Innovating Agriculture

Quarterly Report
June 2025

mehransugar.com

Company Information

Board of Directors

Mr. Mohammed Kasim Hasham	Chairman
Mr. Mohammed Hussain Hasham	
Mr. Iftikhar Soomro	Independent Director
Mr. Hasan Aziz Bilgrami	Independent Director
Mr. Khurram Kasim	
Mr. Ahmed Ebrahim Hasham	Chief Executive Officer
Mrs. Anushey A. Hasham	

Management Team

Mr. Ahmed Ebrahim Hasham	Chief Executive Officer
Mr. Muhammad Hanif Aziz	Chief Financial Officer
Mr. Ubaid-ur-Rehman	Technical Director
Mr. Ali Hassan	GM Finance & Company Secretary

Board Committees

Audit Committee

Mr. Hasan Aziz Bilgrami	Chairman
Mr. Khurram Kasim	Member
Mrs. Anushey A. Hasham	Member

Human Resource & Remuneration Committee

Mr. Iftikhar Soomro	Chairman
Mr. Ahmed Ebrahim Hasham	Member
Mr. Khurram Kasim	Member

Executive Committee

Mr. Ahmed Ebrahim Hasham	Chairman
Mr. Muhammad Hanif Aziz	
Mr. Ubaid-ur-Rehman	
Mr. Ali Hassan	

Auditors

Grant Thornton Anjum Rahman
Chartered Accountants

Legal Advisor

Hafeez Pirzada Law Associates
KMS Law Associates

Share Registrar

CDC Share Registrar Services Limited
CDC House, 99-B, Block B S.M.C.H.S,
Main Shahrah-e-Faisal, Karachi
Tel: (92-21) 111-111-500

Bankers

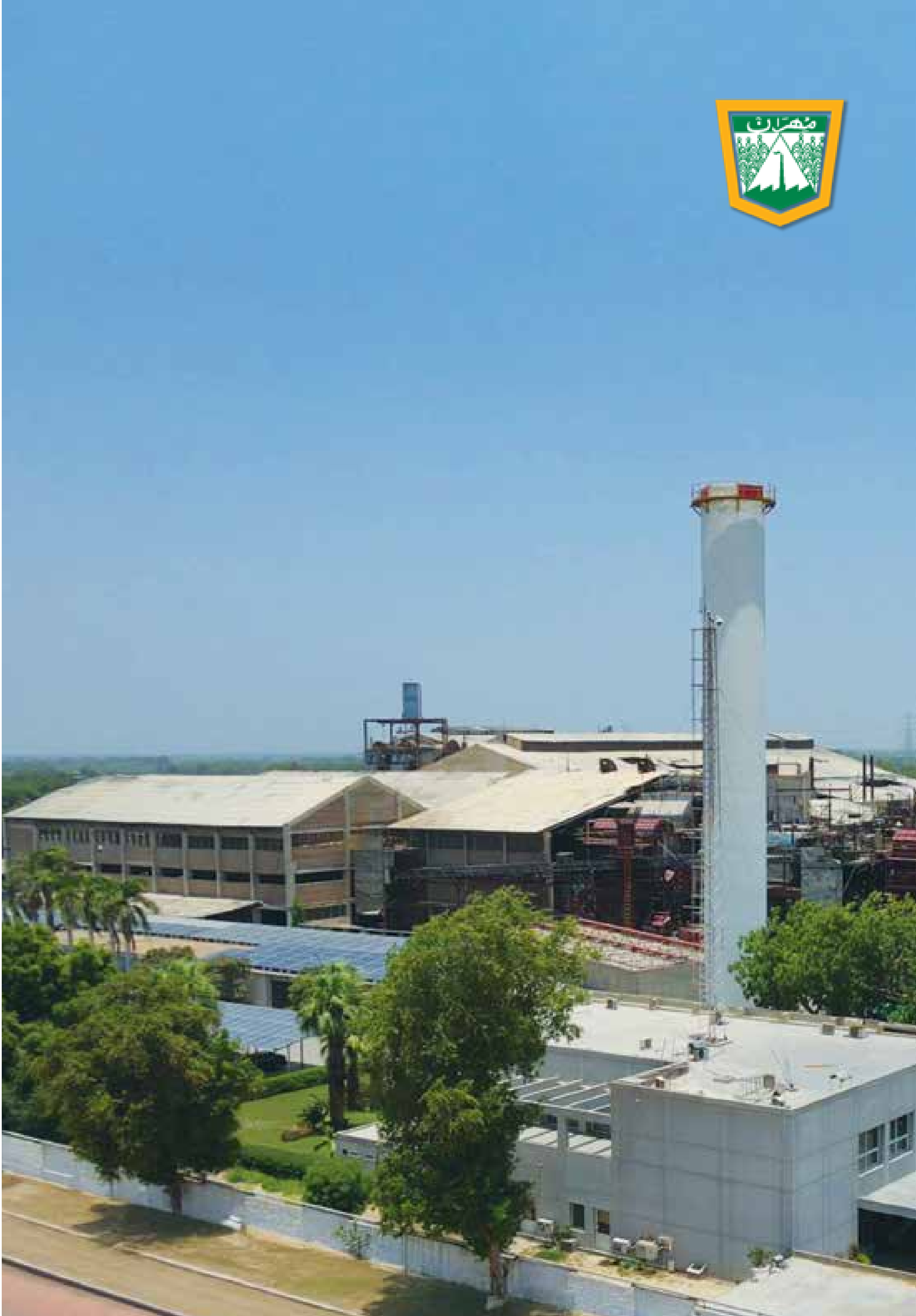
Bank Al Habib Limited
Meezan Bank Limited
MCB Bank Limited
Bank Islami Pakistan Limited
Bank Alfalah Limited
Habib Metropolitan Bank Ltd
Bank of Punjab Limited
Faysal Bank Limited

