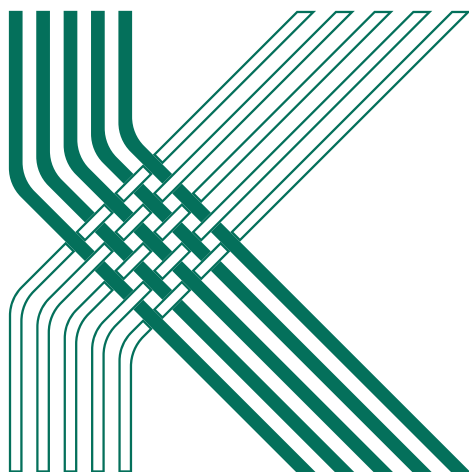


# KOHINOOR MILLS LIMITED



**FIRST QUARTERLY REPORT**  
**30 SEPTEMBER 2025**

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

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# COMPANY INFORMATION

## 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)

## 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  
The Bank of Punjab  
United Bank Limited

## 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  
Website: www.kohinoormills.com

## 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

## COMMITTEES OF THE BOARD

### Audit Committee

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

### 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 Amainat Ali

### Legal Advisor

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

### Company Secretary

Mr. Muhammad Rizwan Khan

### Auditors

Riaz Ahmad & Company  
Chartered Accountants

## 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.

# DIRECTORS' Review

The Directors of the company are pleased to present the Interim Financial Statements for the quarter ended 30 September 2025.

## Operating & Financial Results

During the Quarter ended September 30, 2025, your company earned a gross profit of Rs. 874 million on sales of Rs. 6,274 million, compared to a gross profit of Rs. 930 million on sales of Rs. 7,020 million in the corresponding period of the previous financial year. During the period under review, your company recorded a net profit of Rs. 56.60 million (EPS: Re. 0.11 per share), compared to a net profit of Rs. 10.9 million (EPS: Re. 0.02 per share), in the corresponding period.

## Performance Overview

A brief overview of performance of your company for the quarter ended 30 September 2025 is discussed below:

### Weaving Division

The weaving division continued its steady upward trend in Q1 FY-26, posting a gross profit of Rs. 468.93 million against Rs. 443.39 million in the corresponding period. This reflects continued operational efficiency and resilience despite persistent challenges in the textile sector. The favorable shift in the macroeconomic environment, including easing inflationary pressures and the State Bank of Pakistan's reduction in policy rates, helped stabilize input costs and support demand recovery.

Looking forward, the division is positioned to benefit from greater export opportunities, a more stable exchange rate, and industrial growth. By continuing to focus on cost optimization, capacity utilization, and market expansion, the weaving division is expected to strengthen its contribution to the Company's overall profitability and sustain growth momentum in the evolving economic landscape of Pakistan.

### Dyeing Division

In FY 2025, the global retail landscape faced mounting headwinds, marked by escalating operational costs, supply chain bottlenecks, and fiercer e-commerce rivalry. Rising energy and raw material prices further compressed margins, while continued supply chain inefficiencies added both delays and financial strain. At the same time, the worldwide pivot toward sustainability compelled Pakistani dyeing houses to allocate resources to eco-friendly initiatives, intensifying cost pressures. Moreover, the accelerating digital shift in e-commerce demanded swift technological adaptation and fresh capital investment. Collectively, these pressures weighed on the dyeing unit's resilience, making it harder to maintain cost competitiveness, strict compliance, and dependable lead times, even with our established capabilities.

Despite these conditions, the Division's gross profit remained almost unchanged at Rs. 467.59 million in Q1 FY-26, nearly the same as Rs. 468.91 million recorded in Q1 FY-25. To mitigate the adverse effects of these challenges, the management implemented a comprehensive strategy, focusing on cost management, process innovation, resource optimization, and fostering a culture of continuous improvement. Despite current headwinds, there is optimism that easing inflation and declining interest rates will drive a demand rebound, positively impacting the textile sector in the near future.

