



HABIB SUGAR MILLS LIMITED

CORPORATE BRIEFING SESSION

Tuesday 17 February 2026



Agenda

- Company Profile
- Industry Analysis
- Financial Information
- Future Outlook
- Questions & Answers



Company Profile

Habib Sugar Mills Limited was incorporated as a public limited company in 1962 with its Registered office in Karachi and mills located at Nawabshah, Shaheed Benazirabad District, Sindh. The Company has the following divisions:

- Sugar Division**
- Distillery Division**
- Textile Division**
- Trading Division**



Management Information

	Board of Directors	Audit Committee	Human Resource & Remuneration Committee
Asghar D. Habib	Chairman		
Murtaza Habib	Executive Director		
Hasnain Habib	Non-Executive Director		✓
Ghias Uddin Khan	Independent Director	✓	
Asif Parekh	Independent Director	✓	
Muhammad Salman Hussain	Independent Director		
Tyaba Muslim Habib	Independent Director	✓	✓
Khursheed A. Jamal	Chief Executive		✓

Auditors

Grant Thornton Anjum Rahman, Chartered Accountants

Statutory Auditors

Reanda Haroon Zakaria Amir Salman Rizwan & Co, Chartered Accountants

Cost Auditors



Management Information - Corporate

Amir Bashir Ahmed	Chief Financial Officer
Imran Amin Virani	Company Secretary
Azeem Aziz	Head of Internal Audit



Management Information - Operations

Hasan Iqbal	Resident Director
Rafique Ahmed Mangi	Director Distillery Operations
Arif Raza Khan	Director Technical
Israr Jaffery	Director Production, Sugar
Ali Ather	Director Operations, Textiles
Shahroz Rao	Head of Human Resources
Hasnain Jaffery	GM Cane
Aftab Ahmed	GM Administration and Legal



Segment Information

Sugar Division - Nawabshah:

The mill commenced its production in January 1964 and was the second sugar mill in the province of Sindh. The capacity of the plant at its inception was 1,500 tons of sugarcane crushing per day. Presently, mills capacity has enhanced to 11,000 tons per day.





Segment Information

Distillery Division - Nawabshah:

In 1967, Distillery division was added to produce ethanol from sugarcane molasses having a capacity of 52 tons per day. Presently, capacity has been enhanced to 113 tons per day. In January 2009, production of Liquidified Carbon dioxide commenced with the capacity of 40 tons per day. Its present capacity is 60 tons per day.

Habib Sugar Mills Limited also has a Terminal at Keamari, Karachi for handling and storage of bulk liquid cargo such as molasses, ethanol and other products.





Segment Information

Textile Division - Karachi:

In 1979, Textile Division was added to produce household textiles, viz terry towel products. Presently, the division has the capacity of producing 560,000 Kgs per annum.

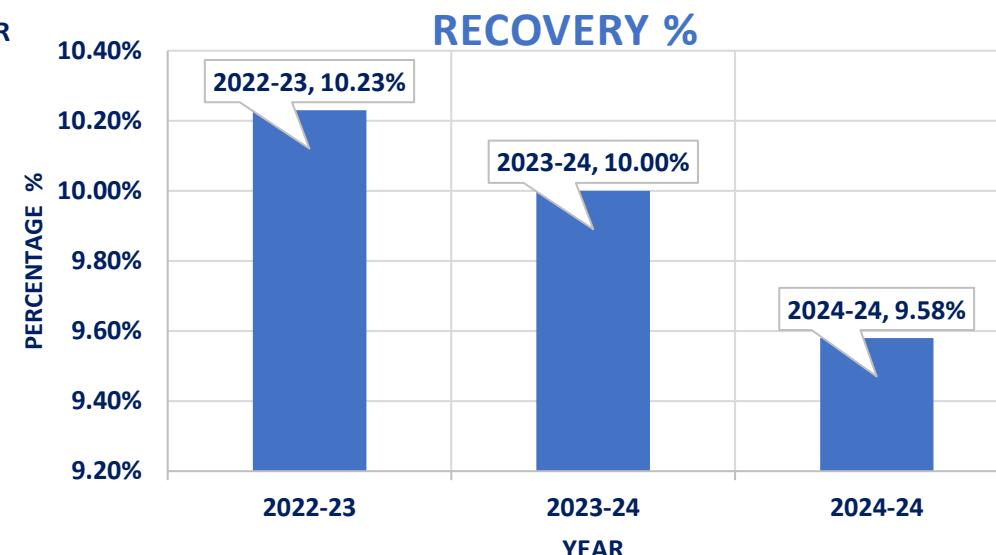
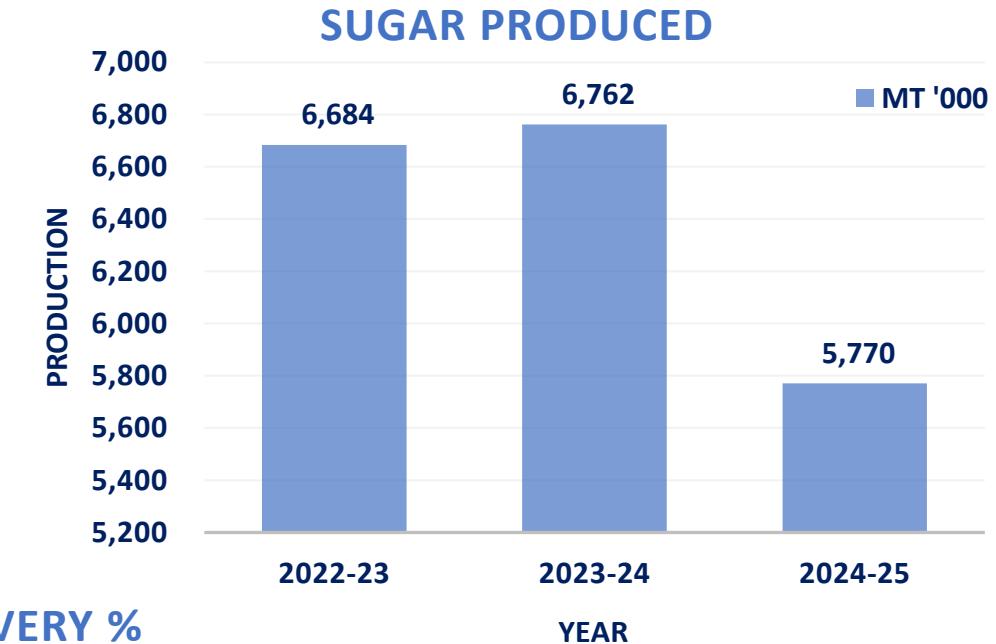
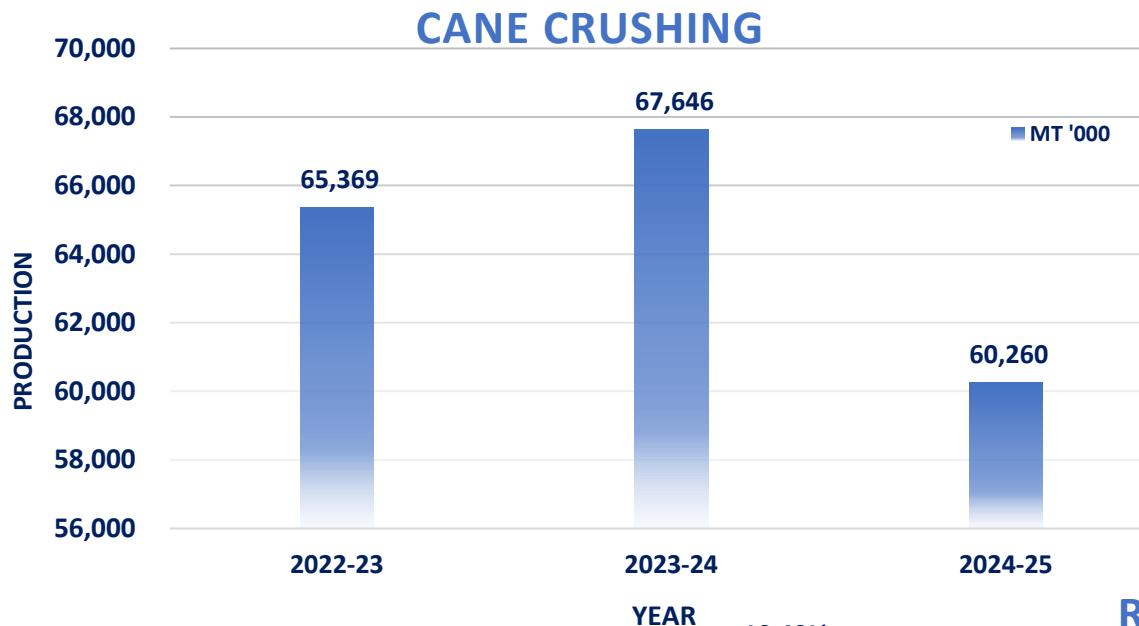
Trading Division:

