, 2026	
	1,392,172	-	3,922,594	-	5,550,228	5,317,589
	-	-	-	-	56,450	371,237
	1,392,172	-	3,922,594	-	5,606,678	5,688,826
	(5,622)	-	(25,508)	-	(483,457)	(755,909)
	1,386,550	-	3,897,086	-	5,143,221	4,932,997
	(1,351,170)	-	(3,373,171)	-	(3,765,543)	(4,252,445)
	-	-	-	-	(58,450)	(371,237)
	(1,351,170)	-	(3,373,171)	-	(3,821,993)	(4,663,682)
	35,380	-	523,917	-	1,321,228	269,315
	(41,008)	-	(104,824)	-	(128,724)	(298,310)
	(42,831)	-	(86,763)	-	(296,446)	(349,801)
	(83,838)	-	(191,387)	-	(425,170)	(648,111)
	(48,459)	-	332,530	-	886,058	(378,796)
	958	-	1,202	-	206,847	145,110
	-	-	-	-	(51,080)	(2,009)
	958	-	1,202	-	155,867	143,101
	(47,501)	-	333,732	-	1,051,625	(235,695)
	-	-	-	-	(894,189)	(780,315)
	-	-	-	-	187,456	(1,016,010)
	-	-	-	-	(50,094)	(57,672)
	-	-	-	-	137,342	(1,073,682)
	-	-	-	-	(58,708)	478,399
	-	-	-	-	78,834	(585,283)
	-	-	-	-	1,688,859	2,188,859
	-	-	-	-	(1,344,467)	(1,834,510)
	-	-	-	-	844,192	(2,092,071)
	-	-	-	-	(125,076)	(125,076)
	-	-	-	-	672,888	(2,217,149)
	-	-	-	-	(382,243)	974,732
	-	-	-	-	310,643	(1,242,417)

Other Disclosure

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

- Meezan Bank Limited
- Al Baraka Bank Limited
- MCB Islamic Limited
- Bank Islami Limited
- National Bank of Pakistan
- Dubai Islamic Bank Pakistan Limited
- United Bank Limited - Ameen Islamic Banking

29. FINANCIAL RISK MANAGEMENT

The Company's activities expose it to a variety of financial risks: market risk (including currency risk, interest rate risk and price risk), credit risk and liquidity risk. There has been no change in the Company's sensitivity to these risks since September 30, 2025, except for the change in exposure from liquidity risks due to increase in borrowings and general exposure due to fluctuations in foreign currency and interest rates. There have been no change in risk management objectives and policies of the Company during the current period.

These condensed interim financial statements does not include all financial risk management information and disclosures as required in the audited annual financial statements and should be read in conjunction with the Company's annual audited financial statement as at September 30, 2025.

30. FAIR VALUE OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES

Fair value is the price that would be received upon sale of an asset or paid upon transfer of a liability in an orderly transaction between market participants at the measurement date. Underlying the definition of fair value is the presumption that the Company is a going concern and there is no intention or requirement to curtail materially the scale of its operation or to undertake a transaction on adverse terms.

Fair values categorised into different levels in a fair value hierarchy based on the inputs used in the valuation technique are as follows:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities [Level 1].
- Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) [Level 2].
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) [Level 3].

The carrying values of all financial assets and liabilities reflected in the financial statements approximate their fair values.

28. DISCLOSURE IN RELATION TO SHARIAH COMPLIANCE

Below is the disclosure as required by the paragraph VII of the 4th Schedule to the Companies Act, 2017:

Disclosures in relation to the Statement of Financial Position - Liability Side	Un-Audited March 31, 2026	Audited September 30, 2025
-- Rupees in '000 --		
Financing obtained as per Islamic mode		
Long term	2,058,376	1,826,381
Short term	5,950,233	4,214,055
Lease financing	5,815	6,908
Interest or mark-up accrued on any conventional loan or advance	404,968	465,566
Disclosures in relation to the Statement of Financial Position - Asset Side		
Shariah-compliant bank deposits, bank balances, and TDRs	116,900	554,651
Disclosures in relation to the Statement of profit or loss and other comprehensive income		
Revenue earned from a Shariah-compliant business segment	12,533,861	6,239,479
Profit earned from Shariah-compliant bank deposits, bank balances, or TDRs	1,084	1
Exchange (loss) / gain earned from actual currency	(5,319)	3,501
Profit paid on Islamic mode of financing	604,255	301,732
Total Interest earned on any conventional loan or advance	50,212	575,809
Source and detailed breakup of other income:		
Shariah compliant income:		
Profit earned from Shariah-compliant bank deposits, bank balances, or TDRs	1,084	1
Sale of press mud - net of sales tax	23,520	6,208
Sale of fuse oil - net of sales tax	4,008	2,646
Gain on disposal of operating fixed assets	199	6,400
Scrap sales - net of expenses	12,713	44,526
Rental income	58	58
Non-Shariah compliant income:		
Mark-up earned on bank deposits, bank balances, or TDRs	670	445,498
Mark-up earned on loan to a related party	49,542	130,311



