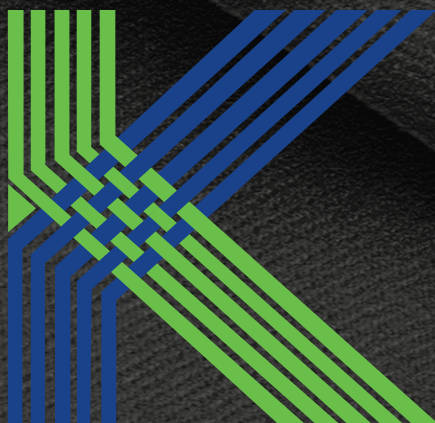


# KOHINOOR

## MILLS LIMITED



**THIRD QUARTERLY REPORT**  
**31 March 2025**

[www.kohinoormills.com](http://www.kohinoormills.com)

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# COMPANY INFORMATION

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## Board of Directors

Mr. Rashid Ahmed	Chairman
Mr. Aamir Fayyaz Sheikh	Chief Executive
Mr. Ismail Aamir Fayyaz	Director
Ms. Imrat Aamir Fayyaz	Director
Mrs. Hajra Arham	Director
Mr. Taimur Afzal	Director
Mr. Matiuddin Siddiqui	Director (NIT Nominee)

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## Audit Committee

Mrs. Hajra Arham	Chairperson
Mr. Rashid Ahmed	Member
Mr. Taimur Afzal	Member

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## HR & Remuneration Committee

Mr. Taimur Afzal	Chairman
Mr. Rashid Ahmed	Member
Mrs. Hajra Arham	Member

---

## Chief Financial Officer

Mr. Kamran Shahid

---

## Head of Internal Audit

Mr. Waheed Amaiant Ali

---

## Legal Advisor

Raja Mohammad Akram & Co.,  
Advocate & Legal Consultants, Lahore

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## Company Secretary

Mr. Muhammad Rizwan Khan

---

## Auditors

Riaz Ahmad & Company  
Chartered Accountants

## Bankers

Al Baraka Bank (Pakistan) Limited  
Allied Bank Limited  
Askari Bank Limited  
Bank Alfalah Limited  
Faysal Bank Limited  
Habib Bank Limited  
Habib Metropolitan Bank Limited  
MCB Bank Limited  
MCB Islamic Bank Limited  
Meezan Bank Limited  
National Bank of Pakistan  
Samba Bank Limited  
Silk Bank Limited  
Soneri Bank Limited  
The Bank of Punjab  
United Bank Limited

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## Registered Office & Mills

8 K.M. Manga Raiwind Road, District Kasur,  
Pakistan.

UAN: (92-42 ) 111-941-941

Cell Lines: (92-333) 4998801-6

Land Lines: (92-42) 36369340

Fax: (92-42) 36369340 Ext: 444

Email: [info@kohinoormills.com](mailto:info@kohinoormills.com)

Website: [www.kohinoormills.com](http://www.kohinoormills.com)

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## Shares Registrar

M/s. Hameed Majeed Associates (Pvt.) Ltd

HM House, 7 Bank Square, Lahore.

Land Lines: (92-42) 37235081 & 82

Fax: (92-42) 37358817

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## Other Corporate Information

- Kohinoor Mills Limited is registered in Pakistan with Securities and Exchange Commission of Pakistan. The Registration Number of the Company is 0017194
- Kohinoor Mills Limited is listed on Pakistan Stock Exchange Limited as a Public Limited Company and its shares are traded under textile composite sector. Shares trading symbol is KML
- The National Tax Number of the Company is 0658184-6
- Financial statements are available on website of the Company i.e., [www.kohinoormills.com](http://www.kohinoormills.com)

# DIRECTORS' Review

The Directors of the company are pleased to present the interim financial statements for the nine months ended 31 March 2025.

## Operating & Financial Results

During the period under review, your Company recorded a revenue of Rs. 21.08 billion, compared to Rs. 22.72 billion in the same period last year. This resulted in a gross profit of Rs. 2.84 billion, down from Rs. 3.50 billion in the comparative period. During the period under review, your company recorded a net profit of Rs. 200.3 million (EPS: Rs. 3.94 per share), compared to a net profit of Rs. 170.0 million (EPS: Rs. 3.34 per share), in the corresponding period.

## Performance Overview

A brief overview of performance of your company for the nine months ended 31 March 2025 is discussed below:

### Weaving Division

The economic challenges faced during the first nine months of the current financial year exerted significant pressure on the division's profit margins. However, through a focused and proactive cost optimization strategy, combined with gradual improvements in the macroeconomic environment, the division successfully reversed its financial position. As a result, Weaving Division achieved a net profit of Rs. 170.9 million for the nine-month period ending FY-25, marking a notable turnaround from earlier quarters.

Looking ahead, the improving economic landscape, including a stabilizing inflation rate and recent monetary policy easing by the State Bank of Pakistan, is expected to further relieve margin pressures. These factors, along with our continued focus on operational efficiency and cost control, will support sustained profitability. Additionally, we are actively pursuing market expansion initiatives to strengthen our competitive positioning and drive long-term revenue growth.

### Dyeing Division

The financial year 2025 has continued to reflect the residual impact of challenges faced in 2024, a year characterized by economic volatility, evolving consumer behaviour, and widespread global trade disruptions. Growth has remained modest, largely driven by increased sales volumes rather than pricing gains, as persistent inflation has kept consumers highly price-sensitive. Inventory management issues ranging from surplus stock to ongoing supply chain inefficiencies have further compressed profit margins. Under mounting cost pressures, many brands have deprioritized sustainability initiatives in favour of preserving financial stability and competitive positioning. While the luxury segment has experienced a deceleration, particularly in China, the non-luxury sector has shown relative resilience by focusing on cost optimization and strategic pricing to protect market share.

Despite these headwinds, the Dyeing Division successfully managed challenging market conditions, achieving a gross turnover of Rs. 13.52 billion, compared to Rs. 14.09 billion in the same period last year. However, gross profit declined from Rs. 2.18 billion to Rs. 1.53 billion, primarily due to a reduction in contribution margins driven by rising energy costs, increased raw material prices, and intensified competition.

To counter these pressures, management adopted a strategic approach focused on cost efficiency, process innovation, and resource optimization. Looking ahead, easing inflation and lower interest rates are expected to revitalize demand, fostering positive growth prospects for the dyeing sector.

## Genertek Division

Due to a significant increase in natural gas prices, the company is facing ever present challenges to maintain competitive energy costs. These factors have caused a decline in profit margins in current period under review. Despite the hardships, your company is committed to achieve energy efficiency and now more focused on clean, green renewable energy sources.