## Genertek Division

As part of a 7.2MW renewable energy program, the Company has advanced its sustainability and efficiency agenda with the successful commissioning of a 4.5 MW solar photovoltaic plant in September 2025 at its manufacturing facility. The remaining 2.7 MW is scheduled for completion by the end of the second quarter of the current financial year, after which on-site solar generation is expected to meet over 20% of the Company's operational electricity needs. After the commissioning of 7.2 MW, the company also plans to install an additional 3.0 MW solar photovoltaic plant. This transition will lower unit energy costs, reduce exposure to tariff volatility, and support national objectives by curbing reliance on imported fuels and associated carbon emissions.

Previously, process heat for our thermal-oil circuits was generated through natural gas fired heaters. To structurally lower energy intensity and diversify the fuel mix, the Company has successfully installed its biomass-fired thermal-oil heater, with operations commenced in September 2025. The unit is projected to deliver significant recurring fuel savings, while simultaneously reducing exposure to gas-tariff volatility and supply constraints, improving cost predictability across dyeing and finishing operations, and advancing our decarbonization agenda through the use of locally sourced, sustainable biomass. The system will be seamlessly integrated with existing process-heat loops and controls to ensure thermal stability, product quality, and operational reliability.

## Future Outlook

Over the past year Pakistan's textile exports have shown signs of recovery, particularly in value-added segments such as knitwear, readymade garments, and bedding, which are leading growth. The textile sector's share of total exports rose to 53.8% in the FY-25 as against 52.8% in comparative period, illustrating that the industry remains a backbone of national foreign exchange generation. However, this recovery is fragile, and sustained growth will depend on how well exporters can shift from commodity yarns toward higher margin finished products, while navigating trade barrier pressures in major markets.

Looking ahead, global growth is projected at 3.1% in 2026, with China at 4.2%, the Euro area at 1.2 %, the Middle East and Central Asia at 3.5%, and emerging and developing economies at 4.0%. These projections sit against cyclical headwinds and ongoing realignments in global trade. Geopolitical flashpoints including the Russia-Ukraine conflict, heightened tensions in the Middle East, and persistent US-China trade and technology frictions continue to unsettle supply chains, amplify energy-market volatility, and weigh on sentiment. Climate-related risks further cloud the outlook, particularly for food and resource security. Nevertheless, headline inflation is expected to ease from 5.7% in 2024 to 4.2% in 2025 and 3.6% in 2026 supported by moderating commodity prices.

Against this backdrop, Pakistan's textile sector faces a balanced mix of opportunity and risk. Demand for value-added categories is expected to remain firm, offering scope to consolidate positions in key export markets. At the same time, recent flooding in Punjab and surrounding regions has disrupted logistics and damaged crops, threatening domestic raw-material availability, pushing up input costs, and potentially necessitating higher cotton imports. Structural constraints, elevated input and energy costs, reliance on imported raw materials, delays in sales-tax refunds, and policy uncertainty continue to pressure margins. Sustained growth will depend on a stable and supportive policy framework, timely refunds, competitive energy pricing, and improved supply-chain resilience.

In addition, the Company is establishing an apparel unit with an initial capacity of 5,000 garments per day per shift, with commercial production targeted for Q2 FY-26. This forward integration is expected to deepen the value-added mix, enhance customer wallet share, and contribute meaningfully to both revenue growth and bottom-line profitability in the near term. Management believes these initiatives, together with our energy program and product-mix upgrade, will reinforce competitiveness in an evolving global textile landscape.

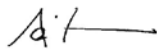
In this environment, your Company is strategically positioned to capitalize on the global shift toward value-added textiles. A major step in this direction is the establishment of our state-of-the-art Apparel Unit. This initiative aligns with global trends and domestic imperatives, enabling the Company to diversify its product mix, strengthen its presence in high-margin categories, and contribute meaningfully to Pakistan's export growth.

## 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

Kasur:  
October 28, 2025



Aamir Fayyaz Sheikh  
Chief Executive



Imrat Aamir Fayyaz  
Director

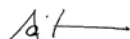
CONDENSED INTERIM  
FINANCIAL STATEMENTS  
For the Quarter ended 30 September 2025

# CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION

AS AT 30 SEPTEMBER 2025

	Note	Un-audited 30 September 2025 Rupees	Audited 30 June 2025 Rupees
<b>EQUITY AND LIABILITIES</b>			
<b>Share capital and reserves</b>			
<b>Authorized share capital</b>			
2,200,000,000 (30 June 2025: 2,200,000,000) ordinary shares of Rupee 1 each (Restated)		2,200,000,000	2,200,000,000
300,000,000 (30 June 2025: 300,000,000) preference shares of Rupee 1 each (Restated)		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>			
509,110,110 (30 June 2025: 509,110,110) ordinary shares of Rupee 1 each (Restated)		509,110,110	509,110,110
<b>Capital reserves</b>			
Share premium reserve		213,406,310	213,406,310
Fair value reserve FVTOCI investment		100,097,275	100,097,275
Surplus on revaluation of operating fixed assets - net of tax		4,622,280,962	4,633,442,877
<b>Revenue reserves</b>			
General reserve		788,199,282	788,199,282
Accumulated profit		4,095,935,827	4,028,174,177
<b>Total equity</b>		<u>10,329,029,766</u>	<u>10,272,430,031</u>
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
Long term financing - secured	4	1,975,808,221	1,638,347,898
Lease liability		58,164,111	14,208,427
Deferred liabilities		431,547,838	469,911,292
Deferred income - Government grant		88,139,187	97,029,653
		<u>2,553,659,357</u>	<u>2,219,497,270</u>
<b>Current liabilities</b>			
Trade and other payables		5,858,627,291	5,822,325,340
Accrued mark-up		91,784,584	133,176,343
Short term borrowings - secured		7,926,288,612	7,409,319,105
Current portion of non-current liabilities		539,012,236	568,405,174
Provision for taxation - net		15,116,042	51,037,272
Unclaimed dividend		8,423,728	8,423,728
		<u>14,439,252,493</u>	<u>13,992,686,962</u>
<b>Total liabilities</b>		<u>16,992,911,850</u>	<u>16,212,184,232</u>
<b>Contingencies and commitments</b>			
	5		
<b>TOTAL EQUITY AND LIABILITIES</b>		<u><u>27,321,941,616</u></u>	<u><u>26,484,614,263</u></u>

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



AAMIR FAYYAZ SHEIKH  
CHIEF EXECUTIVE



IMRAT AAMIR FAYYAZ  
DIRECTOR



	Note	Un-audited 30 September 2025 Rupees	Audited 30 June 2025 Rupees
<b>ASSETS</b>			
<b>Non-current assets</b>			
Fixed assets	6	13,304,974,186	12,809,245,927
Right-of-use asset		63,531,900	20,842,187
Intangible asset		8,398,267	5,728,310
Long term investment		164,798,062	164,798,062
Long term loans		5,352,141	5,758,328
Long term security deposits		145,167,791	134,195,599
		<u>13,692,622,347</u>	<u>13,140,568,413</u>
<b>Current assets</b>			
Stores, spares and loose tools		1,167,178,558	991,501,873
Stock-in-trade		5,353,164,019	5,308,117,799
Trade debts		4,182,408,704	4,096,690,353
Loans and advances		512,103,991	350,643,616
Short term deposits and prepayments		60,552,598	24,439,079
Sales tax recoverable		1,347,278,280	1,325,293,888
Other receivables		68,625,474	55,033,870
Short term investments	7	144,649,611	374,618,127
Cash and bank balances		791,776,427	815,725,638
		<u>13,627,337,662</u>	<u>13,342,064,243</u>
Non-current asset classified as held for sale		1,981,607	1,981,607
		<u>13,629,319,269</u>	<u>13,344,045,850</u>
<b>TOTAL ASSETS</b>		<u><u>27,321,941,616</u></u>	<u><u>26,484,614,263</u></u>



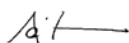
KAMRAN SHAHID  
CHIEF FINANCIAL OFFICER

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

FOR THE QUARTER ENDED 30 SEPTEMBER 2025

	Note	Quarter ended	
		30 September 2025 Rupees	30 September 2024 Rupees
REVENUE	8	6,274,023,700	7,020,089,367
COST OF SALES	9	(5,399,604,933)	(6,090,215,389)
GROSS PROFIT		874,418,768	929,873,978
DISTRIBUTION COST		(313,095,552)	(341,616,223)
ADMINISTRATIVE EXPENSES		(205,870,788)	(168,887,779)
OTHER EXPENSES		(36,340,207)	(11,403,450)
		(555,306,547)	(521,907,452)
		319,112,221	407,966,526
OTHER INCOME		32,548,640	42,591,550
PROFIT FROM OPERATIONS		351,660,860	450,558,076
FINANCE COST		(254,929,434)	(365,214,372)
PROFIT BEFORE LEVY & TAXATION		96,731,427	85,343,704
LEVY		(47,972,835)	(70,306,732)
PROFIT BEFORE TAXATION		48,758,591	15,036,972
TAXATION		7,841,144	(4,161,224)
PROFIT AFTER TAXATION		56,599,735	10,875,748
EARNINGS PER SHARE - BASIC AND DILUTED		0.11	0.02

