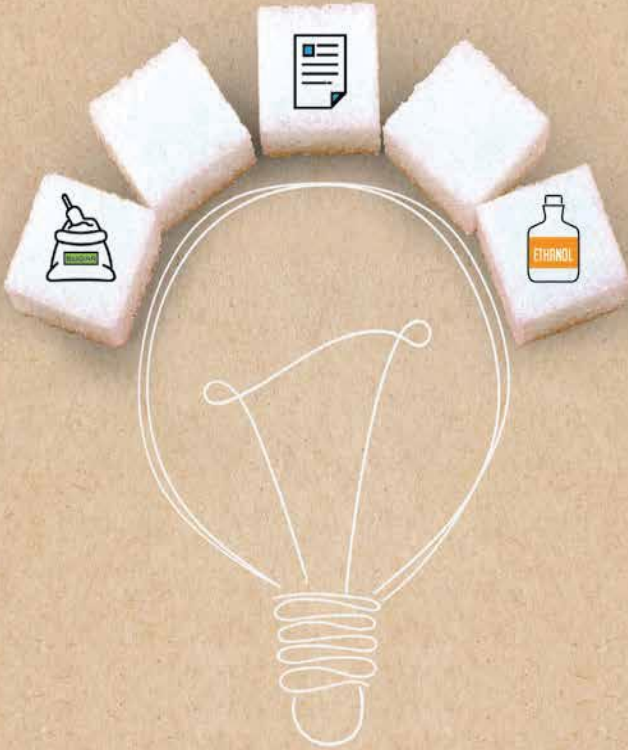




Mirpurkhas Sugar Mills Limited



Energising DIVERSITY

Third Quarter
Accounts
(Unaudited)
June 30,
2 0 2 5

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Company Information

Board of Directors

Mr. Arif Faruque	Chairman
Mr. Aslam Faruque	Chief Executive
Mr. Amer Faruque	Director
Ms. Farzana Faruque	Director
Mr. Wasif Khalid	Director
Mr. Hasan Reza Ur Rahim	Director
Mr. Abdul Shakoor Shaikh	Director

Audit Committee

Mr. Hasan Reza Ur Rahim	Chairman
Mr. Arif Faruque	Member
Mr. Amer Faruque	Member

Human Resource and Remuneration Committee

Mr. Abdul Shakoor Shaikh	Chairman
Mr. Aslam Faruque	Member
Ms. Farzana Faruque	Member

Chief Operating Officer & Chief Financial Officer

Mr. Wasif Khalid

Company Secretary

Mr. Asim H. Akhund

Head of Internal Audit

Mr. Aamir Saleem

Share Registrar

CDC Share Registrar Services Limited
CDC House, 99 - B, Block - 'B' S.M.C.H.S.
Main Shahrah-e-Faisal Karachi – 74400
Tel: 0800-23275 UAN: 111-111-500
Email: info@cdcsrsl.com

Bankers (Islamic)

Askari Bank Ltd.
Al Baraka Bank (Pakistan) Ltd.
Bank Alfalah Ltd.
Bank Islami Pakistan Ltd.
Dubai Islamic Bank Pakistan Ltd.
Faysal Bank Ltd.
Meezan Bank Ltd.
MCB Islamic Bank Ltd.

Credit Rating

Long-term rating: A-
Short-term rating: A2
by The Pakistan Credit Rating Agency Limited (PACRA)

Bankers (Conventional)

Allied Bank Ltd.
Bank Al Habib Ltd.
Bank Alfalah Ltd.
Habib Bank Ltd.
Habib Metropolitan Bank Ltd.
MCB Bank Ltd.
National Bank of Pakistan
Samba Bank Ltd.
Soneri Bank Ltd.
United Bank Ltd.
The Bank of Punjab

Registered Office / Factory

Sub Post Office Sugar Mill
Jamrao, Umerkot Road
Mirpurkhas, Sindh

Head Office

Modern Motors House
Beaumont Road
Karachi-75530 Pakistan
UAN: +92 - 21-111- 354 -111
Fax: + 92 - 21- 35688036
Web: www.gfg.com.pk/msm/

External Auditors

Kreston Hyder Bhimji & Co.
Chartered Accountants

Cost Auditors

UHY Hassan Naeem & Co.
Chartered Accountants

Legal Advisor

K.M.S. Law Associates

Directors’ Review

The Board of Directors is pleased to present the unaudited financial results for the nine months ended June 30, 2025.