For steam generation, the rise in natural gas prices also raises the risk of higher in prices for alternate biofuels, the division is prone to availability of seasonal bio fuels which are cheaper and cost effective. The Company is working to significantly improve the fuel mix by keeping the balance between cheaper and seasonal biofuels. The company is also committed to achieve higher energy efficiency in steam generation to become more sustainable and environmentally friendly.

## Future Outlook

The textile sector in Pakistan faces a complex landscape in FY-25. While the recent monetary policy statement indicated a positive outlook and increased investment, several challenges loom. The introduction of higher income taxes for exports, supply chain disruptions and a potential reliance on imported cotton inputs due to lower domestic production, could negatively impact the sector's competitiveness. Furthermore, the IMF's insistence on phasing out preferential treatment and tax exemptions for agriculture and textiles adds to the pressure. The government's commitment to reducing the circular debt will likely lead to further increases in utility tariffs, exacerbating the sector's cost pressures. Despite the challenges, the textile sector is well positioned to absorb displaced orders from Bangladesh provided the swift policy adaptation is ensured to seize the opportunity. Overall, the textile sector's growth trajectory in FY-25 hinges on the government's ability to address these challenges and implement policies that support its sustainability and competitiveness.

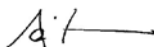
The 17% increase in captive gas rates from Rs. 3,000/MMBTU to Rs. 3,500/MMBTU w.e.f 1st February 2025 will further erode the competitiveness of the country's textile exports. This cost is significantly higher than that of regional competitors. The higher energy costs are expected to weigh heavily on the energy-intensive segments of the value chain, including spinning and weaving.

Domestically, the near-term outlook of textile sector is promising, with positive macroeconomic trends such as stable currency, narrowed current account deficit, controlled inflation, improved foreign exchange reserves, and increased industrial output and exports. Amid these dynamics, your company remains committed to strengthening its market position, enhancing operational efficiencies, and responding to shifting global demand. With a strong order pipeline and expanded production capacity following modernization efforts, the company is well-positioned to drive sustainable growth and create long-term value for shareholders, despite persistent market uncertainties.


## Acknowledgement

The board places on record its profound gratitude for its esteemed shareholders, banks, financial institutions and customers, whose cooperation, continued support and patronage have empowered the company to make progress towards consistent improvement. During the period under review, relations between the management and employees remained cordial and we wish to put on record our appreciation for the dedication, perseverance and steadiness of the employees of the company.