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



AAMIR FAYYAZ SHEIKH  
CHIEF EXECUTIVE



IMRAT AAMIR FAYYAZ  
DIRECTOR

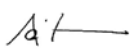



KAMRAN SHAHID  
CHIEF FINANCIAL OFFICER


CONDENSED INTERIM STATEMENT OF **COMPREHENSIVE INCOME** (UN-AUDITED)  
FOR THE QUARTER ENDED 30 SEPTEMBER 2025

	Quarter ended	
	30 September 2025 Rupees	30 September 2024 Rupees
<b>PROFIT AFTER TAXATION</b>	56,599,735	10,875,748
<b>OTHER COMPREHENSIVE INCOME</b>		
<b>Items that will not be reclassified to profit or loss:</b>		
Fair value adjustment arising on remeasurement of investment at fair value through other comprehensive income	-	-
Deferred income tax relating to this item	-	-
	-	-
<b>Items that may be reclassified subsequently to profit or loss</b>	-	-
<b>Other comprehensive income for the period - net of tax</b>	-	-
<b>TOTAL COMPREHENSIVE INCOME FOR THE PERIOD</b>	56,599,735	10,875,748

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

  
AAMIR FAYYAZ SHEIKH  
CHIEF EXECUTIVE

  
IMRAT AAMIR FAYYAZ  
DIRECTOR

  
KAMRAN SHAHID  
CHIEF FINANCIAL OFFICER

FOR THE QUARTER ENDED 30 SEPTEMBER 2025

	RESERVES							TOTAL EQUITY	
	SHARE CAPITAL	Capital Reserves				Revenue Reserves			
		Share premium reserve	Fair value reserve FVTOCI investment - net of tax	Surplus on revaluation of operating fixed assets - net of tax	Sub Total	General reserve	Accumulated profit		Sub Total
----- RUPEES -----									
<b>Balance as at 30 June 2024- (audited)</b>	509,110,110	213,406,310	13,222,441	4,680,440,417	4,907,069,168	788,199,282	3,747,664,119	4,535,863,401	9,952,042,679
Transferred from surplus on revaluation of operating fixed assets - net of tax	-	-	-	(11,749,385)	(11,749,385)	-	11,749,385	11,749,385	-
Profit for the quarter ended 30 September 2024	-	-	-	-	-	-	10,875,748	10,875,748	10,875,748
Other comprehensive income for the quarter ended 30 September 2024	-	-	-	-	-	-	10,875,748	10,875,748	10,875,748
Total comprehensive income for the quarter ended 30 September 2024	-	-	-	-	-	-	-	-	-
<b>Balance as at 30 September 2024 - (Un-audited)</b>	509,110,110	213,406,310	13,222,441	4,668,691,032	4,895,319,783	788,199,282	3,770,289,252	4,558,488,534	9,962,918,427
Transferred from surplus on revaluation of operating fixed assets - net of tax	-	-	-	(35,248,155)	(35,248,155)	-	35,248,155	35,248,155	-
Profit for the nine months ended 30 June 2025	-	-	-	-	-	-	222,636,770	222,636,770	222,636,770
Other comprehensive income for the nine months ended 30 June 2025	-	-	86,874,834	-	-	-	86,874,834	86,874,834	86,874,834
Total comprehensive income for the nine months ended 30 June 2025	-	-	86,874,834	-	-	-	222,636,770	222,636,770	309,511,604
<b>Balance as at 30 June 2025 - (audited)</b>	509,110,110	213,406,310	100,097,275	4,633,442,877	4,946,946,462	788,199,282	4,028,174,177	4,816,373,459	10,272,430,031
Transferred from surplus on revaluation of operating fixed assets - net of tax	-	-	-	(11,161,915)	(11,161,915)	-	11,161,915	11,161,915	-
Profit for the quarter ended 30 September 2025	-	-	-	-	-	-	56,599,735	56,599,735	56,599,735
Other comprehensive income for the quarter ended 30 September 2025	-	-	-	-	-	-	56,599,735	56,599,735	56,599,735
Total comprehensive income for the quarter ended 30 September 2025	-	-	-	-	-	-	-	-	-
<b>Balance as at 30 September 2025 - (Un-audited)</b>	509,110,110	213,406,310	100,097,275	4,622,280,962	4,935,784,547	788,199,282	4,095,935,827	4,884,135,109	10,329,029,766