Sugar Division

The 2024/25 crushing season commenced on November 21, 2024, and concluded on February 25, 2025. The relevant sugar production data is as follows:

Operational details	Jun-25	Jun-24
Sugarcane Crushed (M. Tons)	508,214	616,103
Sucrose Recovery (%)	10.42	10.73
Sugar Production (M. Tons)	52,977	66,100
Molasses Production (M. Tons)	26,086	30,110
Operational Days	97	97

The reduction in sugar and molasses production stemmed from diminished sugarcane yields and lower sucrose content, attributed to the delayed advent of summer and prevalent water shortages, notably in Sindh. During the nine-month reporting period, the Company's sugar sales amounted to 45,106 metric tons (inclusive of 5,003 metric tons exported), a decrease compared to the 53,732 metric tons sold in the corresponding period last year. Nevertheless, due to improved sale prices and strong sugar demand from the FMCG sector, the Company was able to improve its profitability. Although sugar prices have strengthened in recent months owing to a national decline in production, government intervention in the retail pricing of sugar, classified as an essential commodity, continues to impact free market price determination.

Paper Division

The Paper Division experienced strong performance in production and sales, with output increasing by 40% to 32,575 metric tons (from 23,239 metric tons previously) and sales volumes reaching 32,703 metric tons (up from 22,427 metric tons) for the nine months ending June 30, 2025. The plant operated efficiently, fulfilling customer demands. Despite management's efforts to maximize revenue and expand the customer base, the division faces multiple challenges. Sales prices are pressured by weak demand and fierce competition within the paper industry. Simultaneously, rising costs of old corrugated cartons (OCC), both locally and internationally, along with the depreciating Pak Rupee, impacted profitability. These cost pressures are exacerbated by the general increases in input costs and the need to offer extended credit to customers. Looking ahead, the installation of the agro pulping plant is progressing well and is expected to be completed in the next 10 months. This is a crucial project, as it will reduce the Company's dependence on imported OCC, mitigating risks associated with dollar-based pricing and currency devaluation.

Financial Performance

The Company reported a pre-tax Profit of Rs. 102.39 million for the nine months ended June 30, 2025, a significant improvement compared to the pre-tax loss of Rs. 1,189.57 million reported in the corresponding period of 2024. The significant improvement in financial performance was mainly due to profitability of the sugar division on the back of improved sugar prices. The financial results of the Company for the nine months ended June 30, 2025 are summarized as follows:

Financial Results:

	June 2025	June 2024
	(Rupees in million)	
Net Sales	9,579.28	9,016.35
Cost of Sales	(8,204.52)	(8,022.08)
Gross Profit	1,374.76	994.27
Other Income	51.39	43.46
Share of profit in associate	119.57	(354.24)
Other expenses & taxes	(1,574.29)	(1,796.62)
Net Loss	(28.57)	(1,113.13)

Other income of the Company increased to Rs. 51.39 million, comprised mainly of dividend income. Despite the reduction of discount rates, finance costs continue to remain high due to working capital requirements for both divisions. Unicol Limited continues to operate smoothly and efficiently both in ethanol and sugar divisions. The sugar division of Unicol shows healthy profits due to the improvement in the sugar price and reduction in cost of production. The ethanol division continues to operate in a challenging environment due to global ethanol prices and the high cost of molasses. The Company accounted for its one-third share of profit / (loss) in Unicol Limited amounting to Rs. 119.57 million (2024: Rs. (354.23) million) and adjusted its investment in the associate by the same amount.

Future Outlook

Significant improvements in sugarcane cultivation have been observed across all the Company's operational areas, leading to an optimistic forecast for enhanced yields in the forthcoming 2025/26 season. Nonetheless, the potential for prolonged summer conditions and water scarcity poses a risk to final production volumes. The prevailing operating environment is projected to remain challenging, influenced by adverse economic conditions, escalating raw material costs, and continued governmental intervention in the retail pricing of sugar despite the IMF requirement of deregulation of sugarcane and refined sugar prices. Comprehensive deregulation continues to be essential for the sustained long-term growth and systemic improvement of the sugar sector. Despite these headwinds, the Company anticipates a notable improvement in results from its sugar operations compared to the previous year. Paper sales continue to show improvement. The depreciation of Pak. Rupee has made paper exports more attractive than the local market. Accordingly, the Company has focused its efforts on enhancing paper exports. This will help in reducing finance costs and improvement the cash cycle. As the operational landscape for the paper division remains challenging nevertheless, the Company is focusing on minimizing negative impacts and optimizing shareholder value through measures such as diversifying its borrowing portfolio, actively reducing inventory levels, and judiciously managing trade debts, among other key initiatives.