For and on behalf of the Board



Aamir Fayyaz Sheikh  
Chief Executive

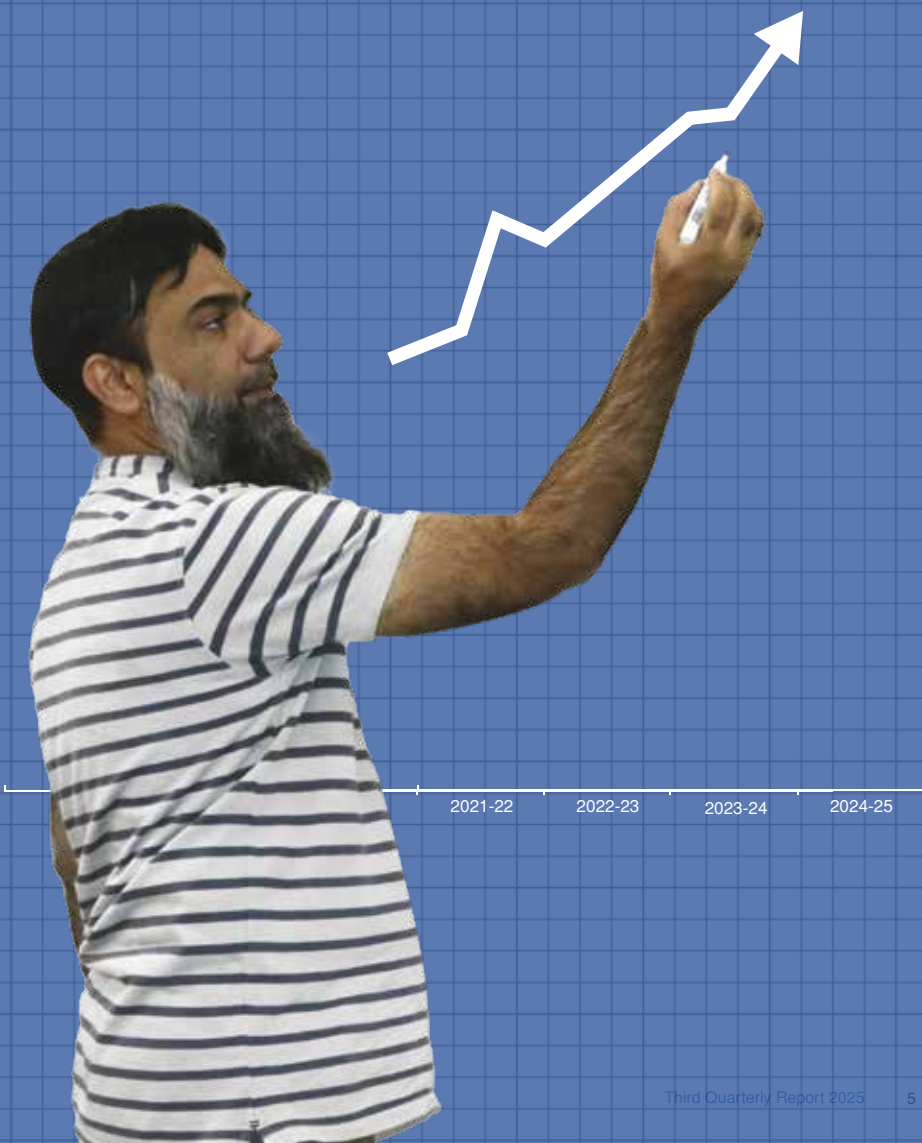


Ismail Aamir Fayyaz  
Director

Kasur:  
April 24, 2025

# CONDENSED INTERIM FINANCIAL STATEMENTS

For the nine months ended 31 March 2025



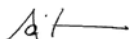


# CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION

AS AT 31 MARCH 2025

	Note	Un-audited 31 March 2025 Rupees	Audited 30 June 2024 Rupees
<b>EQUITY AND LIABILITIES</b>			
<b>Share capital and reserves</b>			
<b>Authorized share capital</b>			
220,000,000 (30 June 2024: 220,000,000) ordinary shares of Rupees 10 each		2,200,000,000	2,200,000,000
30,000,000 (30 June 2024: 30,000,000) preference shares of Rupees 10 each		300,000,000	300,000,000
		<u>2,500,000,000</u>	<u>2,500,000,000</u>
<b>Issued, subscribed and paid-up share capital</b>			
50,911,011 (30 June 2024: 50,911,011) ordinary shares of Rupees 10 each		509,110,110	509,110,110
<b>Capital reserves</b>			
Share premium reserve		213,406,310	213,406,310
Fair value reserve FVTOCI investment- net of tax		13,222,441	13,222,441
Surplus on revaluation of operating fixed assets - net of tax		4,645,192,264	4,680,440,417
<b>Revenue reserves</b>			
General reserve		788,199,282	788,199,282
Accumulated profit		3,983,307,051	3,747,664,119
<b>Total equity</b>		<b>10,152,437,458</b>	<b>9,952,042,679</b>
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
Long term financing - secured	4	1,335,460,847	1,350,555,023
Deferred liabilities		588,485,287	611,020,988
Deferred income - Government grant		104,866,011	130,402,994
		<u>2,028,812,145</u>	<u>2,091,979,005</u>
<b>Current liabilities</b>			
Trade and other payables		5,666,249,640	5,683,338,905
Accrued mark-up		136,994,601	341,781,210
Short term borrowings - secured		7,241,474,106	6,095,500,000
Current portion of non-current liabilities		503,278,780	553,311,106
Provision for taxation and levy payable- net		24,927,691	142,021,630
Unclaimed dividend		8,423,728	8,423,728
		<u>13,581,348,546</u>	<u>12,824,376,579</u>
<b>Total liabilities</b>		<b>15,610,160,691</b>	<b>14,916,355,584</b>
<b>Contingencies and commitments</b>			
	5		
<b>TOTAL EQUITY AND LIABILITIES</b>		<b><u>25,762,598,149</u></b>	<b><u>24,868,398,263</u></b>

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



AAMIR FAYYAZ SHEIKH  
CHIEF EXECUTIVE



ISMAIL AAMIR FAYYAZ  
DIRECTOR

		Un-audited 31 March 2025 Rupees	Audited 30 June 2024 Rupees
<b>ASSETS</b>			
<b>Non-current assets</b>			
Fixed assets	6	11,779,742,573	11,763,739,019
Intangible asset		6,112,227	7,190,857
Investment property		1,981,607	1,981,607
Long term investment		22,380,302	22,380,302
Long term loans		3,587,773	4,698,750
Long term security deposits		128,034,558	98,005,598
		11,941,839,040	11,897,996,133
<b>Current assets</b>			
Stores, spares and loose tools		1,016,892,015	884,924,646
Stock-in-trade		5,454,282,138	5,372,384,556
Trade debts		4,149,621,304	4,988,199,010
Loans and advances		372,160,360	207,695,197
Short term deposits and prepayments		49,253,286	23,617,937
Sales tax recoverable		1,195,800,323	245,920,913
Other receivables		95,410,985	66,713,979
Short term investments	7	900,472,080	707,445,355
Cash and bank balances		586,866,618	473,500,537
		13,820,759,109	12,970,402,130
<b>TOTAL ASSETS</b>		<b>25,762,598,149</b>	<b>24,868,398,263</b>



KAMRAN SHAHID  
CHIEF FINANCIAL OFFICER

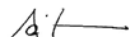


# CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS (UN-AUDITED)

## FOR THE NINE MONTHS ENDED 31 MARCH 2025

	Note	Nine months ended		Quarter ended	
		31 March 2025 Rupees	31 March 2024 Rupees	31 March 2025 Rupees	31 March 2024 Rupees
REVENUE	8	21,084,251,818	22,716,210,745	6,571,781,099	7,430,445,998
COST OF SALES	9	(18,241,804,368)	(19,213,129,639)	(5,728,330,686)	(6,686,982,384)
GROSS PROFIT		2,842,447,450	3,503,081,106	843,450,413	743,463,614
DISTRIBUTION COST		(1,022,810,521)	(1,079,455,378)	(306,826,775)	(365,901,513)
ADMINISTRATIVE EXPENSES		(569,918,393)	(567,045,805)	(201,170,882)	(197,246,306)
OTHER EXPENSES		(54,717,818)	(219,561,132)	(13,942,094)	(19,288,178)
		(1,647,446,732)	(1,866,062,315)	(521,939,751)	(543,859,641)
		1,195,000,718	1,637,018,791	321,510,662	199,603,973
OTHER INCOME		129,114,034	159,553,709	34,948,719	45,099,896
PROFIT FROM OPERATIONS		1,324,114,752	1,796,572,500	356,459,381	244,703,869
FINANCE COST		(932,024,026)	(1,319,737,520)	(265,478,053)	(402,142,082)
PROFIT /(LOSS) BEFORE					
LEVY & TAXATION		392,090,726	476,834,980	90,981,328	(157,438,213)
LEVY		(232,384,424)	(171,241,098)	(84,415,295)	(40,802,880)
PROFIT/(LOSS) BEFORE					
TAXATION		159,706,302	305,593,882	6,566,033	(198,241,094)
TAXATION		40,688,477	(135,584,703)	22,583,426	(32,306,768)
PROFIT/(LOSS) AFTER					
TAXATION		200,394,779	170,009,179	29,149,459	(230,547,861)
EARNINGS / (LOSS) PER					
SHARE- BASIC AND DILUTED		3.94	3.34	0.57	(4.53)

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



AAMIR FAYYAZ SHEIKH  
CHIEF EXECUTIVE



ISMAIL AAMIR FAYYAZ  
DIRECTOR



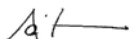
KAMRAN SHAHID  
CHIEF FINANCIAL OFFICER

# CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)

FOR THE NINE MONTHS ENDED 31 MARCH 2025

	Nine months ended		Quarter ended	
	31 March 2025 Rupees	31 March 2024 Rupees	31 March 2025 Rupees	31 March 2024 Rupees
<b>PROFIT / (LOSS) AFTER TAXATION</b>	200,394,779	170,009,179	29,149,459	(230,547,861)
<b>OTHER COMPREHENSIVE INCOME</b>				
<b>Items that will not be reclassified to profit or loss:</b>				
Surplus arising on remeasurement of investment at fair value through other comprehensive income	-	1,177,911	-	-
Deferred income tax relating to this item	-	(459,385)	-	-
	-	718,526	-	-
<b>Items that may be reclassified subsequently to profit or loss</b>	-	-	-	-
<b>Other comprehensive income for the period - net of tax</b>	-	718,526	-	-
<b>TOTAL COMPREHENSIVE INCOME / (LOSS) FOR THE PERIOD</b>	<u>200,394,779</u>	<u>170,727,705</u>	<u>29,149,459</u>	<u>(230,547,861)</u>