Registered Office

Executive Tower, Dolmen City,
14th Floor, Block-4, Marine Drive, Clifton,
Karachi-75600
Tel: (92 21) 35297814-17
Fax: (92 21) 35297818, 35297827
msm@mehransugar.com
www.mehransugar.com

Mills

Tando Adam Road, Distt. Tando Allahyar.
Tel: (022) 3414501, 3414502, 3414503
Fax: (022) 3414504



Directors' Report

On behalf of the Board of Directors, I am pleased to present the financial and operational performance of the company for the Period ended June 30, 2025. The company has demonstrated resilience with improved turnover and cost efficiency. Our diversified balance sheet has allowed the company to maintain profitability.

Operational Highlights	**June 2025**	June 2024	Change
Crushing Volume (M. Tons)	**710,803**	902,931	(21.3%)
Sucrose Recovery (%)	**10.22%**	10.79%	(0.57%)
Sugar Production (M. Tons)	**72,643**	97,384	(25.4%)
Molasses Production (M. Tons)	**33,247**	40,809	(18.5%)

Key Observations:

- **Lower crushing volumes** were largely driven by an unprecedented reduction in sugarcane yields. The lower yields were largely driven by severe heat waves which is largely a result of climate change. This was despite a larger acreage of sugarcane plantation.
- **Sucrose recovery dropped** (10.22% vs. 10.79% last year) due to adverse climatic conditions and non-variety cane cultivation, a trend of lower sucrose recovery observed industry-wide, which ultimately increased production costs.
- **Molasses prices declined** by 18% due to weak export demand and competitive ethanol prices globally.
- **Bagasse Sales Improvement** – Higher realizations partially offset lower volumes.
- **Other Income improvement** – increased to Rs. 1.007 Billion vs. Rs. 804 Million due to a prudent investment strategy and timely capital allocation.
- **Unicol Limited Performance** – Profit contribution improved to Rs. 119.42 M as compared to the loss of Rs 354.24 M same period last year. We are confident that Unicol has stabilized its financial and operational structure which took time to absorb after the acquisition of a sugar mill and unprecedented hike in borrowing rates.

Financial Performance	June 2025	June 2024	Change
Turnover (Rs. '000)	13,043,397	8,963,174	+46%
Gross Profit (Rs. '000)	1,471,460	1,227,762	+20%
Gross Profit Margin (%)	14%	16%	(2%)
Finance Cost (Rs. '000)	386,997	1,010,365	(62%)
Profit Before Tax (PBT) (Rs. '000)	1,645,388	305,645	+438%
PBT Margin (%)	15%	4%	+11%
Net Profit After Tax (NPAT) (Rs. '000)	1,249,647	298,355	+319%
NPAT Margin (%)	12%	4%	+8%
Earnings Per Share (EPS) – Rs.	16.68	3.98	+319%

Key Financial Insights:

- **Turnover Growth (+46%)** – Driven by higher sugar sales volume, including carryover stock.
- **Gross Margin Contraction (14% vs. 16%)** – Impacted by low volume of production causing low absorption of fixed cost thus increase in the unit cost of production, reduced sucrose recovery, weak molasses realization and higher overheads due to inflationary effects.
- **Reduced Finance Costs (-62%)** – Due to lower seasonal borrowing but major reason being the declining KIBOR rates and improved working capital management.
- **Stable Bottom Line (NPAT +8%)** – Supported by improvement in sugar sales volume, cost rationalization, better bagasse pricing, and lower interest expenses.

Industry & Market Outlook

- **Sugarcane Pricing & Supply Challenges:** Despite a 5-10% higher cultivation area, yields dropped by 15-20%, pushing cane prices much higher as compared to the budgeted price.
- **Sugar Production Costs Rising:** Due to lower sucrose recovery, higher taxes and challenges in fixed cost absorption, this unexpected scenario has emerged.

Directors' Report

- **Deregulation Impact:** No government-mandated support price of sugar cane; thus a market-driven pricing mechanism was initiated, which worked well. Farmers were paid competitive pricing on prompt basis as mills had to compete to procure cane.

- **Stocks:** National sugar production of 5.8 million M.T plus carryover stocks are expected to last till mid November 2025 by which time mills would also start crushing, therefore it is expected that country would not face any shortage of commodity.

Future Outlook & Strategic Focus

- **Cost Optimization** – Leveraging lower interest rates to reduce financing costs further, this would benefit Unicol as well.