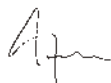
Acknowledgment

The Management would like to extend its appreciation to all its stakeholders, especially its customers and shareholders, for their continued confidence in the Company, to its staff for their hard work and loyalty, and to the financial institutions for their continued support.

On behalf of the Board of Directors



Arif Faruque
Chairman



Aslam Faruque
Chief Executive

Karachi, July 28, 2025

Condensed Interim Statement of Financial Position

As at June 30, 2025

	Note	June 30, 2025 (Unaudited)	September 30 2024 (Audited)
(Rupees '000)			
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	6	6,816,448	6,633,113
Long-term investments		1,518,039	1,436,726
Long-term loans and deposits		15,183	6,168
Deferred tax asset-net		209,515	209,515
		8,559,185	8,285,522
CURRENT ASSETS			
Stores, spare parts and loose tools		840,969	794,827
Stock-in-trade		3,095,013	2,180,809
Trade debts		1,559,204	1,421,583
Loans and advances		189,581	171,452
Trade deposits and short-term prepayments		23,076	22,155
Other receivables		24,476	223,532
Short-term investments		858,755	468,152
Tax refunds due from the Government		150,207	159,795
Cash and bank balances		22,034	55,069
		6,763,315	5,497,374
TOTAL ASSETS		15,322,500	13,782,896
EQUITY AND LIABILITIES			
EQUITY			
Share capital	7	665,579	665,579
Reserves		1,482,974	1,170,158
Surplus on revaluation of property, plant & equipment		661,496	661,496
		2,810,049	2,497,233
NON-CURRENT LIABILITIES			
Long-term financing		2,412,746	2,458,619
Long-term lease liabilities		14,233	11,111
Deferred liabilities		667,347	646,878
Government grant		156,835	184,823
		3,251,161	3,301,431
CURRENT LIABILITIES			
Trade and other payables		1,413,845	1,373,974
Accrued mark-up		319,402	334,316
Short-term borrowings		7,058,553	5,777,970
Current portion of long-term financing		408,077	424,446
Current portion of long-term lease liabilities		12,232	4,014
Current portion of government grant		41,468	61,799
Unclaimed dividend		7,713	7,713
		9,261,290	7,984,232
CONTINGENCIES AND COMMITMENTS	8		
TOTAL EQUITY AND LIABILITIES		15,322,500	13,782,896

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


Aslam Faruque
 Chief Executive


Abdul Shakoor Shaikh
 Director

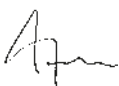

Wasif Khalid
 Director & Chief Financial Officer

Condensed Interim Statement of Profit or Loss (Unaudited)

For The Period Ended June 30, 2025

Note	Period ended		Quarter ended	
	June 30, 2025	June 30, 2024	June 30, 2025	June 30, 2024
	(Restated)		(Restated)	
	(Rupees in '000)			
Turnover - net	9,579,281	9,016,345	3,948,892	2,948,341
Cost of sales	(8,204,519)	(8,022,076)	(3,347,487)	(2,548,787)
Gross profit	1,374,762	994,269	601,405	399,554
Distribution cost	(274,167)	(235,580)	(49,587)	(83,403)
Administrative expenses	(248,371)	(215,944)	(87,243)	(77,669)
Other operating expenses	(1,869)	(1,878)	(120)	552
	(524,407)	(453,402)	(136,950)	(160,520)
Other income	51,394	43,456	16,133	12,413
Operating profit	901,749	584,323	480,588	251,447
Finance cost	(918,926)	(1,419,659)	(309,629)	(530,649)
	(17,177)	(835,336)	170,959	(279,202)
Share of profit / (loss) in associates - net	119,568	(354,235)	103,963	(354,706)
Profit / (Loss) before levies and taxation	102,391	(1,189,571)	274,922	(633,908)
Levies	(130,966)	(129,326)	(49,122)	(36,898)
(Loss) / profit before taxation	(28,575)	(1,318,897)	225,800	(670,806)
Taxation	-	205,765	-	-
(Loss) / profit after taxation	(28,575)	(1,113,132)	225,800	(670,806)
(Loss) / earnings per share - basic & diluted (Rupees)	10	(0.43)	3.39	(10.08)

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



Aslam Faruque
Chief Executive



Abdul Shakoor Shaikh
Director



Wasif Khalid
Director & Chief Financial Officer

Condensed Interim Statement of Comprehensive Income (Unaudited)

