QUARTERLY ACCOUNTS (UN-AUDITED)

As at 30th September, 2025
1st Quarter

Sana Industries Limited

33-D-2, Block 6, P.E.C.H.S., Shahrah-e-Faisal, Karachi-75400
Phone: 021-34322556-9 Email: info@sana-industries.com

Sana Industries Limited

CONTENTS

COMPANY INFORMATION

Board of Directors

Mr. Mohammed Younus Nawab	- Director
Mr. Mohammed Irfan Nawab	- Chief Executive
Mr. Ibrahim Younus	- Chairman
Mr. Ismail Younus	- Director
Mr. Muhammad Faizanullah	- Director
Shaikh Abdus Sami	- Director
Ms. Zainab Hanif Dhedhi	- Director

H.R. & Remuneration Committee

Ms. Zainab Hanif Dhedhi	- Chairperson
Syed Amjad Ahmad	- Secretary
Mr. Muhammad Faizanullah	- Member
Mr. Ismail Younus	- Member

Audit Committee

Shaikh Abdus Sami	- Chairman
Mr. Abdul Hussain Antaria	- Secretary
Mr. Mohammed Younus Nawab	- Member
Mr. Ismail Younus	- Member

C.F.O./Company Secretary

Mr. Hammad Fareed	- Chief Financial Officer
Mr. Abdul Hussain Antaria	- Company Secretary

Registered Office

33-D-2, Block 6, P.E.C.H.S
P.O.Box No.10651,
Karachi - 75700
Phone : 32561728 - 29
Fax : 32570833
E-mail : snai@sana-industries.com

Mills

B-186, Hub Industrial Trading Estate,
Hub Chowki, District Lasbela,
Balochistan.
Phone : 0853-363443 - 44

Auditors

Rahman Sarfaraz Rahim Iqbal Rafiq
Chartered Accountants
Plot No.180,.
Block A, S.M.C.H.S.,
Karachi.
Phone : 021-34549345-9
Fax : 021-34548210

Legal Advisors

Aftab Ahmed,
Advocate
B-10, 2nd Floor, Shelozon Centre,
Gulshan-e-Iqbal,
Karachi.
Phone : 0300-8355319

Bankers

Bank AL Habib Limited
Bank Alfalah Ltd
Dubai Islamic Bank Limited
Faysal Bank Ltd
Habib Bank Limited
Habib Metropolitan Bank Limited
Meezan Bank Ltd
National Bank of Pakistan
United Bank Ltd

Share Registrars

CDC Share Registrar Services Limited
CDC House, 99-B, Block B, S.M.C.H.S.,
Karachi.
Phone : 021-111-111-500
Fax : 34326027

Website for financial data - http://www.sana-industries.com/

DIRECTORS' REPORT FOR THE QUARTER ENDED 30 SEPTEMBER 2025

The Directors of the Company are pleased to present their report on the financial and operational performance of the Company for the first quarter ended 30 September 2025.

Financial Performance

During the quarter under review, the Company recorded **net revenues of Rs. 502.65 million** as compared to **Rs. 734.65 million** in the corresponding period of the previous year. The decline in revenue primarily reflects the Company's strategic decision to discontinue loss-making contracts to strengthen overall profitability and ensure long-term sustainability.

The **gross profit** stood at **Rs. 47.59 million**, compared to **Rs. 51.92 million** for the same quarter last year. Despite the lower revenue base, the Company maintained stable margins through improved efficiency and cost optimization measures.

Administrative and Distribution Expenses

Administrative and distribution expenses amounted to **Rs. 34.19 million** as against **Rs. 32.10 million** in the corresponding quarter of the previous year. The marginal increase mainly represents inflationary effects and higher logistics costs.

Profitability

The Company incurred a **loss after levies (minimum tax)** of **Rs. 24.89 million**, compared to a **loss of Rs. 39.45 million** in the corresponding quarter last year. The improvement reflects better cost management and a significant reduction in finance costs, which decreased to **Rs. 33.26 million** from **Rs. 51.66 million** last year.