The Company also undertakes trading of commodities mainly Sugar and Molasses as and when opportunity arises.





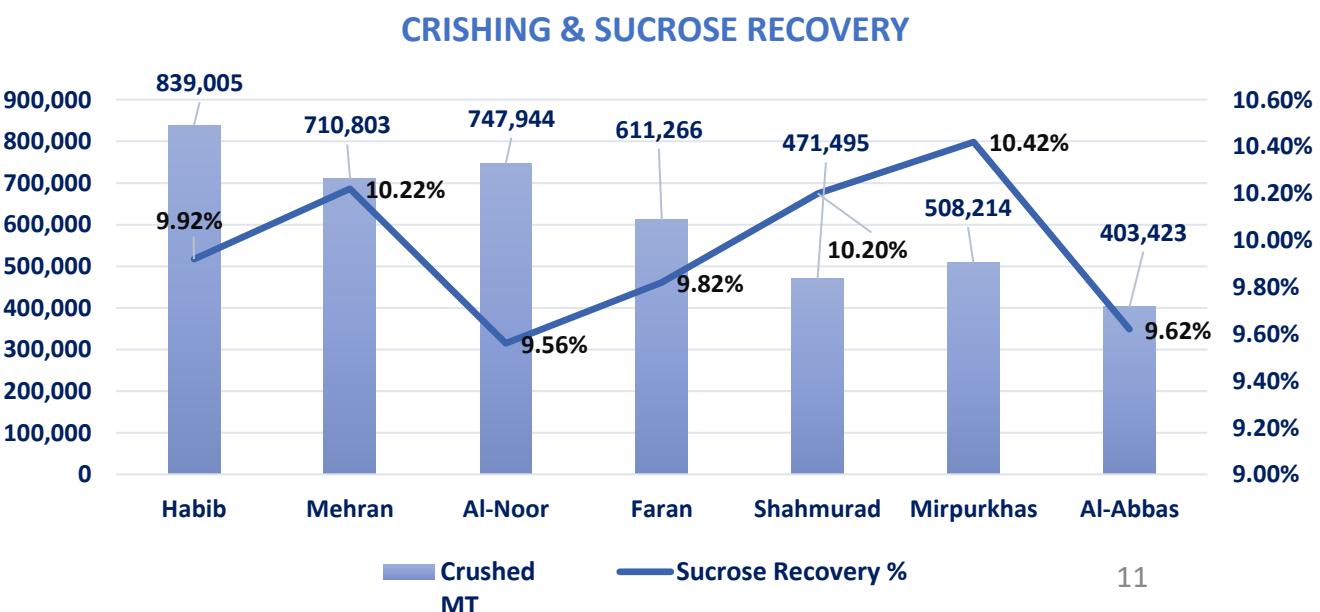
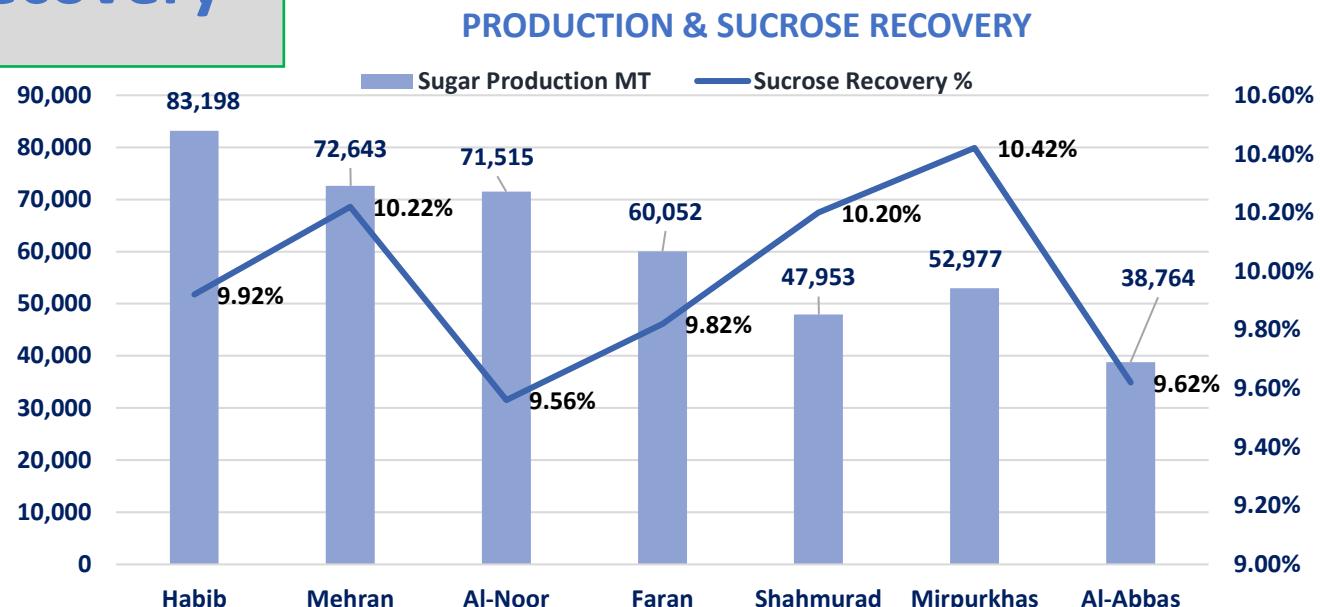
Pakistan – Cane crushing, production and recovery