- **Supply Chain & Yield Improvement** – Investing in high-quality cane seeds and agricultural support to enhance yields.

- **By-Product Pricing Recovery** – Ethanol & molasses prices in the upcoming quarters are expected to decline due to the withdrawal of GSP status. However for next year lower feedstock pricing should allow lower working capital and thus reduce the finance cost considerably.

- **Market Equilibrium** – Advocating for complete deregulated sugar pricing to ensure sustainable profitability.

Unicol Limited Performance

It's heartening to note that Unicol Limited is back in positive zone during the current period after a difficult last year.

Looking ahead, we expect both ethanol and sugar operation to operate smoothly in the last quarter of the year. The Company had secured molasses and sugarcane at reasonable prices. We expect improved selling prices for sugar in the next few months, which should support the bottom line. The withdrawal of GSP status will not affect Unicol significantly as we are in a short ethanol market and thus demand from other regions will compensate lower European demand till next season. Unicol's CO_2 business also performed very well and contributed significantly to the bottom line.

The gradual reduction of KIBOR rates is a huge advantage for Unicol and should help stabilize the company as it carries long term loans on its new acquisition. We are cautiously optimistic that Unicol will be able to resume its long term history of sustainable profitability, thus adding value to us and aligning with our objective of a diversified balance sheet.

Future Outlook

Despite a totally deregulated sugarcane market we are pleased to see plantation trends indicate a rising trajectory, and we anticipate improved output during the 2025-26 season. We see a minimum 10 percent increase in sugar production next year which could increase further if yields also normalise. Our investments in developing sugarcane through the provision of quality cane seeds and related inputs on agricultural loans are expected to yield positive results. Our cane development progress also include introduction of latest farming technology such as e-survey satellite surveys and use of drones, pneumatic planters and mulchers.

The gradual reduction in interest rates is a positive development, as it will help lower finance costs during the year, thereby reducing the cost of sugar production.

As previously mentioned, the government's favorable response on sugarcane/sugar de-regulation is a step in the right direction. However, a complete de-regulation is essential for long term improvement in the sector. We are proud to state that sugar in Pakistan sells at prices below world market, and thus, we as an industry have become globally competitive. Even with zero tariffs prices today are 15-20 percent below imported white sugar prices.

Conclusion

After a challenging financial year 2024, the financial year 2025 seems to be progressing as planned. Our diversified balance sheet has allowed us to post strong results from investments. We expect improved results from the sugar operations in the remaining period of the year thus showing continuity of profits, and are pleased to see stabilization at Unicol, which we are confident is an excellent long term investment.

For and on behalf of the Board of Directors

Ahmed Ebrahim Hasham
Chief Executive Officer

Khurram Kasim
Director

July 28, 2025

حکومت کی گنے / چینی پر مثبت پالیسیاں درست سمت میں ایک قدم ہیں، لیکن شعبے کی طویل مدتی بہتری کے لیے مکمل ڈی ریگولیشن ضروری ہے۔ پاکستان میں چینی عالمی منڈیوں کے مقابلے میں اب بھی کم قیمت پر فروخت ہو رہی ہے، جو ہماری مسابقت کو ظاہر کرتی ہے۔

اختتامیہ:

2024 کے مشکل مالی سال کے بعد 2025 کے لئے اہداف کے مطابق پیش رفت ہو رہی ہے۔ ہماری متنوع بیلنس شیٹ نے بہتر نتائج دیے ہیں۔ بہتر شوگر آپریشنز سے اگلے سہ ماہی میں مزید بہتری کی توقع ہے، جبکہ یونیکول کا استحکام ہمارے طویل مدتی سرمایہ کاری کے فیصلے کو استحکام بخشے گا۔

از طرف

بورڈ آف ڈائریکٹرز

Ahmed Ebrahim

احمد ابراہیم ہاشم

چیف ایگزیکٹیو آفیسر

خرم قاسم

ڈائریکٹر

کراچی-28 جولائی 2025

ڈائریکٹرز رپورٹ

- **مارکیٹ میں توازن :** پائیدار منافع کو یقینی بنانے کے لیے چینی کی قیمتوں کے تعین میں حکومتی مداخلت کو ختم کرنا۔

یونیکول لمیٹڈ کی کارکردگی:

خوش آئند بات ہے کہ یونیکول لمیٹڈ گزشتہ سال کی مشکلات کے بعد موجودہ مدت میں نقصان سے باہر آ گئی ہے۔

آئندہ سہ ماہی میں ایتھانول اور چینی آپریشنز کے بہتر رہنے کی توقع ہے۔ کمپنی نے مولاسس اور گنے کی معقول قیمتوں پر خریداری کو یقینی بنایا۔ اگلے چند ماہ میں چینی کی قیمتوں میں بہتری سے منافع کو مزید بہتر کرنے میں مدد ملے گی۔ جی ایس پی کی حیثیت ختم ہونے یونیکول پر زیادہ اثر نہیں پڑے گا۔ جس کی وجہ یورپیئن مارکیٹ کے مقابلے میں دوسری مارکیٹ سے طلب میں اضافہ متوقع ہے یونیکول کے کاربن ڈائی آکسائڈ کی فروخت نے بھی منافع میں خاطر خواہ حصہ ڈالے ہے۔