Outlook

The management remains focused on enhancing profitability through continued portfolio rationalization, cost optimization, and efficient resource utilization. The strategic shift away from unprofitable business segments is expected to strengthen the Company's financial position and support sustainable growth in the coming quarters.

Acknowledgement

The Board expresses its appreciation to the Company's shareholders, business partners, employees, and financial institutions for their continued confidence and support.

On behalf of the Board

Mohammed Irfan Nawab
Chief Executive Officer

Muhammad Faizanullah
Director

Karachi: 29th October 2025

ڈائریکٹرز کی رپورٹ برائے سہ ماہی ختم شدہ 30 ستمبر 2025

ڈائریکٹرز خوشی کے ساتھ کمپنی کی مالی اور عملی کارکردگی پر مبنی یہ رپورٹ پہلی سہ ماہی (30 ستمبر 2025 کو ختم شدہ مدت) کے لیے پیش کرتے ہیں۔

مالی کارکردگی

جائزہ شدہ مدت کے دوران کمپنی نے **روپے 502.65 ملین** کی خالص آمدن حاصل کی، جو پچھلے سال کی اسی مدت میں **روپے 734.65 ملین** کے مقابلے میں کم ہے۔ آمدن میں کمی کی بنیادی وجہ کمپنی کا یہ اسٹریٹجک فیصلہ ہے کہ **نقصان دہ معاہدوں کو ختم کیا جائے** تاکہ منافع میں بہتری اور طویل المدتی پائیداری کو یقینی بنایا جا سکے۔

کمپنی کا **مجموعی منافع** اس سہ ماہی میں **روپے 47.59 ملین** رہا جبکہ پچھلے سال اسی مدت میں **روپے 51.92 ملین** تھا۔ آمدن میں کمی کے باوجود کمپنی نے بہتر کارکردگی اور اخراجات کے نظم و ضبط کے ذریعے اپنا مجموعی مارجن مستحکم رکھا۔

انتظامی اور تقسیم کے اخراجات

انتظامی اور تقسیم کے اخراجات اس سہ ماہی کے دوران **روپے 34.19 ملین** رہے جبکہ پچھلے سال اسی سہ ماہی میں یہ **روپے 32.10 ملین** تھے۔ معمولی اضافہ عمومی مہنگائی اور ترسیلی اخراجات میں اضافے کی عکاسی کرتا ہے۔

منافع یا نقصان

کمپنی کو سہ ماہی کے دوران **روپے 24.89 ملین کا نقصان (کم از کم ٹیکس کے بعد)** ہوا، جبکہ پچھلے سال اسی سہ ماہی میں **روپے 39.45 ملین کا نقصان** ریکارڈ کیا گیا تھا۔ نتائج میں بہتری بنیادی طور پر بہتر اخراجاتی نظم و ضبط اور مالی اخراجات میں نمایاں کمی کی وجہ سے ہوئی، جو **روپے 51.66 ملین** سے کم ہو کر **روپے 33.26 ملین** رہ گئی۔

مستقبل کا جائزہ

انتظامیہ منافع میں بہتری کے لیے کاروباری پورٹ فولیو کی درستی، لاگتوں میں کمی اور وسائل کے مؤثر استعمال پر توجہ مرکوز کیے ہوئے ہے۔ نقصان دہ کاروباری معاہدوں سے انخلا کی یہ حکمتِ عملی کمپنی کی مالی پوزیشن کو مزید مضبوط بنائے گی اور آئندہ سہ ماہیوں میں پائیدار ترقی میں معاون ثابت ہوگی۔

اظہارِ تشکر

ڈائریکٹرز بورڈ کمپنی کے شیئر ہولڈرز، کاروباری شراکت داروں، ملازمین اور مالیاتی اداروں کا ان کے مسلسل اعتماد، تعاون اور حمایت پر دلی شکریہ ادا کرتا ہے۔