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



AAMIR FAYYAZ SHEIKH  
CHIEF EXECUTIVE



ISMAIL AAMIR FAYYAZ  
DIRECTOR




KAMRAN SHAHID  
CHIEF FINANCIAL OFFICER

# CONDENSED INTERIM STATEMENT OF CASH FLOWS (UN-AUDITED)

FOR THE NINE MONTHS ENDED 31 MARCH 2025

		Nine months ended	
		31 March 2025 Rupees	31 March 2024 Rupees
	Note		
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash generated from operations	10	1,166,498,267	3,213,917,541
Income tax and levy paid		(331,325,587)	(216,119,420)
Finance cost paid		(1,182,059,065)	(1,371,115,002)
Net decrease in long term loans		1,110,977	-
Net (increase) in long term security deposits		(30,028,960)	(21,016,803)
		(1,542,302,635)	(1,608,251,225)
Net cash (used in) / from operating activities		(375,804,368)	1,605,666,317
CASH FLOWS FROM INVESTING ACTIVITIES			
Capital expenditure on property, plant and equipment		(452,673,803)	(328,191,651)
Proceeds from disposal of operating fixed assets		54,070,577	15,625,509
Dividend received		34,623,112	36,127,637
Short term investment made		(186,050,216)	-
Net cash used in investing activities		(550,030,330)	(276,438,505)
CASH FLOWS FROM FINANCING ACTIVITIES			
Long term financing obtained		238,916,000	59,762,000
Repayment of long term financing		(345,689,328)	(315,239,020)
Dividend paid		-	(151,754,870)
Short term borrowings - net		1,145,974,107	(709,900,625)
Net cash from / (used in) financing activities		1,039,200,779	(1,117,132,515)
Net increase in cash and cash equivalents		113,366,081	212,095,296
Cash and cash equivalents at the beginning of the period		473,500,537	438,713,618
Cash and cash equivalents at the end of the period		586,866,618	650,808,914

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



AAMIR FAYYAZ SHEIKH  
CHIEF EXECUTIVE



ISMAIL AAMIR FAYYAZ  
DIRECTOR



KAMRAN SHAHID  
CHIEF FINANCIAL OFFICER

FOR THE NINE MONTHS ENDED 31 MARCH 2025

AMIR FAYYAZ SHEIKH  
CHIEF EXECUTIVE

ISMAIL AMIR FAYYAZ  
DIRECTOR

  
KAMRAN SHAHID  
CHIEF FINANCIAL OFFICER

# SELECTED NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (Un-audited)

FOR THE NINE MONTHS ENDED 31 MARCH 2025

## 1. THE COMPANY AND ITS OPERATIONS

Kohinoor Mills Limited ("the Company") is a public limited company incorporated on 21 December 1987 in Pakistan under the Companies Ordinance, 1984 (now Companies Act, 2017) and its shares are quoted on Pakistan Stock Exchange Limited. Manufacturing units (dyeing, weaving, power generation and apparel) and registered office of the Company is situated at 8-K.M., Manga Raiwind Road, District Kasur. Marketing office of the Company is situated at Office No. 815, 8th Floor, Uni Centre, Serai Quarters, I.I Chundrigar Road, Karachi. The Company is principally engaged in the business of textile manufacturing covering weaving, bleaching, dyeing, buying, selling and otherwise dealing in yarn, cloth and other goods and fabrics made from raw cotton and synthetic fiber and to generate and supply electricity.

## 2. BASIS OF PREPARATION

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

- International Accounting Standard (IAS) 34, Interim Financial Reporting, issued by the International Accounting Standards Board (IASB) as 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.

2.2. These condensed interim financial statements do not include all the information and disclosures required in annual financial statements and should be read in conjunction with the annual audited financial statements of the Company for the year ended 30 June 2024. These condensed interim financial statements are un-audited, however, have been subjected to limited scope review by the auditors and are being submitted to the shareholders as required by the Listed Companies (Code of Corporate Governance) Regulations, 2019 and Section 237 of the Companies Act, 2017.

## 3. MATERIAL ACCOUNTING POLICY INFORMATION

The material accounting policy information and methods of computations adopted for the preparation of these condensed interim financial statements are the same as applied in the preparation of the preceding audited annual published financial statements of the Company for the year ended 30 June 2024.

## 3.1 CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

The preparation of these condensed interim financial statements in conformity with the approved accounting standards requires the use of certain critical accounting estimates. It also requires the management to exercise its judgment in the process of applying the Company's accounting policies. Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

During preparation of these condensed interim financial statements, the significant judgments made by the management in applying the Company's accounting policies and the key sources of estimation and uncertainty were the same as those that applied in the preceding audited annual published financial statements of the Company for the year ended 30 June 2024.

	Un-audited 31 March 2025 Rupees	Audited 30 June 2024 Rupees
<b>4. LONG TERM FINANCING - SECURED</b>		
Opening balance	1,793,320,513	1,785,962,839
Add: Obtained during the period / year	238,916,000	80,082,000
Less: Repaid during the period / year	(345,689,328)	(413,073,717)
Add: Transfer from deferred mark-up	-	279,674,945
Add: Adjustment due to impact of IFRS - 9 during the period / year	16,109,846	20,315,284
Add: Deferred income amortized during the period / year (Note 4.1)	29,138,584	40,359,162
	<u>1,731,795,615</u>	<u>1,793,320,513</u>
Less: Current portion shown under current liabilities	396,334,767	442,765,491
	<u>1,335,460,848</u>	<u>1,350,555,022</u>

- 4.1** This represents impact of benefit of loans obtained under the schemes of State Bank of Pakistan at below market rate of interest.

## **5. CONTINGENCIES AND COMMITMENTS**

### **Contingencies**

There is no significant change in the status of contingencies as reported in the preceding audited annual published financial statements of the Company for the year ended 30 June 2024 except for the following:

- (i) Bank guarantees of Rupees 278.504 million (30 June 2024: Rupees 261.220 million) are given by the banks of the Company in favour of Sui Northern Gas Pipelines Limited against gas connections.