KIBOR (کراچی انٹر بینک آفر ریٹس) میں بتدریج کمی، یونیکول کے لیے ایک بڑا فائدہ ہے خاص طور پر نئی خریدی گئی شوگر مل پر طویل مدتی قرضوں کے تناظر میں۔ ہم پر امید ہیں کہ یونیکول اپنی پائیدار منافع کی روایت کو بحال رکھے گا، جس سے ہمارے متنوع بیلنس شیٹ کے مقاصد کو تقویت ملے گی۔

مستقبل کا منظرنامہ :

26-2025 سیزن میں پیداوار میں بہتری کی توقع ہے، لیکن کھپت میں مسلسل اضافہ اور پانی کی دستیابی کے مسائل پیداوار کو محدود کرسکتے ہیں۔ معیاری اقسام اور زرعی قرضوں کی فراہمی سے گنے کی پیداوار بڑھانے کی کوششیں مثبت نتائج دے سکتی ہیں۔ پیداوار میں مزید بہتری کے لئے ہم جدید ٹیکنالوجی کا استعمال کررہے ہیں جن میں ای-سروے، سیٹلائٹ سروے، ڈرونز کا استعمال، نیومیٹک پلانٹرز اور مالچرز شامل ہیں۔

سود کی بتدریج کم ہوتی شرح ایک مثبت پیش رفت ہے جو کہ پیداواری لاگت کو مزید کم کرنے میں معاون ہوگی۔

- **فنانسنگ اخراجات میں کمی (-62%)** اس بہتری کی وجہ کم مدتی قرضوں میں کمی کے علاوہ KIBOR ریٹس میں کمی اور بہتر ورکنگ کیپٹل مینجمنٹ ہے۔
- **مستحکم بعد از ٹیکس منافع (NPAT +8%)** یہ اضافہ فروخت کی گئی چینی کی مقدار میں اضافہ، بگاس کی بہتر قیمتیں اور مالیاتی اخراجات میں کمی کی بدولت ممکن ہوا۔

چینی کی صنعت اور مارکیٹ کے حالات پر ایک نظر:

- **گنے کی قیمتیں اور سپلائی کے چیلنجز:** کاشتکاری کے رقبے میں 5 سے 10 فیصد اضافے کے باوجود پیداوار 15 سے 20 فیصد تک کم رہی، جس کی وجہ سے گنے کی قیمتیں طے کردہ بجٹ کے مقابلے میں بڑھ گئیں۔
- **شوگر کی پیداواری لاگت میں اضافہ:** سکروز ریکوری میں کمی، محصولات (ٹیکسز) میں اضافہ اور فکسڈ کاسٹ کو جذب کرنے میں دشواریوں کی وجہ سے یہ غیر متوقع صورتحال پیدا ہوئی۔
- **ڈی ریگولیشن:** گنے کی قیمتوں کا سرکاری تعین ختم ہونے سے مسابقتی مارکیٹ قیمتیں متعارف ہوئیں، جو کامیاب رہیں۔ کسانوں کو مسابقتی قیمتیں ملیں اور ملوں کے درمیان گنا خریدنے کے لئے مقابلے کا رجحان دیکھا گیا۔
- **ذخائر:** ملک میں 5.8 ملین میٹرک ٹن چینی کی پیداوار اور پچھلے سال کے ذخائر کے ساتھ یہ توقع ہے کہ نومبر 2025 تک چینی کی کمی کا شکار نہیں ہوگا، اس وقت تک ملیں کرشنگ شروع کردیں گی۔

مستقبل کا منظرنامہ اور ہماری حکمت عملی:

- **لاگت کو قابو کرنا:** بہتر مالیاتی نظم کے ذریعے ہم مالیاتی اخراجات میں مزید کمی کی کوشش کرنا۔
- **سپلائی چین اور پیداوار میں بہتری:** پیداوار بڑھانے کے لیے گنے کی اعلیٰ معیار کی اقسام متعارف کرانا اور پیداوار میں اضافے کے لئے سرمایہ کاری کرنا۔
- **ضمنی مصنوعات کی قیمتوں کی بحالی:** ایتھانول اور مولاسز کی قیمتوں میں اگلی سہ ماہیوں میں مزید کمی کا امکان ہے، جس کی وجہ جی ایس پی کا ختم ہونا ہے۔

ڈائریکٹرز رپورٹ

- **دیگر آمدن میں اضافہ** اسٹاک ایکسچینج میں سرمایہ کاری کی حکمت عملی کی وجہ سے 804 ملین روپے آمدنی کے مقابلے میں 1.007 ارب روپے آمدنی ہوئی۔
- **یونیکول لمیٹڈ کی کارکردگی:** گزشتہ سال کے 354.24 ملین روپے کے نقصان کے مقابلے میں اس سال 119.42 ملین روپے کا منافع حاصل ہوا۔ ہمیں اطمینان ہے کہ یونیکول نے اپنے مالیاتی اور آپریشنل معاملات کو مستحکم کرلیا ہے جس میں شوگر مل خریدنے کے بعد کچھ وقت ضرور لگا خاص طور پر بلند ترین شرح سود کی موجودگی میں۔