بورڈ آف ڈائریکٹرز کی جانب سے

محمد عرفان نواب	محمد فیضان اللہ
چیف ایگزیکٹو آفسر	ڈائریکٹر

کراچی: ۲۹ اکتبر ۲۰۲۵

Sana Industries Limited

Unconsolidated Condensed Interim Statement of Financial Position
As at 30 September 2025

Amount in PKR

	Unaudited Sep 2025	Audited Jun 2025
Non Current Assets		
Property, plant and equipment	998,148,873	1,000,731,282
Right-of-use assets	2,235,407	2,610,407
Investment in subsidiaries	94,999,990	94,999,990
Long term deposits and prepayments	127,268,521	127,268,521
Deferred taxation-net	14,569,752	14,569,752
Total Non Current Assets	**1,237,222,543**	**1,240,179,952**
Current Assets		
Stock-in-trade	152,224,242	216,847,705
Stores and spares	12,106,375	12,490,226
Trade debts - unsecured	588,800,138	530,105,049
Loans and advances	41,246,174	40,902,509
Trade deposits and short term prepayments	151,318,391	148,431,369
Short term investments	11,666,945	11,666,946
Other receivables	493,393,405	406,381,700
Tax refunds due from government	99,614,680	103,082,513
Cash and bank balances	52,956,685	12,145,729
Total Current Assets	**1,603,327,035**	**1,482,053,746**
Total Assets	**2,840,549,578**	**2,722,233,698**
Equity		
Share Capital	199,650,000	199,650,000
Share Premium	96,250,000	96,250,000
General Reserves	132,500,000	132,500,000
Unappropriated Profits	372,766,112	397,655,399
Total Equity	**801,166,112**	**826,055,399**
Non Current Liabilities		
Lease Liability	10,416,840	11,000,168
Long term financing	137,455,125	147,202,521
Deferred Liabilities	98,179,043	94,116,994
Total Non Current Liabilities	**246,051,008**	**252,319,683**
Current Liabilities		
Short term borrowings	682,902,376	722,877,972
Trade and other payables	725,603,064	642,193,393
Loan from directors and sponsors	222,450,000	106,550,000
Accrued markup	16,010,083	22,831,052
Unclaimed Dividends	2,005,661	2,005,663
Current portion of non-current liabilities	144,361,274	147,400,536
Total Current Liabilities	**1,793,332,458**	**1,643,858,616**
Total Equity and Liabilities	**2,840,549,578**	**2,722,233,698**

The annexed notes from 1 - 7 form an integral part of these condensed interim unconsolidated financial statements

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

Sana Industries Limited

Unconsolidated Condensed Interim Statement of Profit or Loss and Other Comprehensive Income (unaudited)

For the Quarter Ended 30 September 2025 *Amount in PKR*

	Sep 2025	Sep 2024
Revenues	593,408,518	867,667,132
Sales tax, commissions and discounts	(90,757,391)	(133,017,114)
Revenues - net	502,651,127	734,650,018
Cost of sales	(455,061,658)	(682,729,052)
Gross Profit	**47,589,469**	**51,920,966**
Administrative expenses	(23,423,237)	(25,078,458)
Distribution expenses	(10,770,338)	(7,018,425)
Other operating expenses	-	-
	(34,193,575)	(32,096,883)
Profit before interest and tax	**13,395,894**	**19,824,083**
Other income	1,253,715	1,619,373
Finance costs	(33,255,757)	(51,662,619)
Loss before levies and taxation	**(18,606,148)**	**(30,219,163)**
Levies	(6,283,139)	(9,232,434)
Loss before taxation	**(24,889,287)**	**(39,451,597)**
Taxation	-	12,366,950
Loss after taxation	**(24,889,287)**	**(27,084,647)**
Other comprehensive income		
Other comprehensive income	-	-
Total comprehensive loss	**(24,889,287)**	**(27,084,647)**
Earnings per share	**(1.25)**	**(1.36)**