For The Period Ended June 30, 2025

	Period ended		Quarter ended	
	June 30, 2025	June 30, 2024	June 30, 2025	June 30, 2024
	(Rupees in '000)			
(Loss) / Profit after taxation	(28,575)	(1,113,132)	225,800	(670,806)
Other Comprehensive loss				
Items that will not be subsequently reclassified to statement of profit or loss:				
Unrealised Gain on remeasurement of equity investment at fair value through other comprehensive income	341,391	164,058	137,870	16,234
Total comprehensive Income / (Loss)	<u>312,816</u>	<u>(949,074)</u>	<u>363,670</u>	<u>(654,572)</u>

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



Aslam Faruque
Chief Executive



Abdul Shakoor Shaikh
Director



Wasif Khalid
Director & Chief Financial Officer

Condensed Interim Statement of Cash Flows (Unaudited)

For The Period Ended June 30, 2025

CASH FLOWS FROM OPERATING ACTIVITIES

Profit / (Loss) before levies and taxation

102,391 (1,189,571)

Adjustments for :

Depreciation
Depreciation on right-of-use asset
Provision for market committee fee
Accrued profit term deposit
Dividend income from related parties
Share of (profit) / loss in associates
(Gain) / loss on disposal of property, plant and equipment
Provision of deferred liabilities-net
Finance cost on lease liabilities
Finance cost

June 30, 2025	June 30, 2024
(Rupees '000)	
272,925	281,563
9,009	6,041
5,082	6,203
(4,102)	(3,442)
(26,079)	(19,676)
(119,568)	354,235
(6,447)	3
15,387	11,979
3,928	2,565
914,998	1,417,094
1,065,133	2,056,565
1,167,524	866,994

Working capital changes

(Increase) / decrease in current assets:

Stores, spare parts and loose tools
Stock-in-trade
Trade debts
Loans and advances
Trade deposits and Short-term prepayments
Other receivables

(46,142)	(96,512)
(914,204)	(1,369,026)
(137,621)	(596,960)
(18,129)	(8,541)
(921)	(9,670)
199,056	19,891
(917,961)	(2,060,818)

Increase in current liabilities:

Trade and other payables

39,871 143,463

Cash generated from / (used) in operations

289,434 (1,050,361)

Long-term loans and deposits-net
Income tax paid

(9,015)	21,486
(121,378)	(158,939)
(130,393)	(137,453)

Net cash generated from / (used) in operating activities

159,041 (1,187,814)

CASH FLOWS FROM INVESTING ACTIVITIES

Additions to property, plant and equipment
Sale proceeds of property, plant and equipment
Investment in Term deposit receipt
Profit realised on term deposits
Dividend received from an associate
Dividend received from related parties

(446,373)	(162,194)
7,381	756
(10,000)	(10,000)
3,145	3,405
-	25,000
26,079	19,676
(419,768)	(123,357)

Net cash used in investing activities

CASH FLOWS FROM FINANCING ACTIVITIES

Finance cash paid
Short-term borrowings-net
Long-term financing-net
Payment of lease liability-net
Proceeds from issuance of right shares-net
Payment of dividend

(929,912)	(1,235,025)
1,280,583	1,845,996
(110,561)	282,660
(12,418)	(8,896)
-	490,003
-	(74)

Net cash generated from financing activities

227,692 1,374,664

Net increase in cash and cash equivalents

(33,035) 63,493

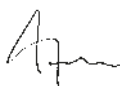
Cash and cash equivalents at the beginning of the period

55,069 34,879

Cash and cash equivalents at the end of the period

22,034 98,372

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



Aslam Faruque
Chief Executive



Abdul Shakoor Shaikh
Director



Wasif Khalid
Director & Chief Financial Officer

Condensed Interim Statement of Changes In Equity

For The Period Ended June 30, 2025

Description	Issued, subscribed and paid-up capital	Reserves						Surplus on Revaluation of property, plant and equipment	Total
		General reserves	Unappropriated profit	Share premium	Actuarial gain / (loss) on defined benefit plan net-off tax	Unrealised/ realised gain / (loss) on investment at fair value through other comp. income	Total reserves		
(Rupees '000)									
Balance as at October 01, 2023 (Audited)	465,579	34,250	2,392,086	-	58,320	480,282	2,964,938	661,496	4,092,013
Loss after taxation	-	-	(1,113,132)	-	-	-	(1,113,132)	-	(1,113,132)
Other comprehensive income	-	-	-	-	-	164,058	164,058	-	164,058
Total comprehensive (loss) / income	-	-	(1,113,132)	-	-	164,058	(949,074)	-	(949,074)
Transaction with owners									
Issuance of right shares @ 42.957% (i.e. 42,957 shares for every 100 shares held)	200,000	-	-	300,000	-	-	300,000	-	500,000
Transaction cost incurred on issuance of right shares	-	-	-	(9,997)	-	-	(9,997)	-	(9,997)
Balance as at June 30, 2024 (Un-audited)	665,579	34,250	1,278,954	290,003	58,320	644,340	2,305,867	661,496	3,632,942
Balance as at October 01, 2024 (Audited)	665,579	34,250	170,638	289,523	26,328	649,419	1,170,158	661,496	2,497,233
Loss after taxation	-	-	(28,575)	-	-	-	(28,575)	-	(28,575)
Other comprehensive income	-	-	-	-	341,391	341,391	-	341,391	-
Total comprehensive (loss) / income	-	-	(28,575)	-	-	341,391	312,816	-	312,816
Balance as at June 30, 2025 (Un-audited)	665,579	34,250	142,063	289,523	26,328	990,810	1,482,974	661,496	2,810,049