Crushing, production and recovery

2024-25	Cane	Sugar	Sucrose
	Crushed	Production	Recovery
	MT	MT	%
Habib	839,005	83,198	9.92
Mehran	710,803	72,643	10.22
Al-Noor	747,944	71,515	9.56
Faran	611,266	60,052	9.82
Shahmurad	471,495	47,953	10.2
Mirpurkhas	508,214	52,977	10.42
Al-Abbas	403,423	38,764	9.62





Financial Information – Statement of Profit or Loss

		2025	2024	%Increase/ (Decrease)
Net sales	Rs' 000	21,731,776	20,624,090	5%
Gross profit	Rs' 000	2,969,479	2,512,686	18%
Operating profit	Rs' 000	2,776,240	2,747,885	1%
Profit before tax	Rs' 000	2,810,773	2,715,473	4%
Profit after tax	Rs' 000	1,555,772	1,960,473	(21%)
Earnings per share (face value Rs. 5)	Rs.	11.52	14.52	(21%)
Cash dividend	%	120	120	0%



Financial Information – Non-Current Assets

		2025	2024	%
Fixed assets	Rs' 000	2,125,198	2,092,699	2%
Long-term investments	Rs' 000	6,832,921	3,542,201	93%
Other Non-current assets	Rs' 000	23,241	34,080	(32%)
Total Non-current assets	Rs' 000	8,981,360	5,668,980	58%

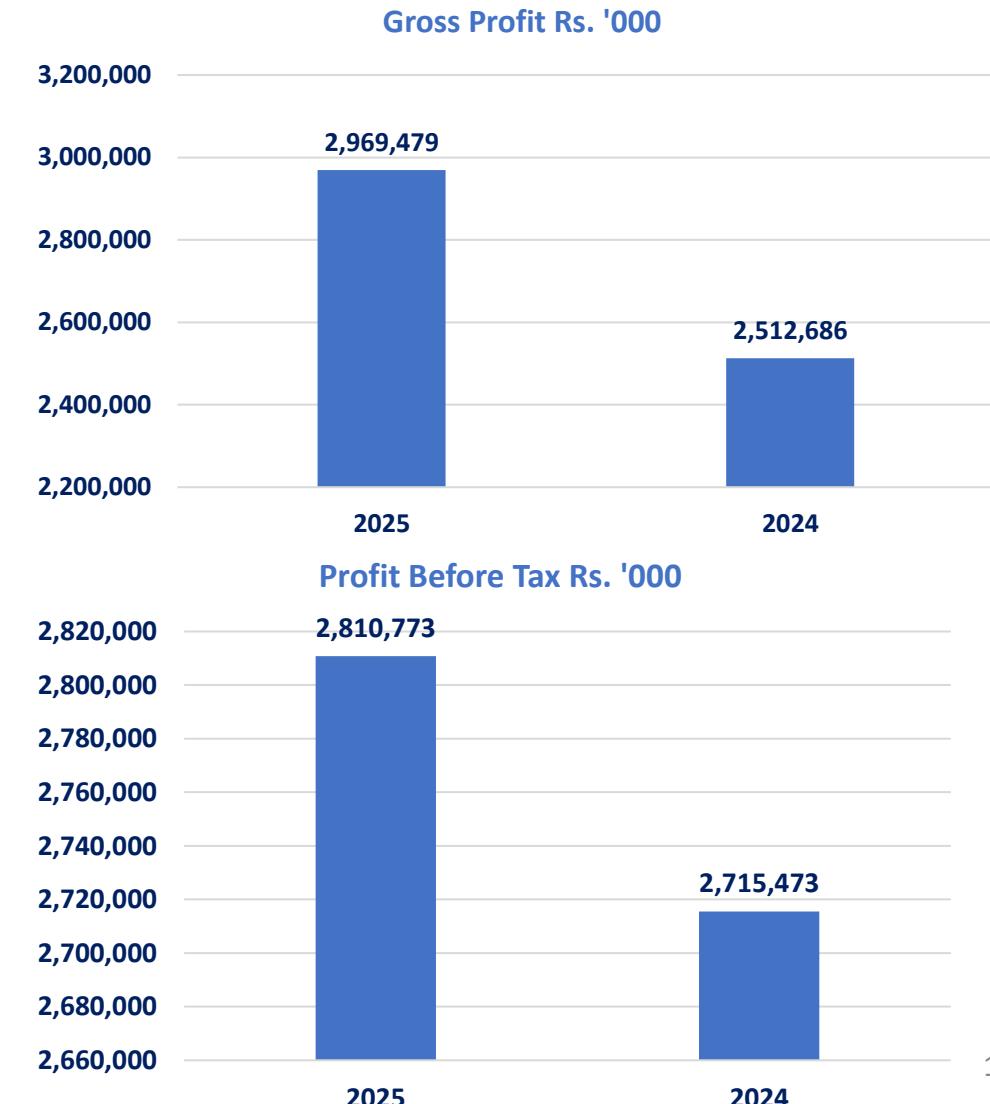
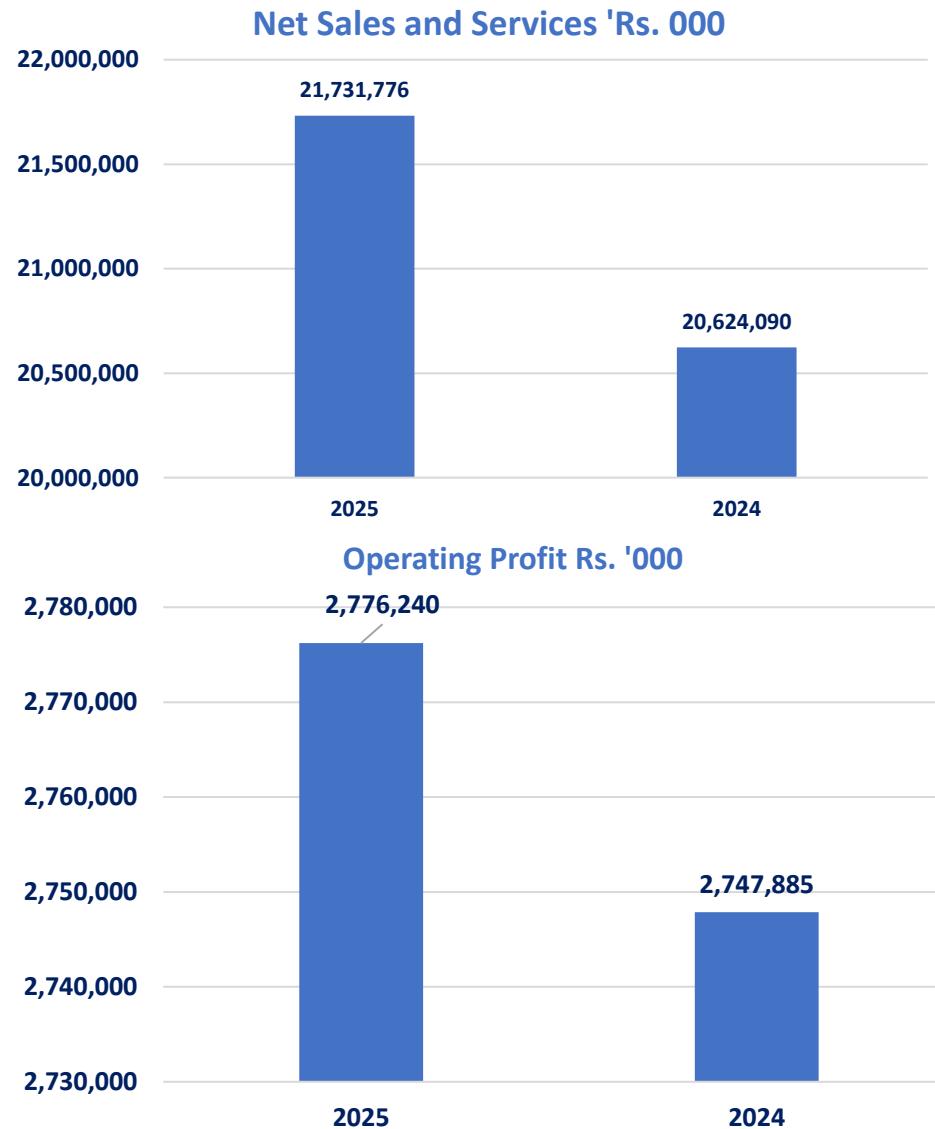