The annexed notes from 1 - 7 form an integral part of these condensed interim unconsolidated financial statements

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

Sana Industries Limited

Unconsolidated Condensed Interim Statement of Changes in Equity (unaudited)
For the Quarter Ended 30 September 2025 *Amount in PKR*

Description	Issued, subscribed and paid-up share capital	Capital Reserve	Revenue Reserves		Total
		Share Premium	General Reserve	Unappropriated Profits	
Balance as at 30 June 2024	**199,650,000**	**96,250,000**	**132,500,000**	**245,467,046**	**673,867,046**
Total comprehensive income for the quarter ended 30 September 2024					
Loss after taxation	-	-	-	(27,084,647)	(27,084,647)
Other comprehensive income	-	-	-	-	-
	-	**-**	**-**	**(27,084,647)**	**(27,084,647)**
Balance as at 30 September 2024	**199,650,000**	**96,250,000**	**132,500,000**	**218,382,399**	**646,782,399**
Balance as at 30 June 2025	**199,650,000**	**96,250,000**	**132,500,000**	**397,655,399**	**826,055,399**
Total comprehensive income for the quarter ended 30 September 2025					
Loss after taxation	-	-	-	(24,889,287)	(24,889,287)
Other comprehensive income	-	-	-	-	-
	-	**-**	**-**	**(24,889,287)**	**(24,889,287)**
Balance as at 30 September 2025	**199,650,000**	**96,250,000**	**132,500,000**	**372,766,112**	**801,166,112**

The annexed notes from 1 - 7 form an integral part of these condensed interim unconsolidated financial statements

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

Sana Industries Limited

Unconsolidated Condensed Interim Statement of Cash Flows (unaudited)

For the Quarter Ended 30 September 2025

	Sep 2025	Sep 2024
		Amount in PKR
CASH FLOWS FROM OPERATING ACTIVITIES		
Loss before taxation	**(18,606,148)**	**(30,219,163)**
Adjustments for non-cash items and other charges:		
Depreciation	14,081,355	20,718,370
Provision for staff retirement benefits	3,780,000	6,000,000
Provision for GIDC	3,230,538	2,755,796
Amortization of government grant	(2,948,490)	(3,570,249)
Profit on bank deposits	(492,318)	(372,057)
Lease liability	1,165,672	465,278
Finance costs	33,255,757	51,662,619
	33,466,366	**47,440,594**
Effect on cash flow due to working capital changes		
Stock-in-trade	64,623,463	114,474,601
Stores and spares	383,851	3,260,149
Trade debts - unsecured	(58,695,089)	119,402,906
Loans and advances	(343,665)	277,029
Trade deposits and short term prepayments	(2,887,022)	(5,945,620)
Other receivables	(87,011,705)	3,156,796
Trade and other payables	83,409,671	(182,987,493)
	(520,496)	51,638,368
Cash generated from operations	**32,945,870**	**99,078,962**
Taxes paid - net	(2,815,305)	(31,199,551)
Contribution to staff retirement benefits fund		-
Payment of Workers' Welfare Fund		-
Payment of Workers' Profit Participation Fund		-
Finance cost paid	(40,076,726)	(60,482,386)
Net cash generated from / (used in) operating activities	**(9,946,161)**	**7,397,025**
CASH FLOWS FROM INVESTING ACTIVITIES		
Investments in property, plant and equipment - net	(11,123,947)	-
Profit received	492,318	372,057
Net cash generated from / (used in) investing activities	**(10,631,629)**	**372,057**
CASH FLOWS FROM FINANCING ACTIVITIES		
Short term borrowings	(39,975,596)	(449,644)
Long term financing	(14,535,658)	(20,917,505)
Loan from directors and sponsors - net	115,900,000	(200,000)
Dividends paid	-	-
Net cash (used in) / generated from financing activities	**61,388,746**	**(21,567,149)**
Net (decrease) / increase in cash and cash equivalents	40,810,956	(13,798,067)
Cash and cash equivalents at begining of the period	12,145,729	28,797,886
Cash and cash equivalents at the end of the period	**52,956,685**	**14,999,819**