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

**AAMIR FAYYAZ SHEIKH**  
**CHIEF EXECUTIVE**

**IMRAT AAMIR FAYYAZ**  
**DIRECTOR**

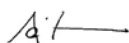
**KAMRAN SHAHID**  
**CHIEF FINANCIAL OFFICER**

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

FOR THE QUARTER ENDED 30 SEPTEMBER 2025

		Quarter ended	
	Note	30 September 2025 Rupees	30 September 2024 Rupees
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash (used in) / generated from operations	10	(22,900,997)	419,590,762
Income tax paid		(114,416,376)	(196,264,937)
Finance cost paid		(296,321,194)	(533,432,743)
Net decrease in long term loans to employees		406,187	1,135,251
Net increase in long term security deposits		(10,972,192)	(5,096,449)
		(421,303,575)	(733,658,878)
Net cash used in operating activities		(444,204,572)	(314,068,116)
CASH FLOWS FROM INVESTING ACTIVITIES			
Capital expenditure on property, plant and equipment		(620,862,568)	(42,898,220)
Intangible assets acquired		(4,132,508)	-
Proceeds from disposal of operating fixed assets		3,850,000	11,611,393
Dividend received		6,776,485	8,237,997
Short term investments-net		229,968,516	683,102,684
Net cash (used in) / from investing activities		(384,400,075)	660,053,854
CASH FLOWS FROM FINANCING ACTIVITIES			
Long term financing obtained		363,124,000	-
Repayment of long term financing		(72,942,070)	(91,705,624)
Lease liability paid		(2,496,000)	-
Short term borrowings - net		516,969,506	(112,679,544)
Net cash from / (used in) financing activities		804,655,436	(204,385,168)
Net (decrease) / increase in cash and cash equivalents		(23,949,211)	141,600,570
Cash and cash equivalents at the beginning of the period		815,725,638	473,500,537
Cash and cash equivalents at the end of the period		791,776,427	615,101,107

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



AAMIR FAYYAZ SHEIKH  
CHIEF EXECUTIVE



IMRAT AAMIR FAYYAZ  
DIRECTOR



KAMRAN SHAHID  
CHIEF FINANCIAL OFFICER

# SELECTED NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)

FOR THE QUARTER ENDED 30 SEPTEMBER 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 2025. These condensed interim financial statements are un-audited 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 2025.

## 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 2025.

	Un-audited 30 September 2025 Rupees	Audited 30 June 2025 Rupees
<b>4. LONG TERM FINANCING - SECURED</b>		
Opening balance	2,094,188,761	1,793,320,514
Add: Obtained during the period / year	363,124,000	744,042,912
Less: Repaid during the period / year	(72,942,070)	(482,933,581)
Add: Adjustment due to impact of IFRS - 9 during the period / year	-	1,525,519
Add: Deferred income amortized during the period / year (Note 4.1)	8,890,465	38,233,397
	<u>2,393,261,156</u>	<u>2,094,188,761</u>
Less: Current portion shown under current liabilities	417,452,935	455,840,863
	<u>1,975,808,221</u>	<u>1,638,347,898</u>

- 4.1** This represents net 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 2025 except for the following:

- (i) Bank guarantees of Rupees 22.599 million (30 June 2025: Rupees 26.935 million) are given by the banks of the Company in favour of Lahore Electric Supply Company Limited against electricity connections.

### Commitments

- (i) Aggregate commitments for capital and revenue expenditures are amounting to Rupees 111.940 million and Rupees 290.646 million (30 June 2025: Rupees 396.077 million and Rupees 224.303 million) respectively.
- (ii) Post dated cheques amounting to Rupees 509.636 million (30 June 2025: Rupees 134.039 million) are issued to creditors of the Company.