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


Aslam Faruque
 Chief Executive


Abdul Shakoor Shaikh
 Director


Wasif Khalid
 Director & Chief Financial Officer

Notes to the Condensed Interim Financial Statements (Unaudited)

For The Period Ended June 30, 2025

1. STATUS AND NATURE OF BUSINESS

- 1.1 The Company was incorporated in Pakistan on May 27, 1964 as a public limited company and its shares are quoted at Pakistan Stock Exchange. Principal activity of the Company is manufacturing and selling of sugar and paper.

The geographical location and addresses of the Company's business units / immovable assets are as under:

Business Unit	Address
Head Office	Modern Motors House, Beaumont Road, Karachi.
Registered Office / Factory and Land Sugar and Paper Division (Immovable assets)	Sub Post Office Sugar Mill Jamrao, Umerkot Road, Mirpurkhas Sindh. (Land measuring 625.875 acres and covered area 723,139 sq.ft)
Land (Immovable assets)	Deh 245, Tapo Butto Kot. Taluqa Shujaabad; Deh 109, Gulberg Town, Mirpurkhas. (Land measuring 1.49 and 0.06 acres respectively).

2. STATEMENT OF COMPLIANCE

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

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

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

3. BASIS OF PRESENTATION

These condensed interim financial statements are un-audited and are being submitted to the shareholders as required by the listing regulation of Pakistan Stock Exchange Limited and Section 237 of the Companies Act, 2017. These condensed interim financial statements do not include all of the information required for full annual financial statements and should be read in conjunction with the annual financial statements for the year ended September 30, 2024.

4. ACCOUNTING POLICIES

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

The Company reclassified the final taxes under the levy within the scope of IFRIC 21/IAS 37 in the statement of profit or loss account as per the IAS-12 application guidance issued by Institute of Chartered Accountants of Pakistan (ICAP) dated May 15, 2024. Consequently, there is no change in profit after tax due to this reclassification, the three column impact, in the context of restatement in the Company's financial statements, is not material.

5. SIGNIFICANT ACCOUNTING ESTIMATES & JUDGEMENTS

The preparation of these condensed interim financial statements in conformity with the approved accounting standards as applicable in Pakistan for interim reporting requires management to make estimates, assumptions and use judgments that affect the application of policies and reported amounts of assets and liabilities and income and expenses. Estimates, assumptions and judgments are continually evaluated and are based on the historical experience and other factors, including reasonable expectations of future events. Revisions to accounting estimates are recognised prospectively commencing from the period of revision.

Judgments and estimates made by the management in the preparation of these condensed interim financial statements are the same as those applied to annual financial statements as at and for the year ended September 30, 2024.

6. PROPERTY, PLANT AND EQUIPMENT

	Note	June 30, 2025 (Unaudited)	September 30 2024 (Audited)
(Rupees '000)			
Opening book value		6,526,839	6,670,357
Additions / transfers during the period / year	6.1	253,957	234,016
		6,780,796	6,904,373
Disposals during the period / year at book value	6.1	(934)	(867)
Depreciation charged during the period / year		(272,925)	(376,667)
		6,506,937	6,526,839
Opening: Capital work in progress		95,274	156,679
Addition to capital work in progress / advance made during the period / year		264,550	118,598
Transferred to property plant & equipment during the period / year		(72,134)	(180,003)
Closing: Capital work in progress	6.2	287,690	95,274
Right-of-use asset - net	6.3	21,821	11,000
		6,816,448	6,633,113