The annexed notes from 1 - 7 form an integral part of these condensed interim unconsolidated financial statements

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

1 Status and nature of business

1.1 Sana Industries Limited ("the Company") is a public listed company incorporated in Pakistan on June 05, 1985 under the Companies Ordinance, 1984 (now repealed with the enactment of the Companies Act, 2017 on May 30, 2017). The shares of the Company are listed on Pakistan Stock Exchange Limited. The Company is primarily engaged in the manufacturing and sales of man-made blended yarn.

1.2 The geographical location of the Company's business units, including plant, are as under:

Head office: The registered office of the Company is situated at 33-D-2, Block 6, P.E.C.H.S, Karachi.

Factory: The mill is located at Hub Industrial Trading Estate, situated at Tehsil Hub, District Lasbela, Baluchistan.

Warehouse: The Company's warehouse is located at SF-96, S.I.T.E, Karachi

1.3 The company has the following subsidiaries. The investments in these subsidiaries are valued at cost in these unconsolidated condensed interim financial statements:

- *M/S: Sana Logistics (Private) Limited (70% holdings)*
- *M/S: Sana Distributors (Private) Limited (100% holdings)*

2 Basis of preparation

These unaudited unconsolidated condensed interim financial statements ("the financial statements") have been prepared in accordance with the International Accounting Standard 34 "Interim Financial Reporting" as notified under the Companies Act, 2017; and provisions and directives issued under the Companies Act, 2017.

The disclosures made in these financial statements have, however, been limited based on the requirements of IAS 34. These financial statements do not include all the information and disclosures required in a full set of financial statements and should be read in conjunction with the annual audited financial statements of the Company for the year ended June 30, 2025.

3 Basis of measurement

3.1 Items included in these financial statements are measured using the currency of the primary economic environment in which the Company operates. These financial statements are presented in Pak Rupees, which is the Company's functional and presentation currency.

3.2 In preparing these financial statements, the **significant judgments** made by management in applying the Company's accounting policies and the key sources of estimation uncertainty were the same as those applied in the annual unconsolidated financial statements of the Company as at and for the year ended June 30, 2025.

3.3 The **material accounting policy information** applied in the preparation of these financial statements is the same as that applied in the preparation of the annual unconsolidated financial statements of the Company for the year ended June 30, 2024.

		Sep 2025 Rupees	Sep 2024 Rupees
4	**Loss per share**		
	Loss after taxation	**(24,889,287)**	(27,084,647)
	Issued number of ordinary shares	**19,965,000**	19,965,000
	Basic and diluted loss per share	**(1.25)**	(1.36)

5 Transactions with related parties

The related parties include associated companies, directors, staff retirement benefit fund and key management personnel. The transactions with related parties are carried out in the normal course of business at contracted rates. Details of transactions with related parties and balances with them at period end, other than those which have been disclosed elsewhere in these condensed interim financial statements, are as follows:

	Sep 2025 Rupees	Sep 2024 Rupees
Nature of transactions		
a) Borrowings from directors' family members	**120,800,000**	2,000,000
b) Repayment of borrowings from directors' family members	**4,900,000**	2,200,000

6 Date of authorization for issue

These condensed interim financial statements were approved and authorised for issue by the Board of Directors of the Company on **29 October 2025**.