### **Commitments**

- (i) Aggregate commitments for capital and revenue expenditures are amounting to Rupees 527.475 million and Rupees 204.965 million (30 June 2024: Rupees 22.841 million and Rupees 89.678) respectively.
- (ii) Post dated cheques amounting to Rupees 505.543 million (30 June 2024: 446.683 million) are issued to creditors of the Company.

	Un-audited 31 March 2025 Rupees	Audited 30 June 2024 Rupees
<b>6. FIXED ASSETS</b>		
<b>Property, plant and equipment</b>		
Operating fixed assets (Note 6.1)	11,184,237,853	11,535,325,319
Capital work-in-progress (Note 6.2)	595,504,721	228,413,700
	<u>11,779,742,573</u>	<u>11,763,739,019</u>
<b>6.1 Operating fixed assets</b>		
Opening net book value	11,535,325,319	8,415,815,628
Add: Revaluation surplus arising on land and buildings during the period / year	-	2,758,818,650
Add: Cost of additions during the period / year (Note 6.1.1)	85,582,782	876,051,722
	<u>11,620,908,101</u>	<u>12,050,686,000</u>
Less: Book value of deletions during the period / year (Note 6.1.2)	44,411,821	6,281,286
Less: Depreciation charged during the period / year	392,258,427	509,079,395
Closing net book value	<u>11,184,237,853</u>	<u>11,535,325,319</u>
<b>6.1.1 Cost of additions</b>		
Factory building	-	517,320,045
Plant and machinery	53,643,061	261,156,980
Electric installations	13,290,000	28,003,080
Furniture, fixtures and equipment	-	2,951,000
Computers	1,851,608	4,578,231
Motor vehicles	16,798,113	62,042,386
	<u>85,582,782</u>	<u>876,051,722</u>
<b>6.1.2 Book value of deletions</b>		
Plant and machinery	41,783,418	897,425
Motor vehicles	2,628,403	5,383,861
	<u>44,411,821</u>	<u>6,281,286</u>
<b>6.2 Capital work-in-progress</b>		
Plant and machinery	138,551,036	76,475,496
Electric installations	132,331,863	124,249,153
Furniture fixtures and equipments	16,410,435	4,805,489
Buildings	25,108,479	921,520
Stores held for capital expenditures	272,401,812	5,879,171
Advance against purchase of vehicles	10,701,096	16,082,871
	<u>595,504,721</u>	<u>228,413,700</u>



## 7. SHORT TERM INVESTMENTS

### At fair value through profit or loss

#### Mutual funds:

Pakistan Cash Management Fund  
267,534.6508 (30 June 2024: 13,760,130.976) units

Un-audited 31 March 2025 Rupees	Audited 30 June 2024 Rupees
13,501,886	694,443,538

Pakistan Cash Management optimizer  
7,646,590.9626 (30 June 2024: Nil) units

866,987,685	-
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NBP Money Market Fund  
1,299,499.6656 (30 June 2024: 1,299,116.435) units

13,006,000	12,964,900
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Add: Fair value adjustment

893,495,571	707,408,438
6,976,509	36,917

900,472,080	707,445,355
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8. REVENUE

Revenue from contracts with customers  
Disaggregation of revenue

In the following table, revenue is disaggregated by primary geographical market, major products and service lines and timing of revenue recognition.

Description	Weaving				Dyeing				Apparel				Total			
	Nine months ended		Quarter ended		Nine months ended		Quarter ended		Nine months ended		Quarter ended		Nine months ended		Quarter ended	
	31 March 2025	2024	31 March 2025	2024	31 March 2025	2024	31 March 2025	2024	31 March 2025	2024	31 March 2025	2024	31 March 2025	2024	31 March 2025	2024
-----Rupees-----																
<b>Geographical market</b>																
Australia	-	-	-	-	23,449,860	75,021,664	2,412,119	37,253,290	-	-	-	-	23,449,860	75,021,664	2,412,119	37,253,290
Asia	12,14,634,628	1,691,100,078	413,656,157	526,150,423	6,178,172,865	5,334,510,086	1,964,926,842	1,672,462,279	-	-	-	-	7,992,947,293	7,025,610,146	2,396,582,999	2,199,612,702
Europe	3,237,402,412	4,675,149,629	1,068,542,014	1,289,300,540	172,865,291	285,999,399	23,716,475	61,160,272	-	-	-	-	3,410,267,703	4,961,149,028	1,092,258,489	1,350,660,812
North America	105,430,986	88,797,588	54,165,127	19,332,757	346,537,020	996,842,192	67,996,317	133,952,186	-	-	-	-	473,965,881	1,086,639,740	142,613,919	173,284,943
Africa	23,081,499	13,148,431	23,081,469	13,148,431	397,392,127	1,38,276,554	99,432,555	13,573,414	-	-	-	-	420,463,626	149,424,865	122,514,054	26,721,845
Pakistan	3,18,193,703	2,597,022,974	888,276,274	952,613,420	6,152,801,471	6,779,968,637	1,915,638,064	2,681,091,484	-	-	-	-	9,334,753,174	9,375,091,811	2,804,114,339	3,633,704,904
Export rebate	7,762,701,228	9,066,218,700	2,447,721,071	2,800,745,571	13,273,148,434	13,608,718,374	4,819,492,925	8,324,231	-	-	-	-	21,055,847,537	22,674,937,074	6,562,043,318	7,420,238,496
	3,770,243	9,651,929	1,116,966	1,883,271	24,634,038	31,621,742	8,821,195	8,324,231	-	-	-	-	28,404,281	41,273,671	9,737,781	10,207,502
	77,66,471,471	9,075,870,629	2,448,837,657	2,802,628,942	13,297,782,472	13,640,340,116	4,102,945,567	4,627,817,156	-	-	-	-	21,084,251,818	22,716,210,745	6,571,781,099	7,430,445,998
<b>Major products / service lines</b>																
Geige cloth	5,725,060,725	5,953,028,295	1,932,479,577	2,097,046,398	-	-	-	-	-	-	-	-	5,725,060,725	5,953,028,295	1,932,479,577	2,097,046,398
Dyed cloth	18,24,845,497	2,940,543,136	463,463,895	659,859,370	12,710,593,170	13,000,425,454	3,900,398,819	4,471,395,368	-	-	-	-	14,536,398,657	15,940,988,890	4,365,753,714	5,131,254,738
Garments	-	-	-	-	-	-	-	-	-	-	-	-	19,997,875	-	19,997,875	-
Yarn	66,703,605	36,686,045	8,659,198	7,167,999	559,596,774	610,132,281	194,510,731	146,361,237	-	-	-	-	66,703,605	36,686,045	8,659,198	7,167,999
Processing income	19,516,020	9,810,539	2,579,955	2,579,955	-	-	-	-	-	-	-	-	579,112,794	619,942,820	197,090,286	146,351,237
Waste	130,345,634	135,802,614	39,755,432	38,555,065	27,632,528	29,782,281	8,145,017	9,470,551	-	-	-	-	157,978,162	165,584,395	47,900,449	48,025,636
	77,66,471,471	9,075,870,629	2,448,837,657	2,802,628,942	13,297,782,472	13,640,340,116	4,102,945,567	4,627,817,156	-	-	-	-	21,084,251,818	22,716,210,745	6,571,781,099	7,430,445,998
<b>Timing of revenue recognition</b>																
Products and services transferred at a point in time	77,66,471,471	9,075,870,629	2,448,837,657	2,802,628,942	13,297,782,472	13,640,340,116	4,102,945,567	4,627,817,156	-	-	-	-	21,084,251,818	22,716,210,745	6,571,781,099	7,430,445,998
Products and services transferred over time	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	77,66,471,471	9,075,870,629	2,448,837,657	2,802,628,942	13,297,782,472	13,640,340,116	4,102,945,567	4,627,817,156	-	-	-	-	21,084,251,818	22,716,210,745	6,571,781,099	7,430,445,998