CHASHMA SUGER MILLS LIMITED

CONDENSED INTERIM CONSOLIDATED FINANCIAL INFORMATION FOR THE SIX MONTH PERIOD ENDED MARCH 31, 2026 (UN-AUDITED)

31. CORRESPONDING FIGURES

In order to comply with the requirements of International Accounting Standard 34 - 'Interim Financial Reporting', the condensed interim statement of financial position has been compared with the balances of audited annual financial statements of the Company for the year ended September 30, 2025, whereas, the condensed interim statement of profit or loss and other comprehensive income, condensed interim statement of cash flows and condensed interim statement of changes in equity have been compared with the balances of comparable period of condensed interim financial statements of the Company for the six months period ended March 31, 2025.

32. GENERAL

32.1 These condensed interim financial statements have been authorised for issue by the Board of Directors of the Company on May 21, 2026.

32.2 Figures have been rounded off to the nearest thousand except stated otherwise.

Chief Executive Officer / Director

Director

Chief Financial Officer

CHASHMA SUGAR MILLS LIMITED
CONDENSED INTERIM CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE QUARTER AND SIX MONTHS PERIOD ENDED MARCH 31, 2026

	Quarter ended		Six months period ended	
	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025
Profit / (loss) for the period	54,062	(871,901)	240,144	(1,739,594)
Other comprehensive income				
Surplus on revaluation of Property, plant and equipment	244,971	-	244,971	-
Add: Deferred tax on surplus on revaluation of property, plant and equipment	(69,418)	-	(69,418)	-
	175,553	-	175,553	-
Total comprehensive income / (loss) for the period	<u>229,615</u>	<u>(871,901)</u>	<u>415,697</u>	<u>(1,739,594)</u>
Attributable to:				
Owners of the Parent Company	229,615	(837,508)	415,697	(1,676,069)
Non-controlling interest	-	(34,393)	-	(63,525)
	<u>229,615</u>	<u>(871,901)</u>	<u>415,697</u>	<u>(1,739,594)</u>

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


Chief Executive Officer / Director

Director



Chief Financial Officer



CHASHMA SUGAR MILLS LIMITED
CONDENSED INTERIM CONSOLIDATED STATEMENT OF PROFIT OR LOSS (UN-AUDITED)
FOR THE QUARTER AND SIX MONTHS PERIOD ENDED MARCH 31, 2026

	Quarter ended		Six months period ended	
	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025
	----- Rupees in '000 -----			
Gross sales	5,550,228	6,617,717	18,498,295	14,126,700
Sales tax, other government levies and discounts	(463,457)	(756,951)	(1,716,324)	(1,303,049)
Sales - net	5,086,771	5,860,766	16,781,971	12,823,651
Cost of sales	(3,765,543)	(5,686,096)	(13,495,790)	(12,594,409)
Gross profit	1,321,228	174,670	3,286,181	229,242
Selling and distribution expenses	(128,724)	(329,444)	(598,794)	(629,881)
Administrative and general expenses	(317,323)	(432,756)	(744,791)	(827,746)
Other income	199,764	104,538	221,939	568,801
Other expenses	(51,080)	(2,009)	(51,089)	(2,015)
Profit / (loss) from operations	1,023,865	(485,001)	2,113,446	(661,599)
Finance cost - net	(865,197)	(897,400)	(1,346,522)	(2,083,563)
Profit / (loss) before revenue tax and income tax	158,668	(1,382,401)	766,924	(2,745,162)
Minimum tax - levy	(50,094)	(60,919)	(171,306)	(132,255)
Profit / (loss) before income tax	108,574	(1,443,320)	595,618	(2,877,417)
Income tax expenses	(54,512)	571,419	(355,474)	1,137,823
Profit / (loss) for the period	54,062	(871,901)	240,144	(1,739,594)
Attributable to:				
Owners of the Parent Company	54,062	(837,508)	240,144	(1,676,069)
Non-controlling interest	-	(34,393)	-	(63,525)
	<u>54,062</u>	<u>(871,901)</u>	<u>240,144</u>	<u>(1,739,594)</u>
Earnings / (loss) per share attributable to owners of parent company - basic and	1.88	(29.19)	8.37	(58.42)