7 General

Amounts are rounded off the nearest Rupee

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

Sana Industries Limited

Consolidated Condensed Interim Statement of Financial Position
As at 30 September 2025

Amounts in PKR

	Unaudited	**Audited**
	Sep 2025	Jun 2025
Non Current Assets		
Property, plant and equipment	1,009,696,149	1,012,539,824
Right-of-use assets	2,235,407	2,610,407
Long term deposits and prepayments	94,768,521	94,768,521
Long term advances	35,798,850	34,353,000
Deferred taxation-net	15,533,855	15,533,855
Total Non Current Assets	**1,158,032,782**	**1,159,805,607**
Current Assets		
Stock-in-trade	153,703,937	218,327,400
Stores and spares	12,106,376	12,490,226
Trade debts - unsecured	647,017,550	630,540,919
Loans and advances	115,556,602	53,783,015
Trade deposits and short term prepayments	128,468,241	151,789,198
Short term investments	11,666,946	11,666,946
Other receivables	497,786,294	465,404,591
Tax refunds due from government	158,527,679	159,332,771
Cash and bank balances	80,003,325	21,382,302
Total Current Assets	**1,804,836,950**	**1,724,717,368**
Total Assets	**2,962,869,732**	**2,884,522,975**
Equity		
Share Capital	199,650,000	199,650,000
Share Premium	96,250,000	96,250,000
General Reserves	132,500,000	132,500,000
Unappropriated Profits	327,771,131	369,926,167
Equity attributable to the shareholders of the HoldCo.	**756,171,131**	**798,326,167**
Non-controlling interest	73,180,662	76,250,702
Total Equity	**829,351,793**	**874,576,869**
Non Current Liabilities		
Lease Liability	12,165,840	11,000,168
Subordinated loan from directors	10,800,000	10,800,000
Long term financing	132,666,863	147,202,521
Deferred Liabilities	102,179,042	94,116,994
Total Non Current Liabilities	**257,811,745**	**263,119,683**
Current Liabilities		
Short term borrowings	695,402,372	733,077,974
Trade and other payables	766,413,945	711,314,251
Loan from directors and sponsors	248,658,577	126,858,577
Accrued markup	16,010,083	22,982,673
Unclaimed Dividends	2,005,663	2,005,663
Taxation - net	3,815,017	3,186,749
Current portion of non-current liability	143,400,536	147,400,536
Total Current Liabilities	**1,875,706,194**	**1,746,826,423**
Total Equity and Liabilities	**2,962,869,732**	**2,884,522,975**

The annexed notes from 1 - 7 form an integral part of these condensed interim unconsolidated financial statements

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

Sana Industries Limited

Consolidated Condensed Interim Statement of Profit or Loss and Other Comprehensive Income (unaudited)

For the Quarter Ended 30 September 2025 *Amounts in PKR*

	Sep 2025	Sep 2024
Revenues	665,062,914	1,295,847,105
Sales tax, commissions and discounts	(86,947,883)	(195,042,490)
Revenues - net	570,496,015	1,100,804,615
Cost of sales	(527,359,394)	(1,025,773,913)
Gross Profit	**43,136,621**	**75,030,702**
Administrative expenses	(33,369,784)	(37,175,131)
Distribution expenses	(15,890,989)	(18,651,919)
Other operating expenses	-	-
	(49,260,773)	(55,827,050)
Profit before interest and tax	**(6,124,152)**	**19,203,652**
Other income	1,446,800	1,739,573
Finance costs	(33,533,281)	(58,095,123)
Loss before levies and taxation	**(38,210,633)**	**(37,151,898)**
Levies	(7,014,443)	(11,994,720)
Loss before taxation	**(45,225,076)**	**(49,146,618)**
Taxation	-	12,366,950
Loss after taxation	**(45,225,076)**	**(36,779,668)**
Other comprehensive income		
Other comprehensive income	-	-
Total comprehensive loss	**(45,225,076)**	**(36,779,668)**
Loss after taxation attributable to:		
Shareholders of the Holding Co.	(42,155,036)	(34,224,337)
Non-controlling interest	(3,070,040)	(2,555,331)
Earnings per share	**(2.11)**	**(1.71)**

The annexed notes from 1 - 7 form an integral part of these condensed interim unconsolidated financial statements