6.1 Additions & disposals in property, plant and equipment

	Additions at cost		Disposals at book value	
	June 30, 2025 (Unaudited)	September 30 2024 (Audited)	June 30, 2025 (Unaudited)	September 30 2024 (Audited)
(Rupees '000)				
Free hold land	51,705	8,740	-	-
Building on free hold land - factory	-	15,712	-	-
Building on free hold land – Non factory	-	1,933	-	-
Plant and machinery	190,242	195,840	-	-
Vehicles	7,881	6,233	934	827
Office and other equipment	2,679	3,457	-	-
Computers & accessories	1,450	2,101	-	40
	253,957	234,016	934	867

6.2 Capital work in progress:

	Note	June 30, 2025 (Unaudited)	September 30 2024 (Audited)
(Rupees '000)			
Plant and machinery	6.2.1	206,135	76,795
Civil Works		81,555	18,479
		287,690	95,274

6.2.1 As of period ended June 30, 2025, plant and machinery includes mark-up on financing utilized amounting to Rs 5.27 million (September 30, 2024: Rs Nil).

6.3 Right-of-use asset

The Company has recognized a right-of-use asset in respect of head office and godown for OCC under rental agreement.

7. SHARE CAPITAL

7.1 Authorized capital

June 30, 2025 (Unaudited)	September 30 2024 (Audited)		June 30, 2025 (Unaudited)	September 30 2024 (Audited)
Number of shares			(Rupees '000)	
150,000,000	150,000,000	Ordinary shares of Rs.10/- each	1,500,000	1,500,000

7.2 Issued subscribed and paid-up capital

Fully paid ordinary shares of Rs. 10/- each				
1,770,000	1,770,000	Issued for cash	17,700	17,700
44,787,891	44,787,891	Issued as fully paid bonus shares	447,879	447,879
20,000,000	20,000,000	Issued as right shares	200,000	200,000
66,557,891	66,557,891		665,579	665,579

8. CONTINGENCIES AND COMMITMENTS

Commitments against LCs

	June 30, 2025 (Unaudited)	September 30 2024 (Audited)
	(Rupees '000)	
Capital Commitments	2,114	-
Other Commitments	410,545	133,061
Letter of guarantee issued by commercial bank for Excise & Taxation office	60,000	40,000
Commitments for lease rentals under ijarah contracts	21,610	28,520

8.1 The Company has received a notice u/s 11-E of Sales Tax Act, 1990, in which the Deputy Commissioner Inland Revenue claimed that the company has adjusted Rs.84 million as input tax from Dec-21 to Sep-23 which is violation of section 8 of the Sales Tax Act, 1990. FBR is investigating the suppliers involved and has noticed the company for depositing the claimed amount. The company has deposited the same under protest along with complete documentary evidence & records in its part, till date no adverse order has been passed against the Company.

8.2 As referred to in note 25.1.9 of the annual financial statements for the year ended September 30, 2024 regarding cash freight subsidy (CP no.5409/2021) that has been outstanding since 2017, the Company received the outstanding amount of Rs. 199 million from the Government of Sindh in January 2025.

- 8.3** As referred to in note 25.1.2 of annual financial statements for the year ended September 30, 2024 regarding the CP No. 3475 of 2020 before the Honorable SHC at Karachi, the Honorable Court dismissed the CP on January 17, 2025. However, based on the advice of its legal counsel, the Company has filed an appeal before the Supreme Court of Pakistan against the dismissal order.
- 8.4** The Company has received an Order from Deputy Commissioner Sindh Board of Revenue (SRB) in Jan-2025 vide Order in Original 2251 of 2025 regarding the nonpayment of Sindh Worker Welfare Fund (SWWF) on share of profit from associate for the period ending on 30, Sep-2019 (Tax Year 2020) amounting to Rs. 8,245,660/- also imposing a penalty amounting to Rs.412,283 and default surcharge that would be determined at the time of payment. However, the Company being aggrieved by the above-mentioned Order filed an Appeal before Commissioner-IR in Jan-25. The case is still pending for adjudication.
- 8.5** The Company has received an Order from Deputy Commissioner Sindh Board of Revenue (SRB) in Jan-2025 vide Order in Original 2252 of 2025 regarding the short payment of Sindh Worker Welfare Fund (SWWF) on share of profit from associate for the period ending on 30, Sep-2021 (Tax Year 2022) amounting to Rs. 3,426,325/- also imposing a penalty amounting to Rs.171,316 and default surcharge that would be determined at the time of payment. The payment that the company has made for WWF as per liability ascertained by Income Tax Return was considered as part payment. However, the Company being aggrieved by the above-mentioned Order filed an Appeal before Commissioner-IR in Jan-25. The case is still pending for adjudication.
- 8.6** As a result of proceeding initiated by the DCIR vide issuance of show cause notices to MSM under section 236-G and 236-H for tax year 2019 & 2020, the concerned officer has rejected the MSM claim of treating the bulk sales of sugar made to unregistered customers as sales to wholesalers but unjustifiably finalized the total such sales as sales to retailers. Resultantly also considered the advance tax deposited by MSM under section 236-G for that period as partial payment only, and has ordered the MSM to deposit the balance amount at the rates specified under section 236-H vide issuance of orders with demand notices dated 25.06.2025, thereby creating demands amounting at Rs. 15,468,589/- and 54,181,877/- for Tax year 2019 and 2020 respectively. However, MSM being aggrieved and dissatisfied with the aforementioned Orders, filed appeals before Appellate Tribunal on July 11th 2025 and July 4th 2025 respectively. The appeal is still pending for hearing and adjudication. The Company is positive on favorable outcome. Hence, no provision is made.