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


Chief Executive Officer / Director

Director



Chief Financial Officer

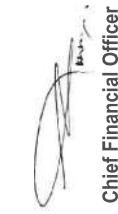


CHASHMA SUGAR MILLS LIMITED
CONDENSED INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS (UN-AUDITED)
FOR THE SIX MONTHS PERIOD ENDED MARCH 31, 2026

	Six months period ended	
	March 31, 2026	March 31, 2025
Cash flow from operating activities	595,618	(2,877,417)
Profit / (loss) for the period before taxation	962,059	1,082,068
Adjustments for non-cash charges and other items:	(199)	(6,400)
Depreciation	(1,755)	(41,669)
Gain on disposal of operating fixed assets	-	(444,442)
Mark-up earned on term depositary receipts	(21,468)	(18,262)
Mark-up income on loan to a related party	1,346,522	2,083,563
Finance cost	8,045	4,293
Provision for staff retirement benefits - gratuity	171,306	132,255
Final taxes - levy	3,060,128	(86,011)
Profit / (loss) before working capital changes	(14,133,559)	(12,487)
(Increase) / decrease in current assets:	(194,301)	(11,133,420)
Stores and spares	(1,785,279)	(484,974)
Stock-in-trade	(2,023,097)	(1,409,104)
Trade debts	(17,696,563)	(13,034,812)
Loans and advances	(80,203)	1,471,797
Trade deposits and other receivables	(14,716,638)	(11,649,026)
Cash used in operating activities	(328,961)	(209,477)
Income taxes and levies paid	(177)	(5,444)
Staff retirement benefits (gratuity) - paid	(15,045,776)	(11,863,947)
Net cash used in operating activities	(100,132)	(160,288)
Cash flow from investing activities	2,120	15,104
Additions to property, plant and equipment	1,755	41,669
Sale proceeds of operating fixed assets	-	444,442
Profit on bank deposit received	21,468	18,262
Interest income on loan provided to related party	(74,789)	359,189
Net cash (used in) / generated from investing activities	(406,882)	219,035
Cash flow from financing activities	2,284,400	(779,100)
Long term finances - net	(10,625)	(10,625)
Short term finances - net	(52,551)	(90,451)
Loan repaid to related party	(1,146,693)	(1,841,752)
Lease liabilities - net	-	454,000
Finance cost paid	667,619	(2,048,893)
Bank balances under lien	(14,452,946)	(13,553,651)
Net cash generated from / (used in) financing activities	(8,185,397)	(3,103,288)
Net decrease in cash and cash equivalent	(22,638,343)	(16,656,939)
Cash and cash equivalents - at beginning of the period	(22,638,343)	(16,656,939)
Cash and cash equivalents - at end of the period	628,157	659,230
Cash and cash equivalents comprised of:	(23,266,500)	(17,316,169)
Cash and bank balances	21	11
Short term running finance - secured	(22,638,343)	(16,656,939)

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


Chief Executive Officer / Director


Director

Chief Executive Officer / Director

Chief Financial Officer

CHASHMA SUGAR MILLS LIMITED
CONDENSED INTERIM CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)
FOR THE SIX MONTHS PERIOD ENDED MARCH 31, 2026