8.1 Revenue is recognized at point in time as per the terms and conditions of underlying contracts with customers.

## 9. COST OF SALES

	Un-audited Nine months ended		Un-audited Quarter ended	
	31 March 2025 Rupees	31 March 2024 Rupees	31 March 2025 Rupees	31 March 2024 Rupees
Raw material consumed	12,536,405,912	13,433,410,507	3,648,818,427	4,472,927,826
Chemical consumed	1,322,779,610	1,372,525,277	417,285,268	481,611,255
Salaries, wages and other benefits	968,130,447	936,349,261	317,734,683	301,741,751
Employees' provident fund contributions	60,416,766	53,460,425	20,378,836	17,608,340
Cloth conversion and processing charges	356,254,497	572,204,654	154,824,166	167,997,953
Fuel, oil and power	2,146,321,154	2,041,774,073	672,740,915	724,321,198
Stores, spares and loose tools consumed	300,563,958	362,173,295	120,583,398	109,818,562
Packing material consumed	120,296,899	125,643,571	36,258,268	37,538,285
Repair and maintenance	68,391,237	117,527,603	18,741,776	41,724,247
Insurance	37,126,412	36,486,118	12,326,422	11,540,395
Other manufacturing expenses	140,154,541	136,573,992	54,058,931	17,699,692
Depreciation on operating fixed assets	369,625,248	351,329,004	123,070,387	116,042,019
	18,426,466,682	19,539,457,780	5,596,821,477	6,500,571,523
Work-in-process inventory				
Opening stock	506,883,363	659,146,607	711,348,188	791,133,772
Closing stock	(566,482,570)	(831,740,037)	(566,482,570)	(831,740,037)
	(59,599,207)	(172,593,430)	144,865,618	(40,606,265)
Cost of goods manufactured	18,366,867,475	19,366,864,350	5,741,687,095	6,459,965,258
Finished goods inventory				
Opening stock	3,056,904,217	2,945,315,058	3,168,610,916	3,326,066,898
Closing stock	(3,181,967,324)	(3,099,049,769)	(3,181,967,324)	(3,099,049,772)
	(125,063,107)	(153,734,711)	(13,356,409)	227,013,126
	18,241,804,368	19,213,129,639	5,728,330,686	6,686,982,384

	Nine months ended	
	31 March 2025 Rupees	31 March 2024 Rupees
<b>10. CASH GENERATED FROM OPERATIONS</b>		
Profit before levy and taxation	392,090,726	476,834,980
Adjustments for non-cash charges and other items:		
Depreciation on operating fixed assets	392,258,427	377,072,014
Amortization of intangible Assets	1,078,630	-
Dividend income	(34,623,112)	(36,127,637)
Gain on sale of operating fixed assets - net	(9,658,759)	(11,294,600)
Fair value gain on short term investments	(6,976,509)	-
Adjustment due to impact of IFRS-9 on long term financing	45,248,430	45,481,923
Provision for slow moving, obsolete and damaged store items	13,086,100	5,437,923
Provision for doubtful Sales tax recoverable	-	10,000,000
Allowance of expected credit losses	(4,037,667)	32,133,000
Amortization of deferred grant	(29,138,584)	(30,339,643)
Finance cost	977,272,456	1,274,255,597
Working capital changes (Note 10.1)	(570,101,872)	1,070,463,985
	<u>1,166,498,267</u>	<u>3,213,917,541</u>
<b>10.1 Working capital changes</b>		
(Increase) / decrease in current assets		
Stores, spares and loose tools	(145,053,469)	(41,210,809)
Stock-in-trade	(81,897,582)	(279,690,294)
Trade debts	842,615,373	538,386,036
Loans and advances	(164,465,163)	(100,840,511)
Short term deposits and prepayments	(25,635,349)	(5,192,444)
Other receivables	(28,697,006)	(8,499,639)
Sales tax recoverable	(949,879,410)	1,619,591,825
(decrease) in current liabilities		
Trade and other payables	(17,089,265)	(652,080,179)
	<u>(570,101,872)</u>	<u>1,070,463,985</u>

11. SEGMENT INFORMATION

11.1 The Company has four reportable segments. The following summary describes the operation in each of the Company's reportable segments:

Weaving

Production of different qualities of greige fabric using yarn.

Dyeing

Processing of greige fabric for production of dyed fabric.

Power Generation

Generation and distribution of power and steam using gas, oil and coal.