The status of other contingencies as at June 30, 2025 is the same as reported in the annual financial statements for the year ended September 30, 2024.

9. SEASONAL PRODUCTION - SUGAR

Due to the seasonal availability of sugarcane, the production of sugar is carried out during the period of availability of sugarcane and costs incurred / accrued up to the reporting date have been accounted for. Accordingly, the costs incurred / accrued after the reporting date will be reported in the subsequent condensed interim financial statements.

10. (LOSS) / EARNINGS PER SHARE- Basic & Diluted

	Period ended		Quarter ended	
	June 30, 2025	June 30, 2024	June 30, 2025	June 30, 2024
	(Rupees in '000)			
(Loss) / profit after taxation (Rs.'000)	(28,575)	(1,113,132)	225,800	(670,806)
Weighted average no. of ordinary shares in issue during the year (Number of Shares)	66,557,891	66,557,891	66,557,891	66,557,891
(Loss) / profit per share - basic (Rupees)	(0.43)	(16.72)	3.39	(10.08)

There is no dilutive effect on basic earnings per share of the Company

11. SEGMENT REPORTING

Segment information is presented in respect of Company's busniess. The primary format and business segment are based on the Company's management reporting structure.

Type of segment	Nature of Business
Sugar Division	Sugar manufacturing
Paper and Board Division	Paper manufacturing

11.1 Segment analysis and reconciliation:

	Sugar division		Paper division		Total	
	Period ended June 30,		Period ended June 30,		Period ended June 30,	
	2025	2024	2025	2024	2025	2024
	Rs in '000					
Turnover- net	5,980,749	6,073,552	3,598,532	2,942,793	9,579,281	9,016,345
Cost of sales	(4,717,831)	(5,334,564)	(3,221,215)	(2,423,106)	(7,939,046)	(7,757,670)
Distribution cost	(117,575)	(31,614)	(155,707)	(193,417)	(273,282)	(225,031)
Depreciation	(94,069)	(94,067)	(187,865)	(193,538)	(281,934)	(287,605)
Profit before tax and unallocated expenses	1,051,274	613,307	33,745	132,732	1,085,019	746,039
Unallocated income and expenses:						
Administrative expenses					(232,795)	(203,294)
Other operating expenses					(1,869)	(1,878)
Other income					51,394	43,456
Finance cost					(918,926)	(1,419,659)
Share of profit / (loss) in associates - net					119,568	(354,235)
Profit / (loss) before taxation and levy					102,391	(1,189,571)
Levy					(130,966)	(129,326)
Loss before taxation					(28,575)	(1,318,897)
Taxation					-	205,765
Loss after taxation					(28,575)	(1,113,132)

	Sugar division		Paper division		Total	
	Quarter ended June 30,		Quarter ended June 30,		Quarter ended June 30,	
	2025	2024	2025	2024	2025	2024
	Rs in '000					
Turnover- net	2,813,551	1,850,127	1,135,341	1,098,214	3,948,892	2,948,341
Cost of sales	(2,199,845)	(1,687,028)	(1,058,758)	(777,860)	(3,258,603)	(2,464,888)
Distribution cost	(36,317)	(5,491)	(12,796)	(77,759)	(49,113)	(83,250)
Depreciation	(31,552)	(31,940)	(62,696)	(64,705)	(94,248)	(96,645)
Profit before tax and unallocated expenses	545,837	125,668	1,091	177,890	546,928	303,558

Unallocated income and expenses:

Administrative expenses	(82,353)	(65,076)
Other operating expenses	(120)	552
Other income	16,133	12,413
Finance cost	(309,629)	(530,649)
Share of profit / (loss) in associates - net	103,963	(354,706)
Profit / (loss) before taxation and levy	274,922	(633,908)
Levy	(49,122)	(36,898)
Profit / (loss) before taxation	225,800	(670,806)
Taxation	-	-
Profit / (loss) after taxation	225,800	(670,806)