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

Sana Industries Limited

Consolidated Condensed Interim Statement of Changes in Equity *(unaudited)*

For the Quarter Ended 30 September 2025 *Amount in PKR*

Description	Issued, subscribed and paid-up share capital	Capital Reserve	Revenue Reserves		Total Reserves	Holding Co's Shareholders Equity	Non Controlling Interest
		Share Premium	General Reserve	Unappropriated Profits			
Balance as at 30 June 2024	**199,650,000**	**96,250,000**	**132,500,000**	**237,727,569**	**466,477,569**	**666,127,569**	**75,933,332**
Total comprehensive income for the quarter ended 30 September 2024							
Loss after taxation	0	0	0	(36,779,668)	(36,779,668)	(34,224,337)	(2,555,331)
Other comprehensive income	0	0	0	0	0	0	0
	0	**0**	**0**	**(36,779,668)**	**(36,779,668)**	**(34,224,337)**	**(2,555,331)**
Balance as at 30 September 2024	**199,650,000**	**96,250,000**	**132,500,000**	**200,947,901**	**429,697,901**	**631,903,232**	**73,378,001**
Balance as at 30 June 2025	**199,650,000**	**96,250,000**	**132,500,000**	**369,926,167**	**598,676,167**	**798,326,167**	**76,250,702**
Total comprehensive income for the quarter ended 30 September 2025							
Loss after taxation	0	0	0	(45,225,076)	(45,225,076)	(42,155,036)	(3,070,040)
Other comprehensive income	0	0	0	0			0
	0	**0**	**0**	**(45,225,076)**	**(45,225,076)**	**(42,155,036)**	**(3,070,040)**
Balance as at 30 September 2025	**199,650,000**	**96,250,000**	**132,500,000**	**324,701,091**	**553,451,091**	**756,171,131**	**73,180,662**

The annexed notes from 1 - 7 form an integral part of these condensed interim unconsolidated financial statements

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

Sana Industries Limited

Consolidated Condensed Interim Statement of Cash Flows (unaudited)
For the Quarter Ended 30 September 2025

Amount in PKR

	Sep 2025	Sep 2024
CASH FLOWS FROM OPERATING ACTIVITIES		
Loss before taxation	(45,225,076)	(30,219,163)
Adjustments for non-cash items and other charges:		
Depreciation	14,342,622	20,718,370
Provision for staff retirement benefits	3,780,000	6,000,000
Provision for GIDC	3,230,538	2,755,796
Amortization of government grant	(2,948,490)	(3,570,249)
Profit on bank deposits		(372,057)
Lease liability	1,165,672	465,278
Finance costs	33,533,281	51,662,619
	7,878,547	**47,440,594**
Effect on cash flow due to working capital changes		
Stock-in-trade	64,623,463	114,474,601
Stores and spares	383,850	3,260,149
Trade debts - unsecured	(16,476,631)	119,402,906
Loans and advances	(61,773,587)	277,029
Trade deposits and short term prepayments	23,320,957	(5,945,620)
Other receivables	(32,381,703)	3,156,796
Trade and other payables	55,099,694	(182,987,493)
	32,796,043	51,638,368
Cash generated from operations	**40,674,590**	**99,078,962**
Taxes paid - net	1,433,360	(31,199,551)
Finance cost paid	(40,505,871)	(60,482,386)
Net cash generated from / (used in) operating activities	**1,602,079**	**7,397,025**
CASH FLOWS FROM INVESTING ACTIVITIES		
Investments in property, plant and equipment - net	(11,123,947)	-
Long term advances	(1,445,850)	
Profit received	-	372,057
Net cash generated from / (used in) investing activities	**(12,569,797)**	**372,057**
CASH FLOWS FROM FINANCING ACTIVITIES		
Short term borrowings	(37,675,602)	(449,644)
Long term financing	(14,535,658)	(20,917,505)
Loan from directors and sponsors - net	121,800,000	(200,000)
Dividends paid	-	-
Net cash (used in) / generated from financing activities	**69,588,740**	**(21,567,149)**
Net (decrease) / increase in cash and cash equivalents	58,621,022	(13,798,067)
Cash and cash equivalents at begining of the period	21,382,302	28,797,886
Cash and cash equivalents at the end of the period	**80,003,324**	**14,999,819**