	Share capital	General reserve	Surplus on revaluation of Property, plant and equipment	Un-appropriated profits	Sub-total	Non-controlling interest	Total
Balance as at October 01, 2024 (Audited)	286,920	327,000	9,575,364	2,398,917	12,588,201	210,190	12,798,391
Total comprehensive loss for the six month period ended March 31, 2025	-	-	-	(1,676,069)	(1,676,069)	(63,525)	(1,739,594)
Loss for the period	-	-	-	(1,676,069)	(1,676,069)	(63,525)	(1,739,594)
Other comprehensive income for the period	-	-	-	-	-	-	-
Effect of change in effective tax rate	-	-	1,002,000	-	1,002,000	-	1,002,000
Transfer on account of incremental depreciation (Net of deferred taxation)	-	-	(388,965)	388,965	-	-	-
Balance as at March 31, 2025 (Un-Audited)	286,920	327,000	10,188,399	1,111,813	11,914,132	146,665	12,060,797
Total comprehensive loss for the six month period ended September 30, 2025	-	-	-	(1,890,258)	(1,890,258)	(10,095)	(1,900,353)
Loss for the period	-	-	-	(619)	(619)	-	(619)
Other comprehensive income for the period	-	-	-	(1,890,877)	(1,890,877)	(10,095)	(1,900,972)
Acquisition of non-controlling interest	-	-	86,728	(220,471)	(163,743)	(42,257)	(196,000)
Effect of change in effective tax rate	-	-	1,896	-	1,896	-	1,896
Adjustment as a result of merger of PGEEL	-	-	-	-	-	(94,313)	(94,313)
Surplus on revaluation of property, plant and equipment realised during the period (net of deferred taxation) on account of - incremental depreciation	-	-	(378,932)	378,932	-	-	-
- upon sale of revalued assets	-	-	(1,174,358)	1,174,358	-	-	-
Balance as at September 30, 2025 (Audited)	286,920	327,000	8,703,733	553,755	9,671,408	-	9,671,408
Total comprehensive income for the six month period ended March 31, 2026	-	-	-	240,144	240,144	-	240,144
Profit for the period	-	-	175,553	-	175,553	-	175,553
Other comprehensive income for the period	-	-	175,553	240,144	415,697	-	415,697
Transfer on account of incremental depreciation (Net of deferred taxation)	-	-	(349,602)	349,602	-	-	-
Balance as at March 31, 2026 (Un-Audited)	286,920	327,000	8,529,684	1,143,501	10,287,105	-	10,287,105

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


Chief Executive Officer / Director


Director

Chief Executive Officer / Director

Chief Financial Officer

2.2 New standards, amendments to approved accounting standards and interpretations that are effective during the period

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

2.3 Standards, amendments to approved accounting standards and interpretations that are not yet effective and have not been early adopted by the Company

There are certain standards, amendments to the accounting standards and interpretations that are effective for accounting periods beginning on October 01, 2026 but are considered not to be relevant or to have any significant effect on the Group operations and are, therefore, not detailed in these condensed interim consolidated financial statements.

3. MATERIAL ACCOUNTING POLICY INFORMATION

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

4. ACCOUNTING ESTIMATES AND JUDGEMENTS

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

Judgments and estimates made by the management in the preparation of these condensed interim consolidated financial statements are the same as those that were applied to the financial statements as at and for the year ended September 30, 2025.

5. SEASONALITY OF OPERATIONS

The Group is inter-alia engaged in manufacturing of sugar for which the season begins in November / December and ends in March. Therefore, majority of expenses are incurred and production activities are undertaken in the first half of the Group financial year thus increasing volume of inventories, trade payables and borrowings at the end of first half.

6. SHARE CAPITAL

As at period end, the issued, subscribed and paid-up capital of the Group includes following share capital holdings by the related parties;

	Un-Audited March 31, 2026	Audited September 30, 2025	Note
The Ultimate Holding Company	13,751,000	13,751,000	
The Premier Sugar Mills & Distillery Company Limited			
Associated companies	1,497,359	1,497,359	
Aziak Enterprises (Private) Limited			
Phipson & Co. Pakistan (Private) Limited	307,500	307,500	
Syntronics Limited	3,590,475	3,590,475	
	<u>19,146,334</u>	<u>19,146,334</u>	

**CHASHMA SUGAR MILLS LIMITED
NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE SIX MONTHS PERIOD ENDED MARCH 31, 2026**

1. THE GROUP AND ITS OPERATIONS

1.1 Chashma Sugar Mills Limited (the Holding Company)

Chashma Sugar Mills Limited was incorporated in Pakistan on May 5, 1988 as a public limited company, under the repealed Companies Ordinance, 1984 (repeated upon enactment of the Companies Act, 2017 on May 30, 2017) and commenced its commercial production from October 01, 1992. The Holding Company has its shares quoted on the Pakistan Stock Exchange Limited and is principally engaged in manufacturing, production, processing, compounding, preparation and sale of sugar, other allied compounds, intermediates and allied products. The Holding Company is a subsidiary of The Premier Sugar Mills and Distillery Company Limited (the Ultimate Holding Company). The head office of the Holding Company is situated at King's Arcade, 20-A, Markaz F-7, Islamabad and its manufacturing facilities are located at Dera Ismail Khan, Khyber Pakhtunkhwa.

1.2 Whole Foods (Private) Limited (Subsidiary Company)

Whole Foods (Private) Limited (WFPL) - 100% owned subsidiary of the Company was incorporated in Pakistan as a Private Limited Company under Companies Act, 2017 on October 26, 2017. The principal activity of WFPL is to setup, manage, supervise and control the storage facilities for agricultural produce. The WFPL is yet to commence its operations. For the purpose of these condensed interim consolidated financial statements, Chashma Sugar Mills Limited and its subsidiary are referred to as the Group.