مالی کارکردگی کا جائزہ

مالیاتی جائزہ		جون 2025	جون 2024	تبدیلی
مجموعی فروخت	روپے ہزاروں میں	13,043,397	8,963,174	+46%
خالص منافع	روپے ہزاروں میں	1,471,460	1,227,762	+20%
خالص منافع کی شرح	روپے ہزاروں میں	14%	16%	(2%)
مالیاتی اخراجات	روپے ہزاروں میں	386,997	1,010,365	(62%)
قبل از ٹیکس منافع	روپے ہزاروں میں	1,645,388	305,645	+438%
قبل از ٹیکس منافع کی شرح	فیصد میں	15%	4%	+11%
بعد از ٹیکس منافع	روپے ہزاروں میں	1,249,647	298,355	+319%
بعد از ٹیکس منافع کی شرح	فیصد میں	12%	4%	+8%
فی حصص آمدنی	روپے	16.68	3.98	+319%

مالیاتی نتائج کے حوالے سے چیدہ چیدہ معلومات:

- **ٹرن اوور میں اضافہ (46%+)** کی وجہ ، اس سال چینی کی زیادہ مقدار میں فروخت جس میں پچھلے سال کے ذخائر بھی شامل تھے۔
- **خالص منافع میں کمی (14% بمقابلہ 16%)** کی وجہ پیداوار میں کمی جس کی وجہ سے فی ٹن لاگت میں اضافہ ہوا، سکروز ریکوری میں کمی، مولاس کی قیمتوں میں کمی اور افراط زر کے باعث اخراجات میں اضافہ شامل ہیں۔

ڈائریکٹرز رپورٹ

میں بورڈ آف ڈائریکٹرز کی جانب سے 30 جون 2025 کو ختم ہونے والی تیسری سہ ماہی کے لیے کمپنی کی مالی اور آپریشنل کارکردگی پیش کرتے ہوئے خوشی محسوس کر رہا ہوں۔

ناموافق حالات کے باوجود کمپنی نے اپنی فروخت میں اضافہ اور پیداواری لاگت کو کنٹرول کیا۔ ہماری مختلف النوع سرمایہ کاری کے باعث کمپنی اپنا منافع برقرار رکھنے میں کامیاب ہوئی۔

آپریشنل جائزہ	جون 2025	جون 2024	تبدیلی
کرشنگ (میٹرک ٹن)	710,803	902,931	(21.3%)
سکروز ریکوری	10.22%	10.79%	(0.57%)
چینی کی پیداوار (میٹرک ٹن)	72,643	97,384	(25.4%)
مولیسس کی پیداوار (میٹرک ٹن)	33,247	40,809	(18.5%)

اہم مشاہدات:

- **کرشنگ کے حجم میں کمی** کی وجہ گنے کی دستیابی میں کمی رہی، حالانکہ گنے کی کاشتکاری کے رقبے میں اضافہ ہوا تھا۔ لیکن فی ایکڑ پیداوار میں کمی واقع ہوئی جس کی بنیادی وجہ موسمیاتی تبدیلی کے باعث شدید گرمی کا ہونا تھا
- **سکروز ریکوری میں کمی** (سکروز ریکوری گذشتہ سال 10.79٪ کے مقابلے میں اس سال 10.22٪ رہی) اس کی وجہ بھی موسمیاتی تبدیلی اور غیر معیاری اقسام کی کاشت تھی یہ رجحان پوری انڈسٹری میں دیکھا گیا اور سکروز ریکوری میں ہونے والی یہ کمی، پیداواری لاگت میں اضافے کا سبب بنی۔
- **مولاسس کی قیمتوں میں 18٪ کمی** ہوئی، جس کی وجہ برآمدی طلب میں کمی اور عالمی سطح پر ایتھانول کی قیمتوں میں گراوٹ تھی۔
- **بگاس کی قیمتوں میں بہتری** حجم میں کمی کے باوجود اوسط قیمتوں میں اضافے نے حجم کی کمی کو کچھ حد تک پورا کیا۔

UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION

as at June 30, 2025

	Note	Jun 30, 2025 Un-audited Rupees	Sep 30, 2024 Audited Rupees
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	4	2,279,884,634	2,356,445,597
Right-of-Use-Assets		67,386,625	129,536,144
Long term receivable		-	-
Long term investment	5	1,246,216,103	1,126,416,293
Long term deposits		3,436,400	3,436,400
		3,596,923,762	3,615,834,434
CURRENT ASSETS			
Biological assets		3,121,397	17,414,250
Stores and spare parts		218,507,197	179,009,795
Stock-in-trade		2,439,013,534	2,599,018,609
Trade debts		155,647,863	479,404,658
Loans and advances		268,259,044	134,311,102
Trade deposits and short term prepayments		10,235,541	62,803,496
Other receivables		-	-
Short term investments		1,694,121,049	627,215,350
Taxation - net		-	840,978
Cash and bank balances		194,926,061	88,406,886
		4,983,831,686	4,188,425,124
		8,580,755,448	7,804,259,558
TOTAL ASSETS			
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorised capital		1,500,000,000	1,500,000,000
Issued, subscribed and paid-up capital		749,276,090	749,276,090
Reserves		3,206,180,676	2,031,461,139
		3,955,456,766	2,780,737,229
NON-CURRENT LIABILITIES			
Long-term financing - secured		228,923,453	289,780,120
Lease Liabilities		36,714,691	76,471,242
Market committee fee payable		49,931,950	57,000,808
Deferred liabilities		2,190,413	3,520,561
Deffered Income-Government Grant		60,399,316	75,704,286
Deferred taxation		556,762,035	542,686,195
		934,921,858	1,045,163,212
CURRENT LIABILITIES			
Trade and other payables		1,074,615,029	559,473,596
Unclaimed dividend		30,850,849	26,816,767
Accrued mark-up		55,331,005	266,142,380
Short term borrowings - secured		2,074,791,306	2,680,118,028
Provision for market committee fee		7,108,029	-
Current portion of non-current liabilities		141,360,797	188,707,371
Taxation - net		6,778,223	-
Sales Tax / F.E.D / S.E.D. payable		299,541,586	257,100,975
		3,690,376,824	3,978,359,117
CONTINGENCIES AND COMMITMENTS	6	-	-
TOTAL EQUITY AND LIABILITIES		8,580,755,448	7,804,259,558

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

CHIEF EXECUTIVE OFFICER	CHIEF FINANCIAL OFFICER	DIRECTOR

UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS

for the period ended June 30, 2025 (un-audited)

	Nine months ended		Quarter Ended	
	Jun 30, 2025	Jun 30, 2024	Jun 30, 2025	Jun 30, 2024
	Rupees	Rupees	Rupees	Rupees
Turnover	13,043,397,197	8,963,173,967	5,059,404,026	5,047,696,044
Less: sales tax / federal excise duty	(2,308,481,314)	(1,190,464,712)	(925,772,553)	(772,110,242)
Turnover - net	10,734,915,883	7,772,709,255	4,133,631,473	4,275,585,802
Cost of sales	(9,263,455,432)	(6,544,947,412)	(3,379,500,746)	(3,990,064,575)
Gross profit	1,471,460,451	1,227,761,843	754,130,727	285,521,227
Distribution costs	(155,903,310)	(84,862,644)	(30,263,008)	(24,173,204)
Administrative expenses	(307,383,118)	(262,059,468)	(109,002,032)	(91,558,281)
Other operating expense	(102,783,515)	(15,208,327)	(45,901,895)	(8,312,555)
Other operating income	1,007,194,363	804,614,247	272,161,867	191,658,893
	441,124,420	442,483,808	86,994,932	67,614,853
Operating profit	1,912,584,871	1,670,245,651	841,125,659	353,136,080
Share of profit from associates – net	119,799,810	(354,235,333)	103,962,667	(354,706,619)
Finance costs	(386,996,562)	(1,010,365,219)	(142,114,445)	(474,867,033)
Profit before taxation and levies	1,645,388,119	305,645,099	802,973,881	(476,437,572)
Final taxes	(88,492,100)	(15,151,638)	(50,897,417)	-
Minimum tax	-	-	45,366,397	7,951,009
Profit before income tax	1,556,896,019	290,493,461	797,442,861	(468,486,563)
Taxation				
-Current	(293,173,033)	(97,158,866)	(271,707,735)	-
-Deferred	(14,075,840)	105,020,300	(21,513,323)	57,041,276
Taxation	(307,248,873)	7,861,434	(293,221,058)	57,041,276
Net profit for the period	1,249,647,146	298,354,895	504,221,803	(411,445,287)
Other Comprehensive Income	-	-	-	-
Total Comprehensive Income	1,249,647,146	298,354,895	504,221,803	(411,445,287)
Earnings per share - Basic and diluted	16.68	3.98	6.73	(5.49)

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

CHIEF EXECUTIVE OFFICER

CHIEF FINANCIAL OFFICER

DIRECTOR

UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY

for the period ended June 30, 2025 (un-audited)