	Un-audited 30 September 2025 Rupees	Audited 30 June 2025 Rupees
<b>6. FIXED ASSETS</b>		
<b>Property, plant and equipment</b>		
Operating fixed assets (Note 6.1)	11,212,943,908	11,338,078,217
Capital work-in-progress (Note 6.2)	2,092,030,278	1,471,167,710
	<u>13,304,974,186</u>	<u>12,809,245,927</u>
<b>6.1 Operating fixed assets</b>		
Opening net book value	11,338,078,217	11,535,325,319
Add: Cost of additions during the period / year (Note 6.1.1)	-	379,665,075
	<u>11,338,078,217</u>	<u>11,914,990,394</u>
Less: Book value of deletions during the period / year (Note 6.1.2)	649,263	44,391,533
Less: Depreciation charged during the period / year	124,485,046	532,520,644
Closing net book value	<u>11,212,943,908</u>	<u>11,338,078,217</u>
<b>6.1.1 Cost of additions</b>		
Freehold land	-	19,530,725
Factory building	-	33,120,272
Plant and machinery	-	230,640,785
Electric installations	-	17,225,429
Furniture, fixtures and equipment	-	10,405,096
Computers	-	11,919,149
Motor vehicles	-	56,823,619
	<u>-</u>	<u>379,665,075</u>
<b>6.1.2 Book value of deletions</b>		
Plant and machinery	-	41,763,130
Motor vehicles	649,263	2,628,403
	<u>649,263</u>	<u>44,391,533</u>
<b>6.2 Capital work-in-progress</b>		
Plant and machinery	1,516,182,118	656,011,863
Electric installations	245,626,558	175,064,732
Furniture, fixtures and equipment	34,105,645	22,178,516
Buildings	86,625,243	36,637,925
Stores held for capital expenditures	5,948,730	472,075,477
Unallocated capital expenditure	203,541,984	109,199,197
	<u>2,092,030,278</u>	<u>1,471,167,710</u>



	Un-audited 30 September 2025 Rupees	Audited 30 June 2025 Rupees
<b>7. SHORT TERM INVESTMENTS</b>		
<b>At fair value through profit or loss</b>		
<b>Mutual funds:</b>		
MCB Cash Management Optimizer 1,242,139.2226 (30 June 2025: 3,520,348.139) units	129,831,413	359,554,277
NBP Money Market Fund 1,441,459.0491 ( 30 June 2025: 1,441,459.0491) units	14,461,870	14,427,035
	144,293,282	373,981,312
Add: Fair value adjustment	356,329	636,815
	<u>144,649,611</u>	<u>374,618,127</u>

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	
	Quarter ended		Quarter ended		Quarter ended		Quarter ended	
	30 September 2025	30 September 2024	30 September 2025	30 September 2024	30 September 2025	30 September 2024	30 September 2025	30 September 2024

----- Rupees -----

Geographical market

Australia	-	-	12,393,266	11,057,025	-	-	12,393,266	11,057,025
UK	20,826,521	19,094,940	-	-	-	-	20,826,521	19,094,940
Asia	381,398,225	247,148,049	1,599,961,525	2,078,944,353	-	-	1,981,359,750	2,326,092,402
Europe	788,857,455	1,193,045,649	41,982,988	105,982,580	-	-	830,840,443	1,299,028,229
North America	103,486,487	16,902,178	89,035,112	147,867,511	-	-	192,521,599	164,769,689
Africa	-	-	82,399,865	146,465,237	-	-	82,399,865	146,465,237
Pakistan	1,085,722,010	1,117,066,794	2,059,757,610	1,926,723,484	-	-	3,145,479,620	3,043,790,278
Export rebate	2,380,290,698	2,593,257,610	3,885,530,366	4,417,040,190	-	-	6,265,821,064	7,010,297,800
	949,337	1,692,244	7,253,300	8,099,323	-	-	8,202,637	9,791,567
	2,381,240,035	2,594,949,854	3,892,783,666	4,425,139,513	-	-	6,274,023,701	7,020,089,367