2. BASIS OF PREPARATION

2.1 Statement of compliance

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

- International Accounting Standards (IAS) 34, 'Interim Financial Reporting' issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017;
- Islamic Financial Accounting Standards (IFAS) issued by the Institute of Chartered Accountants of Pakistan as notified under the Companies Act, 2017; and
- Provisions of and directives issued under the Companies Act, 2017.

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

2.1.2

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

WFPL obtained long term finance facility amounting to Rs 25 million. The principal is repayable in 8 semi annual installments commencing from July, 2027. 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 WFPL.

8.2 The long term finance facility has been renewed on November 22, 2024. The principal is repayable in 4 semi annual installments commencing from November 2028. 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 Group.

8.3 The long term finance facility had been renewed on January 3, 2022. The principal is repayable in 8 semi annual installments 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. These loans are secured against promissory note from the Group.

	Un-Audited March 31, 2026 (Rupees in thousand)	Audited September 30, 2025 (Rupees in thousand)
9. LEASE LIABILITIES		
Balance at beginning of the period / year	205,070	249,480
Additions during the period / year	41,295	93,389
Unwinding of interest on lease liabilities	12,621	34,794
Payments made during the period / year	(52,561)	(157,775)
Early termination of lease liabilities	-	(14,818)
Balance at end of the period / year	<u>206,405</u>	<u>205,070</u>
Less: current portion of long term lease liabilities	<u>(65,395)</u>	<u>(63,217)</u>
	<u>141,010</u>	<u>141,853</u>

	Un-Audited March 31, 2026 (Rupees in thousand)	Audited September 30, 2025 (Rupees in thousand)
10. TRADE AND OTHER PAYABLES		
Creditors	1,654,298	598,125
Due to related parties	547,127	409,389
Accrued expenses	132,412	157,615
Retention money	30,285	30,587
Security deposits	1,669	1,299
Advance payments from customers - contract liability	1,323,988	2,063,943
Sales tax payable	-	393,041
Income tax deducted at source	295,311	500,375
Payable for workers' profit participation fund	42,210	-
Payable to employees	133,121	109,918
Payable to provident fund	24,662	20,899
Others	24,589	4,684
	<u>4,209,672</u>	<u>4,289,875</u>

7. LONG TERM FINANCES - SECURED

	Un-Audited March 31, 2026 (Rupees in thousand)	Audited September 30, 2025 (Rupees in thousand)
Bank Al-Habib Limited	436,607	534,983
Soneri Bank Limited	1,338,333	1,440,979
MCB Islamic Bank Limited	14,643	17,559
MCB Bank Limited	360,819	413,492
Al-Baraka Bank (Pakistan) Limited	168,213	223,832
The Bank of Khyber	221,258	256,363
United Bank Limited	1,800,000	1,850,000
National Bank of Pakistan	75,521	85,068
Total	<u>4,415,394</u>	<u>4,822,276</u>
Accrued mark-up	<u>77,185</u>	<u>92,243</u>
	<u>4,492,579</u>	<u>4,914,519</u>

Less: amount payable within next 12 months

Principal	(1,028,791)	(871,796)
Accrued mark-up	(77,185)	(92,243)
	<u>3,386,603</u>	<u>3,950,480</u>

7.1 These represent term and demand finances obtained by the Group from the aforesaid banks and are repayable in 5-7 years with varied grace periods. The rate of mark-up ranges from KIBOR + 1% per annum to KIBOR + 2.50% per annum and SBP rate + 4%. These are secured against first / joint pari passu hypothecation charge over all present and future movable fixed assets of the Group along with first / joint pari passu charge by way of equitable on all present and future immovable fixed assets of the Group. There is no material change in the terms and conditions of the long term loans as disclosed in note 19 to the annual audited financial statements of the Group as at September 30, 2025.

8. LOANS FROM RELATED PARTIES - SECURED

Associated companies

Premier Board Mills Limited	8.1	62,472	62,472
Arpak International Investments Limited	8.2	25,000	25,000
Aziak Enterprises (Private) Limited	8.3	63,750	74,375
Accrued mark-up		67,771	75,276
		<u>218,993</u>	<u>237,123</u>

Less: amount payable within next 12 months

Principal	(10,625)	(31,875)
Accrued mark-up	(67,771)	(75,276)
Amount due after 12 months	<u>140,597</u>	<u>129,972</u>

8.1 This include long term finance facilities obtained by the Company and the Subsidiary. The long term finance facility obtained by the Holding Company has been renewed on November 22, 2024. The principal is repayable in 4 semi annual installments commencing from November 2028. The rate of mark-up is one month KIBOR + 1.25%, provided the mark up to be charged by the associated company is not less than the borrowing cost of the associated company. This loan is secured against promissory note issued by the Holding Company.