The annexed notes from 1 - 7 form an integral part of these condensed interim unconsolidated financial statements

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

1 The group and its operations

The group consist of **Sana Industries Limited** ("The Holding Company") and its subsidry companies **Sana Logistics (Private) Limited** and Sana Distributors **Sana Logistics (Private) Limited**. Brief profile of the holding company and its subsidiary companies are as follows;

1.1 Sana Industries Limited

Sana Industries Limited ("the Company") is a public listed company incorporated in Pakistan on June 05, 1985 under the Companies Ordinance, 1984 (now repealed with the enactment of the Companies Act, 2017 on May 30, 2017). The shares of the Company are listed on Pakistan Stock Exchange Limited. The Company is primarily engaged in the manufacturing and sales of man-made blended yarn.

The geographical location of the Company's business units, including plant, are as under

Head office: The registered office of the Company is situated at 33-D-2, Block 6, P.E.C.H.S, Karachi.

Factory: The mill is located at Hub Industrial Trading Estate, situated at Tehsil Hub, District Lasbela, Baluchistan.

Warehouse: The Company's warehouse is located at SF-96, S.I.T.E, Karachi

1.2 Sana Logistics (Private) Limited

Sana Logistics Private Limited (the subsidiary Company) was incorporated in Pakistan as a private limited Company under the Companies Ordinance, 1984. The principle activity of the subsidiary company is to provide services in respect of Dry Storage through "compartmentalized store project. This is **70%** owned by the holding company.

1.3 Sana Distributors (Private) Limited

Sana Distributors Private Limited (the subsidiary Company) was incorporated in Pakistan as a private limited Company under the Companies Ordinance, 1984. The principle activity of the subsidiary company is to solely distribute lubricant products all over Karachi. This is **99.99%** owned by the holding company.

2 Basis of preparation

These unaudited consolidated condensed interim financial statements ("the financial statements") have been prepared in accordance with the International Accounting Standard 34 "Interim Financial Reporting" as notified under the Companies Act, 2017; and provisions and directives issued under the Companies Act, 2017.

The disclosures made in these financial statements have, however, been limited based on the requirements of IAS 34. These financial statements do not include all the information and disclosures required in a full set of financial statements and should be read in conjunction with the annual audited financial statements of the Group for the year ended June 30, 2025.

3 Basis of measurement

3.1 Items included in these financial statements are measured using the currency of the primary economic environment in which the Group operates. These financial statements are presented in Pak Rupees, which is the Group's functional and presentation currency.

3.2 In preparing these financial statements, the **significant judgments** made by management in applying the group's accounting policies and the key sources of estimation uncertainty were the same as those applied in the annual consolidated financial statements of the group as at and for the year ended June 30, 2025.

3.3 The **material accounting policy information** applied in the preparation of these financial statements is the same as that applied in the preparation of the annual consolidated financial statements of the group for the year ended June 30, 2025.

4 Loss per share

	Sep 2025	Sep 2024
Loss attributable to shareholders of the holding company	**(42,155,036)**	(34,224,337)
Issued number of ordinary shares	**19,965,000**	19,965,000
Basic and diluted loss per share	**(2.11)**	(1.71)

5 Transactions with related parties

The related parties include associated companies, directors, staff retirement benefit fund and key management personnel. The transactions with related parties are carried out in the normal course of business at contracted rates. Details of transactions with related parties and balances with them at period end, other than those which have been disclosed elsewhere in these condensed interim financial statements, are as follows:

	Sep 2024 Rupees	Sep 2023 Rupees
Nature of transactions		
a) Borrowings from directors' family members	**126,700,000**	42,300,000
b) Repayment of borrowings from directors' family members	**4,900,000**	40,900,000

6 Date of authorization for issue

These consolidated condensed interim financial statements were approved and authorised for issue by the Board of Directors of the Company on **29 October 2025**.

7 General

Amounts are rounded off the nearest Rupee

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