	Issued, subscribed and paid-up capital	Reserves					Total Equity
		Capital	Revenue				
		Share Premium	General Reserve	Unappropriated Profit	Actuarial gain on defined benefit plan	Sub-Total	
	---------- Rupees ----------						
Balance as at October 01, 2023 (Audited)	749,276,090	63,281,250	85,000,000	2,977,852,332	4,040,389	3,130,173,971	3,879,450,062
Final dividend for the year ended September '30, 2023 @ Rs.3 per share				(224,782,827)		(224,782,827)	(224,782,827)
Interim dividend for the year ended September 30, 2024 @ Re.1 per share				(74,927,609)		(74,927,609)	(74,927,609)
Net profit for the period	-	-	-	298,354,895	-	298,354,895	298,354,895
Other comprehensive income	-	-	-	-	-	-	-
Total comprehensive income	-	-	-	298,354,895	-	298,354,895	298,354,895
Balance as at June 30, 2024 (Un-Audited)	749,276,090	63,281,250	85,000,000	2,976,496,791	4,040,389	3,128,818,431	3,878,094,521
Balance as at October 01, 2024 (Audited)	749,276,090	63,281,250	85,000,000	1,879,115,144	4,064,746	2,031,461,139	2,780,737,229
Interim dividend for the year ending September 30, 2025 @ Re.1 per share	-	-	-	(74,927,609)	-	(74,927,609)	(74,927,609)
Net profit for the period	-	-	-	1,249,647,146	-	1,249,647,146	1,249,647,146
Other comprehensive income	-	-	-	-	-	-	-
Total comprehensive income	-	-	-	1,249,647,146	-	1,249,647,146	1,249,647,146
Balance as at June 30, 2025 (Un-audited)	**749,276,090**	**63,281,250**	**85,000,000**	**3,053,834,681**	**4,064,746**	**3,206,180,676**	**3,955,456,766**

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

CHIEF EXECUTIVE OFFICER

CHIEF FINANCIAL OFFICER

DIRECTOR

UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF CASH FLOWS

for the period ended June 30, 2025 (un-audited)

	Jun 30, 2025 Rupees	Jun 30, 2024 Rupees
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	**1,645,388,119**	305,645,099
Adjustment for:		
Depreciation		
Operating fixed assets	**123,920,950**	123,561,014
Right of use assets	**37,947,403**	39,503,039
Ammortization of deferred income - government grant	**(17,040,366)**	(18,513,920)
Share of profit from associates	**(119,799,810)**	354,235,333
Gain on disposal of operating fixed assets and right-of-use assets	**(5,100,000)**	(3,000,000)
Finance costs	**386,996,562**	1,010,365,219
Provision for market committee fee	**7,108,029**	9,029,320
Loss on disposal of lease farm	**974,437**	-
Realised gain on investments at FVTPL	**(287,609,946)**	(441,659,920)
Unrealised gain on remeasurement of investments at FVTPL	**(347,985,033)**	(248,457,048)
Working capital changes	**934,759,378**	(5,442,988,905)
	714,171,604	(4,617,925,868)
Gratuity paid	**(1,330,148)**	(428,703)
Taxes paid	**(374,045,932)**	(140,209,778)
Finance costs paid	**(577,000,123)**	(526,333,002)
Market committee fee paid	**(5,813,042)**	(6,189,153)
Net cash generated from / (used in) operating activities	**1,401,370,477**	(4,985,441,405)
CASH FLOWS FROM INVESTING ACTIVITIES		
Fixed capital expenditure	**(47,359,987)**	(102,225,554)
Proceeds from disposal of operating fixed assets and	**5,100,000**	3,000,000
right-of-use assets	-	-
Short term investments made	**(3,904,137,400)**	(4,170,707,261)
Proceeds from disposal of short-term investments	**3,472,826,680**	4,631,243,965
Dividend received	**-**	24,999,999
Net cash (used in) / generated from investing activities	**(473,570,707)**	386,311,149
CASH FLOWS FROM FINANCING ACTIVITIES		
Long term financing - net	**(110,536,637)**	(77,793,921)
Lease rentals paid	**(34,523,710)**	(49,492,831)
Short term borrowings - net	**(605,326,722)**	5,121,296,544
Dividend paid	**(70,893,527)**	(296,272,492)
Net cash (used in) / generated from financing activities	**(821,280,596)**	4,697,737,300
Net increase / (decrease) in cash and cash equivalents	**106,519,175**	98,607,043
Cash and cash equivalents at beginning of the period	**88,406,886**	46,795,976
Cash and cash equivalents at end of the period	**194,926,061**	145,403,019

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

Ahmed Ebrahim

CHIEF EXECUTIVE OFFICER

CHIEF FINANCIAL OFFICER

DIRECTOR

1 THE COMPANY AND ITS OPERATIONS

1.1 Mehran Sugar Mills Limited (the Company) was incorporated in Pakistan as a public limited company on 22 December 1965 under the Companies Act, 1913 and then under the Companies Ordinance, 1984, which is now superseded by the Companies Act, 2017 (the Act). The shares of the Company are quoted on Pakistan Stock Exchange. The Company is principally engaged in the manufacturing and sale of sugar and its by-products. The registered office of the Company is situated at 14th floor, Dolmen City Executive Tower, Marine Drive, Block 4, Clifton, Karachi. The mill of the Company is located at District Tando Allahyar, Sindh.

1.2 These are the separate financial statements of the Company in which investment in subsidiary is accounted for on the basis of cost less impairment losses, if any and investments in associates are accounted under equity method less impairment, if any.

2 STATEMENT OF COMPLIANCE

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

- International Accounting Standards 34; ‘Interim Financial Reporting’, (IAS 34) issued by International Accounting Standard 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 (ICAP) as are notified under the Act; and
- Provisions of and directives issued under the Act.