17.1	Molasses and bagasse are used both for internal consumption as well as for sales to external parties.		
17.2	Certain short term and long term borrowings of the Group are secured by way of collateral charge on stock-in-trade.		
18.	TRADE DEBITS - UNSECURED	Un-Audited March 31, 2026 (Rupees in thousand)	Audited September 30, 2025 (Rupees in thousand)
	Considered good	1,085,240	1,284,887
	Considered doubtful	39,594	38,579
	Less: loss allowance	1,124,834	1,323,466
		(39,594)	(38,579)
		<u>1,085,240</u>	<u>1,284,887</u>
19.	LOANS AND ADVANCES		
	Advances to:		
	Employees - secured	37,217	19,693
	Suppliers and contractors - unsecured	2,875,884	1,109,754
		2,913,101	1,129,447
	Letters of credit - secured	33,228	31,603
		<u>2,946,329</u>	<u>1,161,050</u>
	Less:		
	- Provision for doubtful advances	(28,838)	(28,838)
	- Loss allowance	(905)	(905)
		<u>2,916,586</u>	<u>1,131,307</u>
20.	TRADE DEPOSITS AND OTHER RECEIVABLES		
	Deposits	1,619	1,619
	Prepayments	38,113	41,193
	Export subsidy receivable	305,519	305,519
	Accrued mark-up on loan to Ultimate Holding Company - PSM	36,344	14,875
	Due from the Ultimate Holding Company	1,655,467	648,329
	Sales tax refundable	1,000,637	-
	Guarantees issued	15,000	15,000
	Others	6,192	9,259
		3,058,891	1,035,794
	Less: Loss allowance	(305,519)	(305,519)
		<u>2,753,372</u>	<u>730,275</u>
20.1	This represents amounts due from The Premier Sugar Mills and Distillery Company Limited (the Ultimate Holding Company) and are interest free and has under normal course of business transactions.		

14.2	Capital work-in-progress	Un-Audited March 31, 2026 (Rupees in thousand)	Audited September 30, 2025 (Rupees in thousand)
	At the beginning of the period / year	104,157	840,134
	Additions during the period / year	99,561	398,106
	Capitalized during the period / year	(110,739)	(1,134,083)
	Balance at the end of the period / year	<u>92,979</u>	<u>104,157</u>
14.2.1	Additions during the period / year		
	Land and building	43,423	115,914
	Plant and machinery	7,246	26,590
	Electric installations	-	11,995
	Vehicles - owned	1,827	25,952
	Vehicles - leased	43,375	209,155
	Advance payments to contractors	-	5,000
	Advance payments against land and buildings	2,000	3,500
	Un-allocated capital expenditure	1,690	-
		<u>99,561</u>	<u>398,106</u>
15.	Right of Use Assets		
	Net book value at the beginning of the period / year	241,967	316,081
	Additions during the period / year	75,102	92,407
	Transferred to owned assets / derecognised	(1,035)	(86,503)
	Depreciation charged for the period / year	(26,940)	(80,018)
	Net book value at the end of the period / year	<u>289,094</u>	<u>241,967</u>
16.	LONG TERM LOANS AND DEPOSITS - considered good		
	Long term security deposits	15,343	15,343
	Loan to holding company - PSM	360,500	360,500
		<u>375,843</u>	<u>375,843</u>
16.1	The Holding Company has provided loan facility of Rs.500 million to PSM (the Ultimate Holding Company). The loan carries mark-up at the rate of 3-Months KIBOR+1% per annum, subject to a minimum of the Holding Company's borrowing cost. The loan is repayable within three years, with the option for early repayment. The loan is secured against demand promissory note from PSM. The members of the Holding Company, in the Annual General Meeting held on February 26, 2025, approved the loan limit of Rs.500 million to PSM.		
17.	STOCK-IN-TRADE		
	Raw material	312,175	1,227,350
	- Wheat		
	Finished goods		
	- Sugar	16,597,050	3,834,384
	- Molasses	3,042,806	893,078
	- Ethanol	599,219	1,017,581
	- Bagasse	653,510	74,418
	- Wheat flour	11,323	29,206
		20,903,908	5,848,667
	Work-in-process	21,163	27,670
		<u>21,237,246</u>	<u>7,103,687</u>
17.2			