Apparel

Production of garments

Weaving	Dyeing		Power Generation		Apparel		Elimination of Inter-segment transactions		Total - Company	
	Nine months ended		Nine months ended		Nine months ended		Nine months ended		Nine months ended	
	31 March	31 March	31 March	31 March	31 March	31 March	31 March	31 March	31 March	31 March
	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024

Sales

(Rupees)										
External	7,766,471,471	9,075,870,628	13,297,782,472	13,640,340,116	-	19,997,875	-	-	21,084,251,818	22,716,210,745
Intersegment	6,086,911,213	5,925,542,049	226,436,165	449,511,017	-	2,063,097	-	-	-	-
	13,853,382,684	15,001,412,677	13,524,218,637	14,089,851,133	1,962,575,251	22,060,972	(8,277,985,726)	(8,226,296,730)	21,084,251,818	22,716,210,745
Cost of sales	(12,531,805,622)	(13,774,584,439)	(11,969,074,343)	(11,903,851,779)	(1,910,993,868)	(8,7916,262)	8,277,985,726	8,226,296,730	(19,241,800,369)	(19,213,129,641)
Gross profit / (loss)	1,321,577,062	1,226,828,238	1,555,144,294	2,186,499,354	51,581,383	89,753,511	(65,855,290)	-	2,842,447,449	3,505,081,104
Distribution cost	(318,086,189)	(463,707,550)	(704,509,803)	(615,747,828)	-	(214,529)	-	-	(1,022,810,521)	(1,079,455,378)
Administrative expenses	(264,132,644)	(291,516,137)	(282,587,731)	(262,121,245)	(19,960,286)	(3,237,732)	-	-	(569,918,393)	(567,045,805)
	(582,218,833)	(755,223,687)	(987,097,534)	(877,869,073)	(19,960,286)	(3,452,261)	-	-	(1,592,728,914)	(1,646,501,183)
Profit / (loss) before taxation and unallocated income / expenses	739,358,229	471,604,551	548,046,760	1,309,630,280	31,621,097	(69,307,551)	-	-	1,249,718,535	1,856,579,921
Finance cost	-	-	-	-	-	-	-	-	(932,024,026)	(1,319,737,520)
Other expenses	-	-	-	-	-	-	-	-	(54,778,18)	(218,561,130)
Other income	-	-	-	-	-	-	-	-	129,114,035	159,953,709
Levy	-	-	-	-	-	-	-	-	(232,384,424)	(171,241,098)
Taxation	-	-	-	-	-	-	-	-	40,688,477	(135,584,703)
Profit after taxation	-	-	-	-	-	-	-	-	200,394,779	170,009,179

11.2 Reconciliation of reportable segment assets and liabilities

Weaving	Dyeing		Power Generation		Apparel		Total - Company	
	Un-audited	Audited	Un-audited	Audited	Un-audited	Audited	Un-audited	Audited
	31 March	30 June	31 March	30 June	31 March	30 June	31 March	30 June
	2025	2024	2025	2024	2025	2024	2025	2024

(Rupees)								
Segment assets	11,637,085,500	12,371,743,145	10,696,355,096	9,014,099,605	2,202,404,628	1,641,380,054	25,380,092,163	23,732,232,612
Unallocated assets	-	-	-	-	-	-	382,545,897	1,136,165,051
Total assets as per condensed interim statement of financial position	-	-	-	-	-	-	25,762,598,149	24,868,398,263
Segment liabilities	2,397,331,595	3,274,855,127	2,792,964,630	2,091,201,381	237,659,996	178,965,416	5,663,938,807	5,573,693,909
Unallocated liabilities:	-	-	-	-	-	-	1,888,739,627	1,793,320,514
Long term financing - secured	-	-	-	-	-	-	588,486,287	611,020,988
Deferred liabilities	-	-	-	-	-	-	104,886,011	168,636,391
Deferred income - Government grant	-	-	-	-	-	-	136,994,601	341,781,210
Accrued mark-up	-	-	-	-	-	-	7,241,474,106	6,095,500,000
Short term borrowings - secured	-	-	-	-	-	-	8,423,728	8,423,728
Unclaimed dividend	-	-	-	-	-	-	202,409,833	161,957,314
Trade and other payables	-	-	-	-	-	-	15,610,160,691	14,916,355,584
Provision for taxation and levy payable - net	-	-	-	-	-	-	24,927,691	142,021,630
Total liabilities as per condensed interim statement of financial position	-	-	-	-	-	-	25,762,598,149	24,868,398,263

## 12. RECOGNIZED FAIR VALUE MEASUREMENTS - FINANCIAL INSTRUMENTS

### (i) Fair value hierarchy

Judgements and estimates are made in determining the fair values of the financial instruments that are recognised and measured at fair value in these condensed interim financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the following three levels. An explanation of each level follows underneath the table.

Recurring fair value measurements At 31 March 2025 - un-audited	Level 1	Level 2	Level 3	Total
..... (Rupees) .....				

#### Financial assets

Investments at fair value through profit and loss	900,472,080	-	-	900,472,080
Investment at fair value through other comprehensive income	-	-	22,380,302	22,380,302
<b>Total financial assets</b>	<b>900,472,080</b>	<b>-</b>	<b>22,380,302</b>	<b>922,852,382</b>

Recurring fair value measurements At 30 June 2024 - audited	Level 1	Level 2	Level 3	Total
..... (Rupees) .....				

#### Financial assets

Investments at fair value through profit and loss	707,445,355	-	-	707,445,355
Investment at fair value through other comprehensive income	-	-	22,380,302	22,380,302
<b>Total financial assets</b>	<b>707,445,355</b>	<b>-</b>	<b>22,380,302</b>	<b>733,858,322</b>

The above table does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amounts are a reasonable approximation of fair value. Due to short term nature, carrying amounts of certain financial assets and financial liabilities are considered to be the same as their fair value. For the majority of the non-current receivables, the fair values are also not significantly different to their carrying amounts.

There was no transfer in and out of level 1 and level 3 measurements.

The Company's policy is to recognise transfers into and transfers out of fair value hierarchy levels as at the end of the reporting period.

**Level 1:** The fair value of financial instruments traded in active markets (such as publicly traded derivatives, and equity securities) is based on quoted market prices at the end of the reporting period. The quoted market price used for financial assets held by the Company is the current bid price. These instruments are included in level 1.

**Level 2:** The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

**Level 3:** If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities.

**(ii) Valuation techniques used to determine fair values**

Specific valuation techniques used to value financial instruments include the use of quoted market prices or dealer quotes for similar instruments and the fair value of the remaining financial instruments is determined using discounted cash flow analysis.

**(iii) Fair value measurements using significant unobservable inputs (level 3)**

The following table presents the changes in level 3 items for the nine months ended 31 March 2025:

	Unlisted equity security Rupees
<b>Balance as on 30 June 2023 - Audited</b>	23,622,579
Add: Surplus recognized in other comprehensive income	1,177,911
<b>Balance as on 31 March 2024 - Unaudited</b>	24,800,490
Less: Deficit recognized in other comprehensive income	(2,420,188)
<b>Balance as on 30 June 2024 - Audited</b>	22,380,302
Add/(Less): Surplus/(deficit) recognized in other comprehensive income	-
<b>Balance as on 31 March 2025 - Unaudited</b>	22,380,302

**(iv) Valuation inputs and relationships to fair value**

The following table summarises the quantitative information about the significant unobservable inputs used in level 3 fair value measurements.