Segment operating results

		Sugar			Distillery			Textile			Trading		
		2025	2024	%	2025	2024	%	2025	2024	%	2025	2024	%
Net sales	Rs' 000	15,289,001	11,770,556	30%	5,904,441	6,792,056	(13%)	538,334	652,003	(17%)	-	1,409,475	(100%)
Gross profit	Rs' 000	1,987,809	1,298,237	53%	993,524	1,062,279	(19%)	48,146	60,289	(33%)	-	91,881	(100%)
Operating Profit	Rs' 000	1,468,465	844,469	74%	634,874	784,193	(19%)	2,986	14,943	(80%)	-	81,773	(100%)



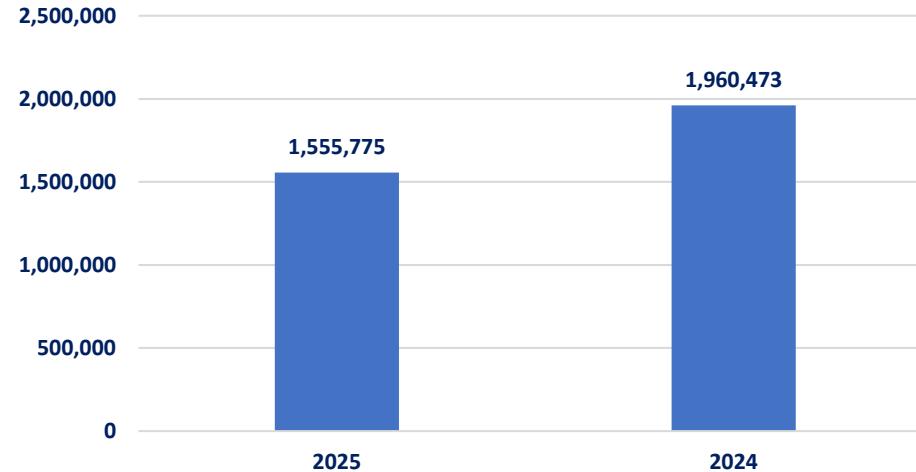
Financial Information



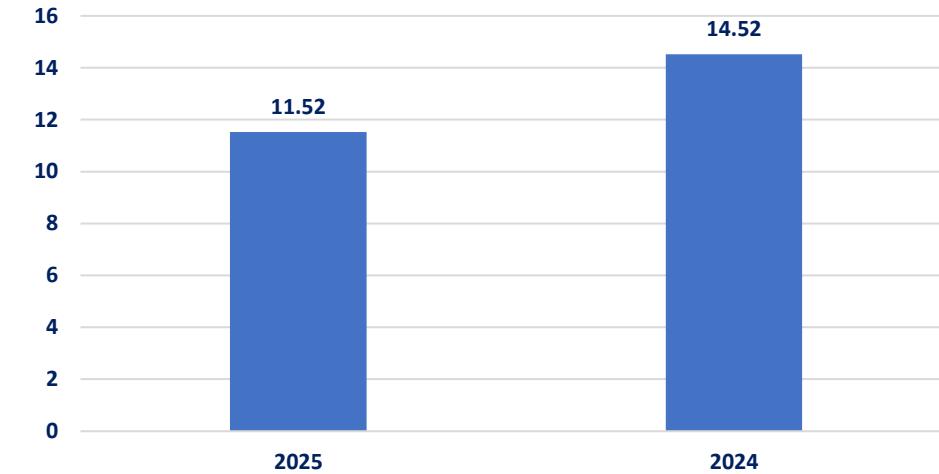


Financial Information

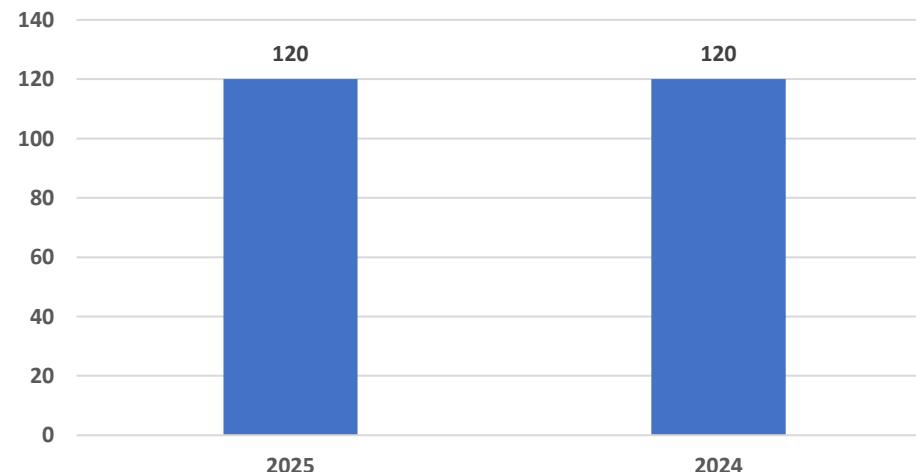
Profit After Tax Rs. '000



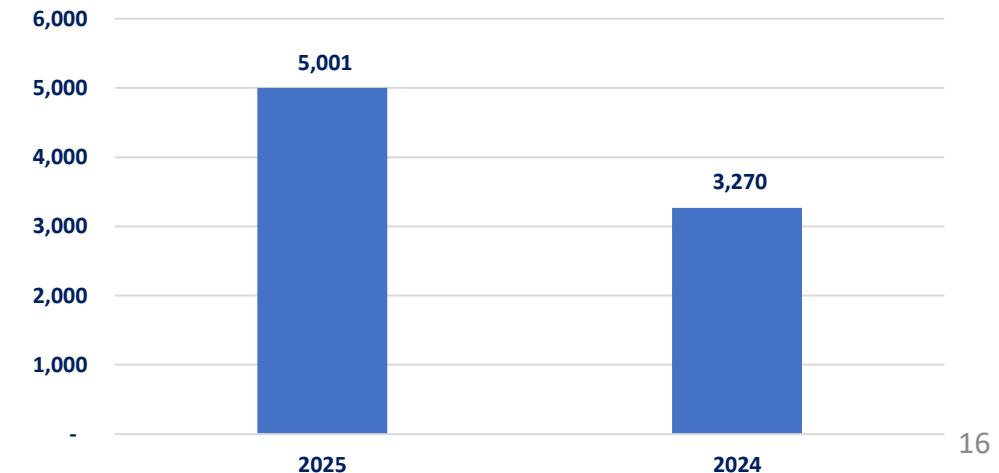
EPS Rs.



Cash Dividend %



Contribution to National Exchequer Rs. 'Million





Financial Information – Current Assets

		2025	2024	%
Stores and spare parts	Rs' 000	424,519	353,120	20%
Stock-in-trade	Rs' 000	2,057,067	5,389,802	(62%)
Trade debts	Rs' 000	753,387	859,516	(12%)
Loans and advances	Rs' 000	1,274,506	774,407	65%
Trade deposits and short-term prepayments	Rs' 000	35,591	43,537	(18%)
Profit accrued	Rs' 000	678	534	27%
Other receivables	Rs' 000	44,133	18,315	141%