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

2.2 These unconsolidated condensed interim financial statements are unaudited as required under section 237 of the Act.

2.3 These unconsolidated condensed interim financial statements do not include all the information and disclosures required in the annual financial statements and should be read in conjunction with the Company’s annual financial statements for the year ended 30 September 2024.

3 ACCOUNTING POLICIES, ESTIMATES AND JUDGEMENTS

The accounting policies, estimates and judgements followed for the preparation of these unconsolidated condensed interim financial statements are the same as those applied in the preparation of the annual published financial statements of the Company for the year ended 30 September 2024.

4	PROPERTY, PLANT AND EQUIPMENT	Note	June 30 2025 (Un-audited) Rupees	September 30 2024 (Audited) Rupees
	Operating fixed assets	4.1	2,098,259,124	2,204,325,604
	Capital work-in-progress (CWIP)	4.2	181,625,510	152,119,993
			2,279,884,634	2,356,445,597

4.1 Operating fixed assets

Book value at the beginning of the period / year	2,204,325,604	2,209,371,259
Additions during the period / year	17,854,470	164,044,082
	2,222,180,074	2,373,415,341
Disposal during the period / year	-	-
Depreciation charged during the period / year	(123,920,950)	(169,089,737)
	(123,920,950)	(169,089,737)
	2,098,259,124	2,204,325,604

4.2 Capital work-in-progress	Opening balance	Additions during the period / year	Transfers to operating fixed assets	Transfers to Stores and spares	Closing balance
	Rupees				
Civil works	17,262,968	6,077,701	-	-	23,340,669
Plant, machinery and equipment	134,857,025	23,427,816	-	-	158,284,841
June 30, 2025	152,119,993	29,505,517	-	-	181,625,510
September 30, 2024	188,580,952	132,172,836	(121,587,126)	(47,046,669)	152,119,993

5	LONG-TERM INVESTMENTS	Note	June 30 2025 (Un-audited) Rupees	September 30 2024 (Audited) Rupees
	Subsidiary	5.1	-	-
	Associates	5.2	1,246,216,103	1,126,416,293
			1,246,216,103	1,126,416,293

5.1 Subsidiary

Mehran Energy Limited	42,596,739	42,596,739
Provision for impairment	(42,596,739)	(42,596,739)
	-	-

5.2 Associates

June 30, 2025 (Un-audited)	Unicol Limited	UniEnergy Limited	Total
	Rupees		
Opening balance	1,105,603,719	20,812,574	1,126,416,293
Share of profit from associates	119,422,667	377,143	119,799,810
Dividends received	-	-	-
Closing balance	1,225,026,386	21,189,717	1,246,216,103

September 30, 2024	Unicol Limited	UniEnergy Limited	Total
	-------------------	Rupees	-------------------
Opening balance	1,783,082,782	20,614,718	1,803,697,500
Share of profit from associates	(652,479,064)	197,856	(652,281,208)
Dividends received	(24,999,999)	-	(24,999,999)
Closing balance	1,105,603,719	20,812,574	1,126,416,293

6 CONTINGENCIES AND COMMITMENTS

6.1 Contingencies

There has been no change in the status of contingencies as disclosed in note 32 to the annual financial statements of the Company for the year ended 30 September 2024.

6.2 Commitments	June 30 2025 (Un-audited) Rupees	September 30 2024 (Audited) Rupees
Capital commitments	-	19,087,895
Letter of guarantee	12,600,000	-

7 WORKING CAPITAL CHANGES

	June 30 2025 (Un-audited) Rupees	June 30 2024 (Un-audited) Rupees
(Increase) / decrease in current assets		
Biological assets	14,292,853	8,449,789
Stores and spare parts	(39,497,402)	13,281,401
Stock-in-trade	160,005,075	(5,322,009,288)
Trade debts	323,756,795	(252,193,933)
Loans and advances	(133,947,942)	40,309,196
Trade deposits and short-term prepayments	52,567,955	27,631,090
Other receivables	-	63,496,884
	377,177,334	(5,421,034,861)
Decrease in current liabilities		
Trade and other payables	515,141,433	(125,485,547)
Contract liabilities	-	(188,394,682)
Sales tax and federal excise duty payable	42,440,611	291,926,185
	557,582,044	(21,954,044)
	934,759,378	(5,442,988,905)

8 TRANSACTIONS WITH RELATED PARTIES

Related parties comprise of subsidiary, associated entities, entities with common directorship, directors, key management personnel and employees retirement benefits funds. Material transactions with related parties during the period and balances at the end of the period, other than those which have been disclosed elsewhere in these unconsolidated condensed interim financial statements, are as follows:

Nature of Relationship	Nature of Transaction	Nine months ended June 30 2025	Nine months ended June 30 2024
		------------ Rupees ------------	
Associates	Sales	**1,152,498,209**	1,460,027,457
	Donations	**13,103,000**	9,082,000
Retirement benefit funds	Provident fund contribution	**5,207,633**	4,908,756

9 DATE OF AUTHORISATION FOR ISSUE

These unconsolidated condensed interim financial statements were authorised for issue on 28-07-2025 by the Board of Directors of the Company.

CHIEF EXECUTIVE OFFICER CHIEF FINANCIAL OFFICER DIRECTOR

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