25 Segment operating results for the six month period ended March 31, 2026 (Unaudited)

Total	2025		2026	
	March 31, 2025	Six month period ended March 31, 2025	March 31, 2026	Six month period ended March 31, 2026
Sales				
- External Customers	2,597,483	4,007,552	10,227,536	7,490,349
- Inter segment	60,450	371,237	19,827	583,112
Sales - net	2,657,933	4,378,789	10,417,363	8,073,461
Less: sales tax & others	(392,838)	(741,088)	(1,590,782)	(1,250,871)
Segment expenses:				
Cost of Sales	(1,388,451)	(3,811,256)	(7,030,334)	(5,918,085)
Less: inter segment cost	-	-	-	-
Gross profit	844,834	201,445	1,796,200	(93,495)
Selling and distribution expenses	(24,539)	(69,557)	(35,429)	(83,177)
Administrative and general expenses	(133,800)	(238,859)	(428,383)	(99,754)
Others	(178,399)	(328,419)	(483,822)	(570,968)
Profit/(loss) from operations	608,435	(299,971)	1,334,444	(684,453)
Segment results	144,127	63,048	16,470	2,999
Finance cost	(51,080)	(2,009)	(51,089)	(2,015)
Other expenses	(2,015)	(51,089)	(2,015)	(51,089)
Other income	195,807	66,057	215,099	2,978
Profit/(loss) before income tax	108,574	(1,443,220)	596,518	(2,877,417)
Taxation	(4,512)	57,149	(365,474)	1,37,823
Profit/(loss) for the period	104,062	(1,386,071)	231,044	(2,739,594)

21. **CASH AND BANK BALANCES**
 Cash at banks 607,087 774,654
 Current accounts 21.1 21,070 22,922
 Saving accounts 628,157 797,576

21.1 These carry profit at the rates ranging from 9.00% to 9.50% (September 30, 2025: 9.50% to 16.00%) per annum.

22. **GROSS SALES**

	Quarter ended		Six months period ended	
	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025
Local	4,386,499	5,281,210	14,804,928	9,861,495
Export	1,163,729	1,336,507	3,693,367	4,265,205
	<u>5,550,228</u>	<u>6,617,717</u>	<u>18,498,295</u>	<u>14,126,700</u>

23. **Sales tax, other government levies and discounts**
 Indirect taxes 456,945 754,721 1,687,108 1,298,502
 Discounts 6,512 2,230 29,216 4,547
463,457 756,951 1,716,324 1,303,049

24. **LEVIES AND INCOME TAXATION**
 Minimum tax levy
 Levy:
 - for the period 171,306 132,255
 Income tax
 Current tax
 - for the period 136,202 -
 - for the prior period 141,599 -
 Deferred tax 77,673 (1,137,823)
355,474 (1,137,823)

24.1 Provision for taxation, made during the current period, represent minimum tax payable under section 113 of the Income Tax Ordinance, 2001.

24.2 Provision for income taxation, made during the current period, represent super tax payable under section 4C of the Income Tax Ordinance, 2001.

27. DISCLOSURE IN RELATION TO SHARIAH COMPLIANCE

Below is the disclosure as required by the paragraph VII of the 4th Schedule to the Companies Act, 2017:

Disclosures in relation to the Statement of Financial Position - Liability Side	Un-Audited March 31, 2026	Audited September 30, 2025
	-- Rupees in '000 --	
Financing obtained as per Islamic mode		
Long term	2,058,376	1,826,381
Short term	5,950,233	4,214,055
Lease financing	5,815	6,908
Interest or mark-up accrued on any conventional loan or advance	418,697	486,222
Disclosures in relation to the Statement of Financial Position - Asset Side		
Shariah-compliant bank deposits, bank balances, and TDRs	116,900	554,651

Disclosures in relation to the Statement of profit or loss and other comprehensive income

Revenue earned from a Shariah-compliant business segment	12,533,861	9,110,242
Profit earned from Shariah-compliant bank deposits, bank balances, or TDRs	1,084	1,244
Exchange (loss) / gain earned from actual currency	(5,319)	3,501
Profit paid on Islamic mode of financing	604,255	353,169
Total interest earned on any conventional loan or advance	22,138	503,130

Source and detailed breakup of other income:

Shariah compliant income:		
Profit earned from Shariah-compliant bank deposits, bank balances, or TDRs	1,084	1,244
Sale of press mud - net of sales tax	23,520	6,208
Sale of fuel oil - net of sales tax	4,008	2,646
Gain on disposal of operating fixed assets	199	6,400
Scrap sales - net of expenses	12,713	49,116
Rental income	58	58