Description	Fair value as at		Unobservable inputs	Range of inputs (probability-weighted average)	Relationship of unobservable inputs to fair value
	Un-audited 31 March 2025 Rupees	Audited 30 June 2024 Rupees		31 March 2025	

**FVTOCI financial asset:**

Security General Insurance Company Limited	22,380,302	22,380,302	Terminal growth factor	2.00%	Increase / decrease in terminal growth factor by 1% and decrease / increase in discount rate by 1% would increase / decrease fair value by Rupees +2.105 million / -1.661 million.
			Risk adjusted discount rate	22.73%	

There were no significant inter-relationships between unobservable inputs that materially affect fair values.



## Valuation processes

Independent valuer performs the valuation of non-property item required for financial reporting purposes, including level 3 fair values. The independent valuer reports directly to the chief financial officer. Discussions of valuation processes and results are held between the chief financial officer and the valuation team at least once every six month, in line with the Company's half yearly reporting period.

The main level 3 inputs used by the Company are derived and evaluated as follows:

Discount rates for financial instrument is determined using a capital asset pricing model to calculate a rate that reflects current market assessments of the time value of money and the risk specific to the asset.

Earnings growth factor for unlisted equity security is estimated based on market information for similar types of companies.

Changes in level 2 and 3 fair values are analysed at the end of each half yearly reporting period during the valuation discussion between the chief financial officer and the independent valuer. As part of this discussion the independent valuer presents a report that explains the reason for the fair value movements.

### 13. RECOGNIZED FAIR VALUE MEASUREMENTS - NON-FINANCIAL ASSETS

#### (i) Fair value hierarchy

Judgements and estimates are made for non-financial assets that are recognized and measured at fair value in these condensed interim financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its non-financial assets into the following three levels.

At 31 March 2025 Un-audited	Level 1	Level 2	Level 3	Total
	..... (Rupees) .....			
Property, plant and equipment:				
- Freehold land	-	4,407,424,000	-	4,407,424,000
- Buildings	-	2,391,365,976	-	2,391,365,976
<b>Total non-financial assets</b>	-	6,798,789,976	-	6,798,789,976

At 30 June 2024 Audited	Level 1	Level 2	Level 3	Total
	..... (Rupees) .....			
Property, plant and equipment:				
- Freehold land	-	4,407,424,000	-	4,407,424,000
- Buildings	-	2,484,000,000	-	2,484,000,000
<b>Total non-financial assets</b>	-	6,891,424,000	-	6,891,424,000

The Company's policy is to recognise transfers into and transfers out of fair value hierarchy levels as at the end of the reporting period.

## (ii) Valuation techniques used to determine level 2 fair values

The Company obtains independent valuations for the items of property, plant and equipment carried at revalued amounts every three years. The management updates the assessment of the fair value of each item of property, plant and equipment carried at revalued amount, taking into account the most recent independent valuations. The management determines the value of items of property, plant and equipment carried at revalued amounts within a range of reasonable fair value estimates. The best evidence of fair value of freehold land is current prices in an active market for similar lands. The best evidence of fair value of buildings is to calculate fair depreciated market value by applying an appropriate annual rate of depreciation on the new construction / replacement value of the same building.

### Valuation processes

The Company engages external, independent and qualified valuer to determine the fair value of the Company's items of property, plant and equipment carried at revalued amounts at the end of every three years. As at 30 June 2024, the fair values of the items of property, plant and equipment (land and buildings) were determined by Messers Hamid Mukhtar and Company (Private) Limited, the approved valuer.

Changes in fair values are analysed between the chief financial officer and the valuer. As part of this discussion the team presents a report that explains the reason for the fair value movements.

## 14. TRANSACTIONS WITH RELATED PARTIES

Related parties comprise key management personnel and provident fund trust. The Company in the normal course of business carries out transactions with related parties. Detail of transactions with related parties are as follows:

	Un-audited Nine months ended		Un-audited Quarter ended	
	31 March 2025 Rupees	31 March 2024 Rupees	31 March 2025 Rupees	31 March 2024 Rupees
Loan obtained from:				
Chief executive officer	-	44,000,000	-	-
Close relatives of chief executive officer	-	-	-	-
Directors	-	24,100,000	-	-
Repayment of loan to:				
Close relatives of chief executive officer	-	1,250,000	-	125,000
Directors	6,200,000	16,200,000	2,000,000	9,800,000
Dividend paid to:				
Chief executive officer	-	52,568,277	-	-
Close relatives of chief executive officer	-	15,273,300	-	-
Directors	-	30,573,150	-	-
Provident Fund	-	2,728,500	-	-
Remuneration to Chief executive officer, directors and executives	317,760,990	234,299,432	101,478,338	78,099,811
Contribution to employees' provident fund trust	82,149,052	72,632,000	27,786,493	23,974,216

### Period end balances

Loan from:		
Chief executive officer	37,800,000	44,000,000
Close relatives of chief executive officer	27,532,490	27,532,490
Directors	17,282,000	17,282,000
Payable to employees' provident fund trust	8,934,629	883,029
Payable to Security General Insurance Company Limited	249,787	124,422

## 15. FINANCIAL RISK MANAGEMENT

The Company's financial risk management objectives and policies are consistent with those disclosed in the preceding audited annual published financial statements of the Company for the year ended 30 June 2024.

## 16. AUTHORIZED FOR ISSUE

These condensed interim financial statements were authorized for issue on April 24, 2025 by the Board of Directors of the Company.

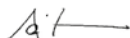
## 17. CORRESPONDING FIGURES

In order to comply with the requirements of International Accounting Standard (IAS) 34 "Interim Financial Reporting", the condensed interim statement of financial position and condensed interim statement of changes in equity have been compared with the balances of annual audited financial statements of preceding financial year, whereas, the condensed interim statement of profit or loss, condensed interim statement of comprehensive income and condensed interim statement of cash flows have been compared with the balances of comparable period of immediately preceding financial year.

Corresponding figures have been re-arranged, wherever necessary, for the purpose of comparison, however, no significant re-arrangements have been made.

## 18. GENERAL

Figures have been rounded off to the nearest of Rupees unless otherwise stated.



AAMIR FAYYAZ SHEIKH  
CHIEF EXECUTIVE



ISMAIL AAMIR FAYYAZ  
DIRECTOR



KAMRAN SHAHID  
CHIEF FINANCIAL OFFICER



# **Kohinoor Mills Limited**

**8 Kilometer  
Manga Raiwind Road  
District Kasur, Pakistan.**