Short-term investments	Rs' 000	7,374,109	5,780,392	28%
Cash and bank balance	Rs' 000	2,557,066	1,101,319	132%
Total current assets	Rs' 000	14,521,056	14,320,942	1%



Financial Information – Equity & Liabilities

		2025	2024	%
Shareholder's equity	Rs' 000	17,443,423	13,173,094	32%
Non-current liabilities	Rs' 000	593,800	339,298	75%
Current liabilities:				
Trade and other payables	Rs' 000	2,885,963	3,092,874	(7)%
Contract Liability	Rs' 000	1,013,026	2,115,996	(52.%)
Short-term borrowings	Rs' 000	615,497	906,732	(32%)
Other current liabilities	Rs' 000	950,707	361,928	163%
Total current liabilities	Rs' 000	5,465,194	6,477,530	(16%)



Ratios

	2025	2024
Gross profit ratio	14%	12%
Net profit ratio	7%	10%
Return on equity* <small>*Including income realized and Reflected in equity</small>	13%	16%
Current ratio	2.7	2.2
Quick ratio	2.2	1.3
Cash to current liabilities	1.8	1.1



Dividend History

Cash dividend %

2025	2024	2023	2022	2021
120	120	120	70	60
2020	2019	2018	2017	2016
55	55	55	35	55



**For the 1st quarter ended
December 31,**

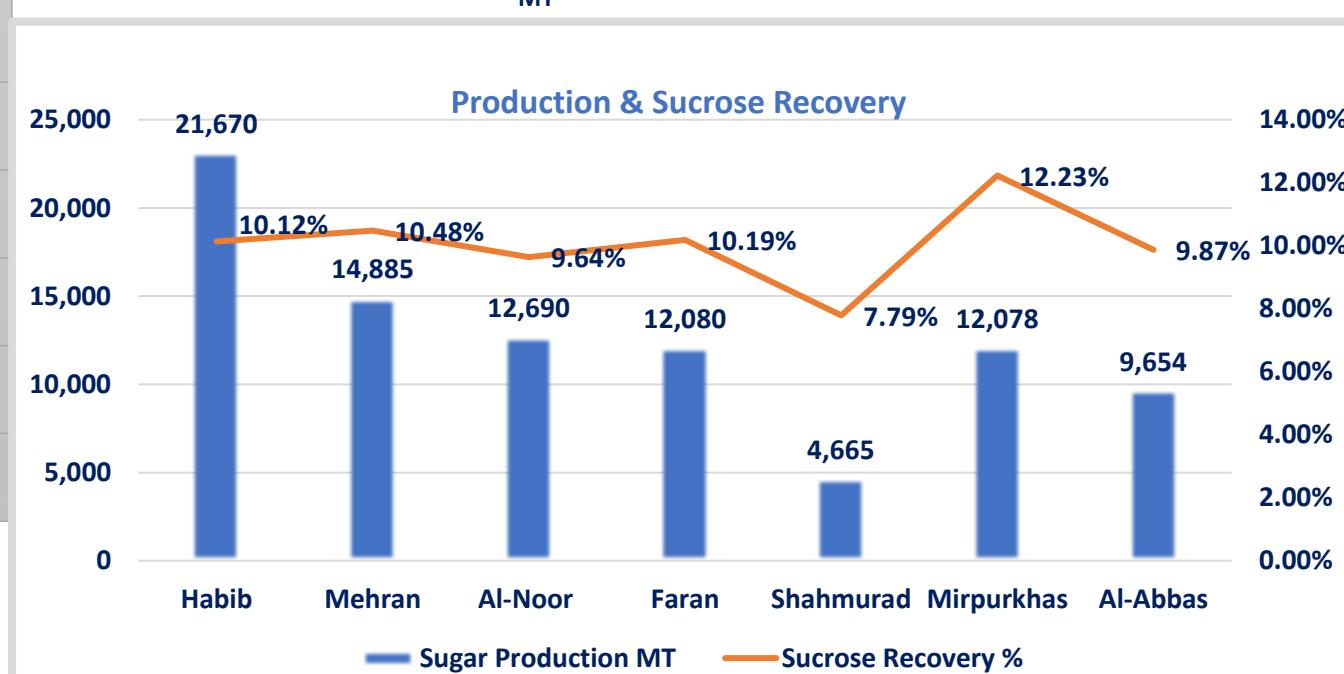
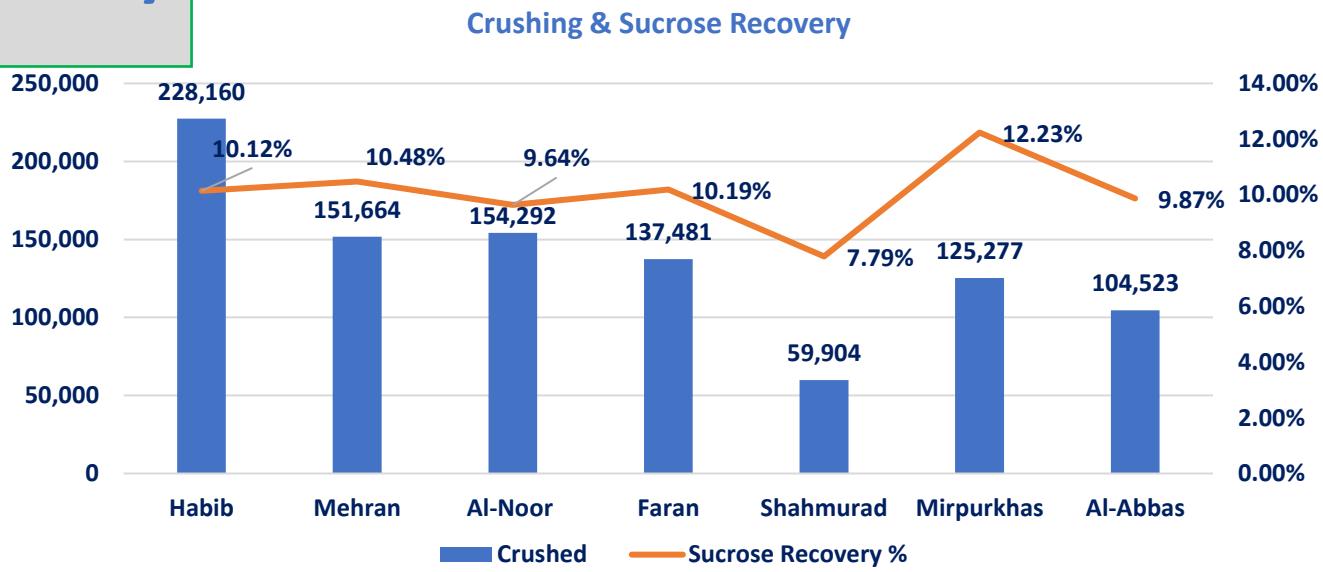