Non-Shariah compliant income:

Mark-up earned on bank deposits, bank balances, or TDRs	670	484,867
Mark-up earned on loan to a related party	21,468	18,263

Other Disclosure

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

- Meezan Bank Limited
- Al Baraka Bank Limited
- MCB Islamic Limited
- Bank Islami Limited
- National Bank of Pakistan
- Dubai Islamic Bank Pakistan Limited
- United Bank Limited - Ameen Islamic Banking

25.1 Segment assets and liabilities

	Un-audited		Audited	
	March 31, 2026		September 30, 2025	
	(Rupees in thousand)		(Rupees in thousand)	
	<u>Assets</u>	<u>Liabilities</u>	<u>Assets</u>	<u>Liabilities</u>
Sugar	36,896,370	29,206,646	20,741,214	13,640,471
Ethanol	8,923,774	6,551,185	6,967,326	3,857,889
Flour	4,180,062	1,981,364	5,374,777	3,844,202
Total for reportable segment	<u>50,000,206</u>	<u>37,739,195</u>	<u>33,083,317</u>	<u>21,342,562</u>
Others	951,664	2,925,570	736,334	2,605,681
Total assets / liabilities	<u>50,951,870</u>	<u>40,664,765</u>	<u>33,819,651</u>	<u>23,948,243</u>

26. Transactions with related parties

The Group has related party relationship, with its Holding Company and associated companies, its directors, key management personnel and employee benefit plan. The Group in the normal course of business carries out transactions with various related parties. There were no transactions with key management personnel other than under the terms of employment. Aggregate transactions with the related parties during the period were as follows:

	Three month period ended		Six month period ended	
	March 31, 2026		March 31, 2025	
	(Rupees in thousand)			
The Ultimate Holding Company				
Sales	764,239	-	1,153,452	-
Issuance of store items	17,972	15,280	18,471	19,303
Expenses paid on behalf of the Group	4,939	2,346	14,866	3,898
Expenses paid by the Group	103,375	46,377	168,368	73,469
Rent income	29	29	58	58
Loan provided	-	350,000	-	350,000
Mark-up charged by the Group	10,382	18,262	21,468	18,262
Associated undertakings				
Services	12,423	14,663	24,862	32,274
Expenses paid by Associated Companies	-	6,897	281	6,942
Purchase of goods	94,445	102,631	192,773	233,100
Mark-up charged to the Group	4,777	5,422	9,910	13,425
Post employment benefit				
Expense charged in respect of retirement benefit plan	11,669	11,372	24,194	22,010
Key management personnel / Directors				
Salaries and other benefits	114,783	73,333	214,685	155,673

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28. FINANCIAL RISK MANAGEMENT

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

There has been no change in the Group sensitivity to these risks since September 30, 2025, except for the change in exposure from liquidity risks due to increase in borrowings and general exposure due to fluctuations in foreign currency and interest rates. There have been no change in risk management objectives and policies of the Group during the current period.

These condensed interim consolidated financial statements does not include all financial risk management information and disclosures as required in the audited annual financial statements and should be read in conjunction with the Group annual audited financial statement as at September 30, 2025.

29. FAIR VALUE OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES

Fair value is the price that would be received upon sale of an asset or paid upon transfer of a liability in an orderly transaction between market participants at the measurement date. Underlying the definition of fair value is the presumption that the Group is a going concern and there is no intention or requirement to curtail materially the scale of its operation or to undertake a transaction on adverse terms.

Fair values categorised into different levels in a fair value hierarchy based on the inputs used in the valuation technique are as follows:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities [Level 1],
- Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) [Level 2],
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) [Level 3].

The carrying values of all financial assets and liabilities reflected in the financial statements approximate their fair values.

30. CORRESPONDING FIGURES

In order to comply with the requirements of International Accounting Standard 34 - 'Interim Financial Reporting', the condensed interim consolidated statement of financial position has been compared with the balances of audited annual financial statements of the Group for the year ended September 30, 2025, whereas, the condensed interim statement of profit or loss and other comprehensive income, condensed interim statement of cash flows and condensed interim statement of changes in equity have been compared with the balances of comparable period of condensed interim financial statements of the Group for the six months period ended March 31, 2025.

31. GENERAL

31.1 These condensed interim financial statements have been authorised for issue by the Board of Directors of the Company on May 21, 2026.

31.2 Figures have been rounded off to the nearest thousand except stated otherwise.



Chief Executive Officer / Director Director



Chief Financial Officer