11.2 Segment asset and liabilities:

	Sugar division		Paper division		Total	
	June 30, 2025	September 30, 2024	June 30, 2025	September 30, 2024	June 30, 2025	September 30, 2024
	(Un-audited)	(Audited)	(Un-audited)	(Audited)	(Un-audited)	(Audited)
	Rs in '000					
Segment assets- allocated	7,773,543	6,971,725	7,022,290	6,264,254	14,795,833	13,235,979
Segment assets- unallocated					526,667	546,917
Total assets					15,322,500	13,782,896
Segment liabilities- allocated	953,164	1,188,930	2,600,446	2,493,866	3,553,610	3,682,796
Segment liabilities- unallocated					8,958,841	7,602,867
Total liabilities					12,512,451	11,285,663

12. FINANCIAL RISK MANAGEMENT AND FAIR VALUE DISCLOSURES

These condensed interim financial statements do not include all financial risk management information and disclosures which are required in the annual financial statements and should be read in conjunction with the Company's annual financial statements for the year ended September 30, 2024. There have been no changes in any risk management policies since the year end.

The carrying values of all financial and non-financial assets and liabilities measured at other than amortized cost in these condensed interim financial statements approximate their fair values.

13. TRANSACTIONS WITH RELATED PARTIES

Related parties comprise of subsidiary companies, related group companies, associated companies, key management personnel and staff retirement funds. The Company in the normal course of business carries out transactions with various related parties.

Relationship	Nature of Transaction	June 30, 2025	June 30, 2024
		(Rupees in' 000)	
Group companies / (Common directorship)	Goods purchased	75,137	44,738
	Services received	27,648	18,038
	Dividend received	26,079	19,676
	Sales made	878	-
Associated Company	Sales made	735,500	1,067,407
	Dividend received	-	25,000
Other related parties	Charge for staff provident and gratuity funds	14,973	12,789
Key management personnel	Remuneration	131,673	108,586
Directors, Group companies, Provident & gratuity funds	Issue of right shares	-	292,728

In addition, certain actual administrative expenses are being shared amongst the group companies. Transactions with related parties are based on the policy that all transactions between the Company and the related parties are carried out at arm's length.

Following are the related parties with whom the Company has entered into transaction or have arrangement / agreement in place.

Name	Basis of association	Aggregate % of Shareholding
Faruque (Pvt) Ltd.	Common directorship	-
Cherat Cement Company Ltd.	Common directorship / Share holding	1.41
Greaves Pakistan (Pvt) Ltd.	Common directorship	-
Cherat Packaging Ltd.	Common directorship / Share holding	4.97
Greaves Engineering Services (Pvt) Ltd.	Common directorship	-
Greaves Airconditioning (Pvt) Ltd.	Common directorship	-
Unicol Ltd.	Associated Company / Share holding	33.33
UniEnergy Ltd.	Associated Company / Share holding	7.69
Zensoft (Pvt) Ltd.	Group Company	-
Mirpurkhas Sugar Mills Limited- Employee Provident Fund	Retirement Benefit fund	-
Mirpurkhas Sugar Mills Limited Paper & Board division- Staff Provident Fund	Retirement Benefit fund	-
Mirpurkhas Sugar Mills Limited- Employee Gratuity Fund	Retirement Benefit fund	-

Outstanding balances, as at the reporting date, are disclosed as follows:

	June 30, 2025 (Unaudited)	September 30 2024 (Audited)
	(Rupees '000)	
Associated Company		
Trade and other payables	-	12,757
Loans advances	1,630	48
Trade debts	3,952	-
Group Companies		
Trade and other payables	1,159	-
Trade debts	7,021	-

14. DATE OF AUTHORIZATION

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

15. GENERAL

Figures presented in these condensed interim financial statements have been rounded off to the nearest thousand rupees, unless otherwise stated. Corresponding figures have been rearranged and reclassified, wherever considered necessary, for the purpose of comparison and better presentation.


Aslam Faruque
Chief Executive


Abdul Shakoor Shaikh
Director


Wasif Khalid
Director & Chief Financial Officer



**GHULAM FARUQUE
GROUP**



Mirpurkhas Sugar Mills Limited

Registered Office / Factory

Sub Post Office Sugar Mill, Jamrao,
Umerkot Road Mirpurkhas, Sindh

Head Office

Modern Motors House Beaumont Road
Karachi-75530 Pakistan
UAN: +92 - 21-111- 354 -111
Fax: +92 - 21- 35688036
Web: www.gfg.com.pk/msm/