Crushing, production and recovery

	Cane Crushed MT	Sugar Production MT	Sucrose Recovery %
2025-26	Crushed	Production	Recovery
	MT	MT	%
Habib	228,160	21,670	10.12
Mehran	151,664	14,885	10.48
Al-Noor	154,292	12,690	9.64
Faran	137,481	12,080	10.19
Shahmurad	59,904	4,665	7.79
Mirpurkhas	125,277	12,078	12.23
Al-Abbas	104,523	9,654	9.87

excluding Sugar in Process

Source: Financial Statements





Financial Information – Statement of Profit or Loss

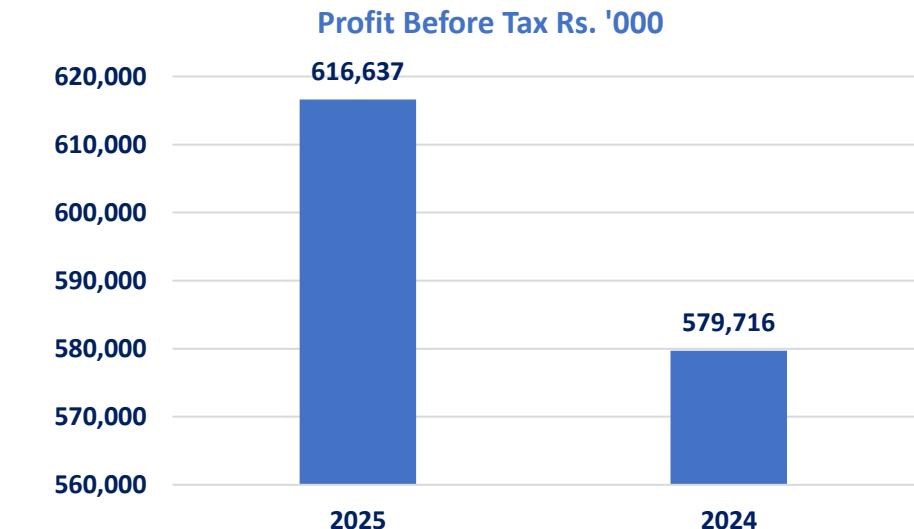
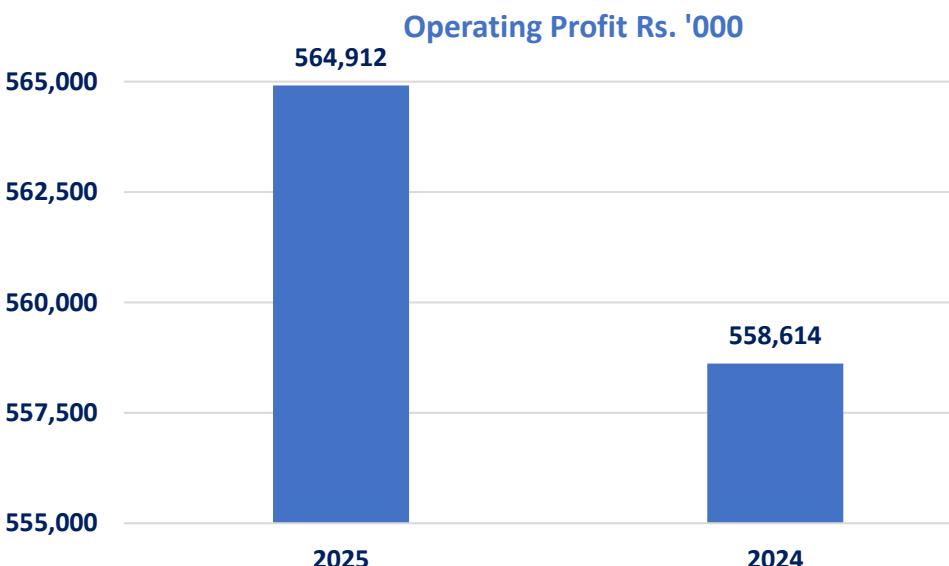
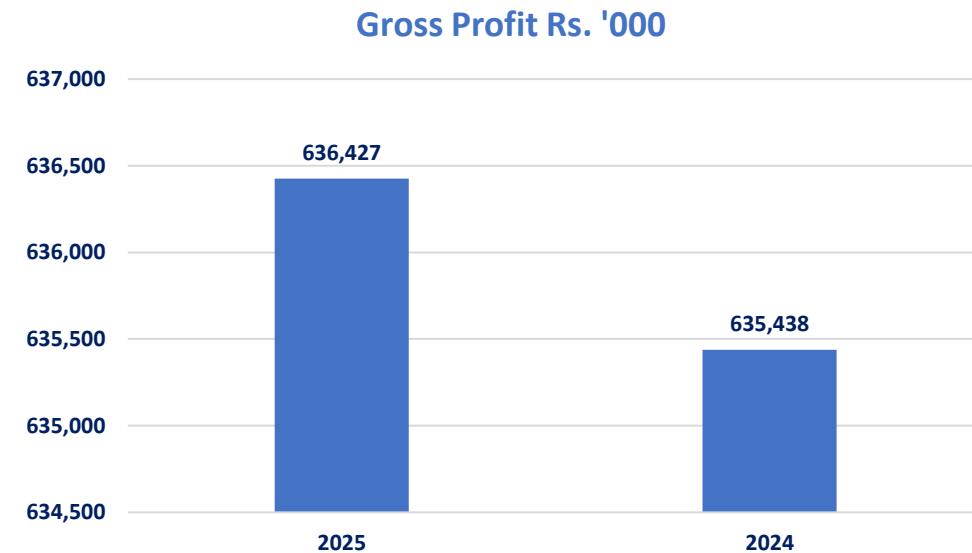
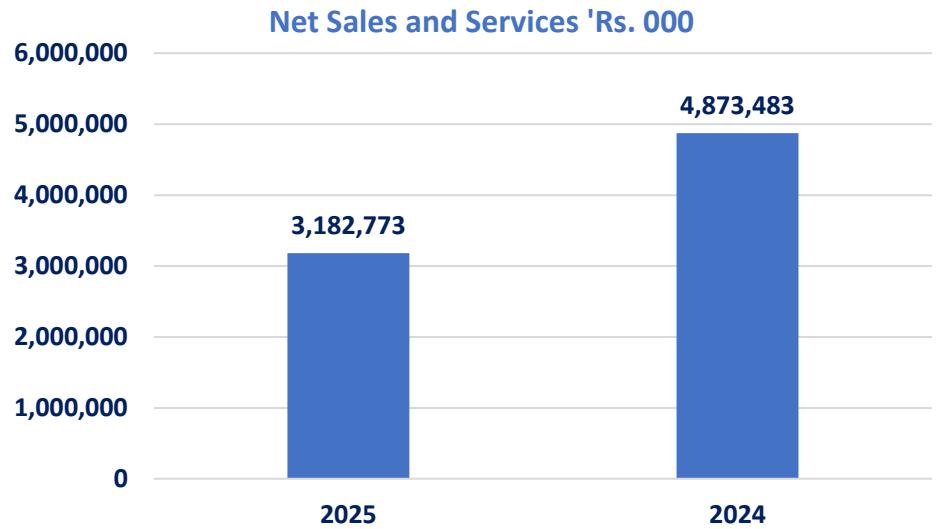
For the Quarter ended December 31, (Unaudited)

		2025	2024	%Increase/ (Decrease)
Net sales	Rs' 000	3,182,773	4,873,483	(35%)
Gross profit	Rs' 000	636,427	635,438	0.2%
Operating profit	Rs' 000	564,912	558,614	1%
Profit before tax	Rs' 000	616,637	579,716	6%
Profit after tax	Rs' 000	387,637	344,716	13%
Earnings per share (face value Rs. 5)	Rs.	2.87	2.55	13%



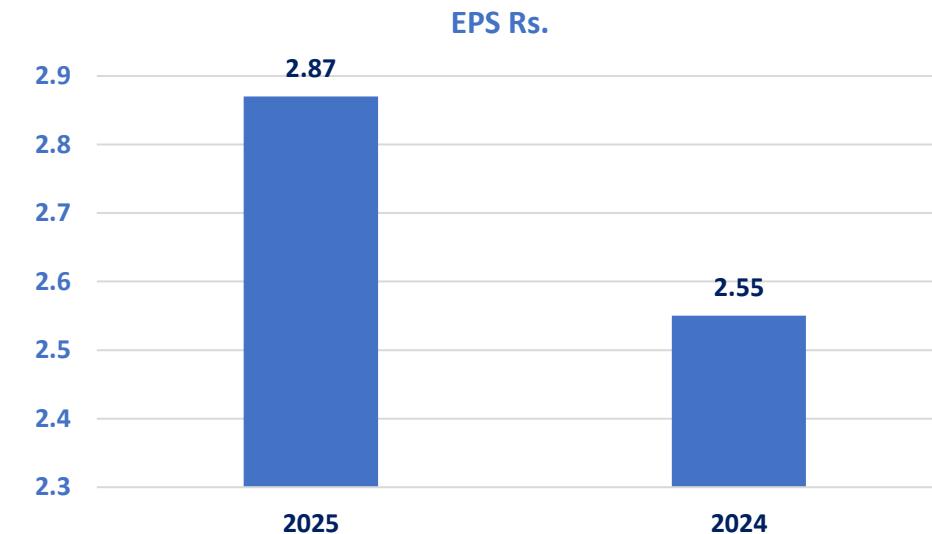
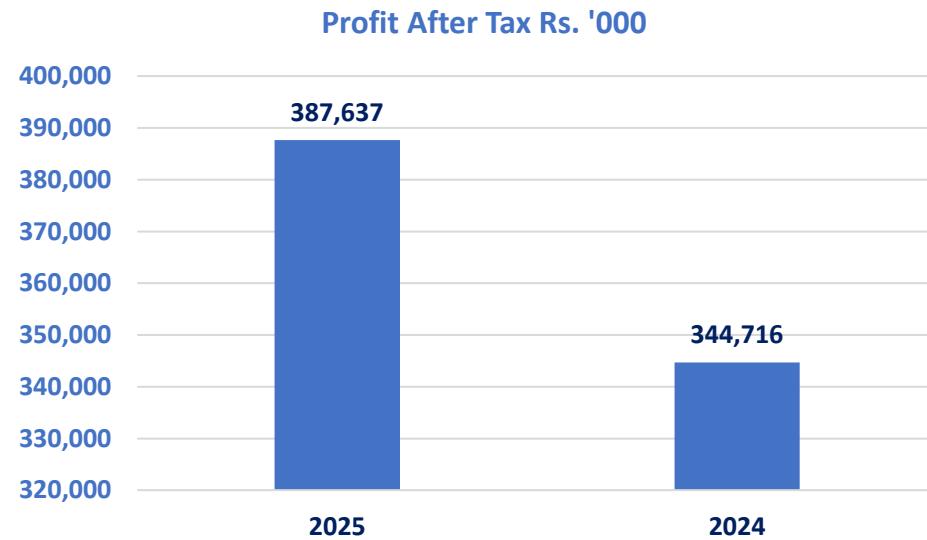
Financial Information

For the Quarter Ended December 31, 2025(Unaudited)





Financial Information





Segment operating results

For the Quarter ended December 31 (Unaudited)

		Sugar			Distillery			Textile			Trading		
		2025	2024	%	2025	2024	%	2025	2024	%	2025	2024	%
Net sales	Rs' 000	1,834,705	3,441,162	(47%)	1,223,162	1,251,708	(2%)	124,127	180,613	(31%)	779	-	100%
Gross profit/(Loss)	Rs' 000	507,165	496,833	2%	117,346	120,848	(3%)	11,945	17,757	(33%)	(29)	-	(100%)
Operating Profit/(Loss)	Rs' 000	373,903	357,765	5%	41,631	63,286	(34%)	(1,987)	4,030	(149%)	(29)	-	(100%)



Financial Information – Non-Current Assets

For the period ended (Unaudited)				
		Dec 31, 2025	Sep 30, 2025	%
Fixed assets	Rs' 000	2,101,157	2,125,198	(1%)
Long-term investments	Rs' 000	6,293,443	6,832,921	(8%)
Other Non-current assets	Rs' 000	22,874	23,241	(2%)
Total Non-current assets	Rs' 000	8,417,474	8,981,360	(6%)



Financial Information – Current Assets

For the period ended (Unaudited)

		Dec 31, 2025	Sep 30, 2025	%
Stores and spare parts	Rs' 000	528,038	424,519	24%
Stock-in-trade	Rs' 000	3,723,184	2,057,067	81%
Trade debts	Rs' 000	489,822	753,387	(35%)
Loans and advances	Rs' 000	1,465,252	1,274,506	15%
Trade deposits and short-term prepayments	Rs' 000	51,061	35,591	43%
Profit accrued	Rs' 000	1,126	678	66%
Other receivables	Rs' 000	15,330	44,133	(65%)
Short-term investments	Rs' 000	9,579,040	7,374,109	30%
Cash and bank balance	Rs' 000	1,694,272	2,557,066	(34%)
Total current assets	Rs' 000	17,547,125	14,521,056	21%



Financial Information – Equity & Liabilities

For the Quarter ended December 31, 2025 (Unaudited)

		2025	2025	%
Shareholder's equity	Rs' 000	16,730,845	17,443,423	(4%)
Non-current liabilities	Rs' 000	606,000	593,800	2%
Current liabilities:				
Trade and other payables	Rs' 000	3,484,058	2,885,963	21%
Contract Liability	Rs' 000	2,264,254	1,013,026	124%
Short-term borrowings	Rs' 000	970,416	615,497	58%
Other current liabilities	Rs' 000	1,909,026	950,707	101%
Total current liabilities	Rs' 000	8,627,754	5,465,193	(58%)



Ratios

For the Quarter ended December 31, (Unaudited)

	2025	2024
Gross profit ratio	20%	13%
Net profit ratio	12%	7%
Return on equity* <small>*Including income realized and Reflected in equity</small>	11%	12%
Current ratio	2.03	2.66
Quick ratio	1.54	2.2
Cash and equivalents to current liabilities	1.31	1.82



Operating and Financial Review

MACROECONOMIC ENVIRONMENT

During the first quarter of FY 2026, Pakistan's economy continued to show signs of stabilization, supported by fiscal consolidation measures and external sector reforms under the ongoing program with the International Monetary Fund (IMF).

In December 2025, the State Bank of Pakistan (SBP) reduced the policy rate by 50 basis points to 10.5%, reflecting easing inflationary pressures and a calibrated approach toward supporting economic activity. The SBP has maintained a prudent monetary policy stance, balancing inflation control with growth objectives.

The downward trajectory in interest rates is expected to reduce the borrowing costs and support profitability, particularly in a capital-intensive industry such as sugar manufacturing. Market expectations suggest the possibility of further monetary easing during the year, potentially bringing the policy rate into single-digit territory, subject to inflation trends and external account stability.



Industry Overview

OVERALL SUGAR PRODUCTION AND MARKET OUTLOOK

At this stage, it remains difficult to determine final output with precision, however, initial indicators suggest that Pakistan's sugar production may increase by approximately 15% to 20% year-on-year. National sugar production for the current season is projected to range between 6.8 and 7.2 million tons, representing a significant improvement compared to 5.8 million tons produced in 2025. Domestic consumption is estimated to fall within the range of 5.8 to 6.2 million tons, suggesting a broadly balanced demand-supply position in the local market.

Internationally, sugar markets remain in surplus. Global prices have declined materially from approximately USD 650 per ton last year to around USD 400 per ton currently. The prevailing international pricing environment may limit export realizations and influence industry margins.



Company's Production and Outlook

SUGAR DIVISION

The 2025–26 sugarcane crushing season commenced on November 30, 2025. Up to January 15, 2026, the Company crushed 734,066 metric tons of sugarcane, achieving an average sucrose recovery of 10.70% and producing 78,595 metric tons of sugar.

Based on the prevailing recovery trend and the estimated balance quantity of sugarcane available for crushing, total sugar production for the season is projected to reach approximately 100,000 metric tons. This projection remains subject to fluctuations in sugarcane procurement prices and other operational variables.

Current domestic sugar prices are ranging between Rs. 137 and Rs. 140 per kilogram. Considering the expected production levels and prevailing market conditions, management anticipates that the performance of the Sugar Division will remain satisfactory, and profitability is expected to be maintained during the current financial year.



Company's Production and Outlook

DISTILLERY DIVISION – ETHANOL UNIT

International ethanol prices have remained under pressure during the period under review. In contrast, molasses prices — the primary raw material for ethanol production — have remained firm and have not declined in line with ethanol prices. This margin compression may adversely affect production volumes and profitability of the Ethanol Division in the current year.

Management continues to monitor international market trends and input cost dynamics closely to optimize production planning and mitigate margin pressures.

DISTILLERY DIVISION – LIQUIDIFIED CO₂ UNIT

The Liquidified CO₂ Division continues to perform satisfactorily. The Company has entered into a sales agreement with a major customer for the supply of 5,000 metric tons of gas for the year 2025–26 at favorable rates. This arrangement is expected to strengthen the unit's performance and contribute positively to the Company's overall profitability.



Company's Production and Outlook

TEXTILE DIVISION

During FY 2025–26, management is actively exploring new export markets with the objective of increasing sales volumes and improving margins. Efforts are focused on market diversification and customer base expansion to enhance competitiveness and sustainable growth.

INVESTMENT PORTFOLIO AND FINANCIAL MANAGEMENT

The benchmark index of the KSE-100 Index has shown a consistent upward trend, while interest rates have declined significantly. In light of these developments, the Company is focusing on the optimal deployment of surplus funds to maximize returns on investments and liquid cash, while maintaining prudent risk management practices.



Company's Production and Outlook

GENERAL

The Company will continue to emphasize operational efficiency, prudent financial management, and disciplined cost control to mitigate risks and capitalize on emerging opportunities. Management remains committed to safeguarding shareholder value and maintaining financial resilience amid evolving industry and macroeconomic conditions.



Habib Sugar Mills Limited

Questions & Answers



Habib Sugar Mills Limited

Thank You