Major products / service lines

Greige cloth	2,215,509,590	2,420,955,816	-	-	-	-	2,215,509,590	2,420,955,816
Dyed cloth	89,679,801	61,324,585	3,750,496,989	4,305,374,454	-	-	3,840,176,790	4,366,699,039
Garments	-	-	-	-	-	-	-	-
Yarn	32,067,568	54,729,507	-	-	-	-	32,067,568	54,729,507
Processing income	4,005,504	7,724,175	134,642,312	111,798,579	-	-	138,647,816	119,522,753
Waste	39,977,572	50,215,772	7,644,365	7,966,480	-	-	47,621,937	58,182,252
	2,381,240,035	2,594,949,854	3,892,783,666	4,425,139,513	-	-	6,274,023,701	7,020,089,367

Timing of revenue recognition

Products and services transferred at a point in time	2,381,240,035	2,593,257,610	3,892,783,666	4,425,139,513	-	-	6,274,023,701	7,020,089,367
Products and services transferred over time	-	-	-	-	-	-	-	-
	2,381,240,035	2,593,257,610	3,892,783,666	4,425,139,513	-	-	6,274,023,701	7,020,089,367

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

Un-audited Quarter ended	
30 September 2025 Rupees	30 September 2024 Rupees
Raw material consumed	4,559,162,092
Chemical consumed	441,318,537
Salaries, wages and other benefits	333,152,233
Employees' provident fund contributions	20,086,292
Cloth conversion and processing charges	73,315,156
Fuel, oil and power	754,169,773
Stores, spares and loose tools consumed	104,471,543
Packing material consumed	39,330,822
Repair and maintenance	20,616,105
Insurance	12,429,272
Other manufacturing expenses	44,515,990
Depreciation on operating fixed assets	122,989,679
	6,525,557,494
Work-in-process inventory	
Opening stock	506,883,363
Closing stock	(756,678,468)
	(249,795,105)
Cost of goods manufactured	6,275,762,389
Finished goods inventory	
Opening stock	3,056,904,217
Closing stock	(3,242,451,217)
	(185,547,000)
	6,090,215,389

## 9. COST OF SALES

	Un-audited Quarter ended	
	30 September 2025 Rupees	30 September 2024 Rupees
<b>10. CASH GENERATED FROM OPERATIONS</b>		
Profit before levy and taxation	96,731,427	85,343,703
Adjustments for non-cash charges and other items:		
Depreciation on operating fixed assets	124,485,046	130,489,876
Depreciation on right of use asset	2,778,959	-
Dividend income	(6,776,485)	(8,237,997)
Gain on sale of operating fixed assets - net	(3,200,736)	(2,546,728)
Adjustment due to impact of IFRS-9 on long term financing	8,890,465	15,402,316
Amortization of intangible Assets	1,462,552	-
Amortization of deferred grant	(8,890,465)	(10,063,089)
Finance cost	256,016,971	349,812,056
Working capital changes (Note 10.1)	(494,398,730)	(140,609,375)
	(22,900,997)	419,590,762
<b>10.1 WORKING CAPITAL CHANGES</b>		
(Increase) / decrease in current assets		
Stores, spares and loose tools	(175,676,685)	13,720,604
Stock-in-trade	(45,046,220)	(264,687,783)
Trade debts	(85,718,351)	(68,400,697)
Loans and advances	(161,460,375)	31,709,821
Short term deposits and prepayments	(36,113,519)	(28,544,836)
Other receivables	(13,591,604)	29,301,602
Sales tax recoverable	(21,984,392)	(367,663,328)
Decrease in current liabilities		
Trade and other payables	45,192,416	513,955,242
	(494,398,730)	(140,609,375)

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	
	2025	2024	Quarter ended 2025	Quarter ended 2024	2025	2024	Quarter ended 2025	Quarter ended 2024	2025	2024	Quarter ended 2025	Quarter ended 2024
(Rupees)												
Sales	2,381,240,035	2,601,344,083	3,892,783,666	4,418,218,709	-	-	-	-	(2,484,223,209)	8,758,248,009	10,158,455,683	
External Intersegment	1,715,877,594	2,348,412,445	112,762,040	83,438,868	655,583,574	-	-	-	(3,138,366,316)	(2,484,223,209)	(3,138,366,316)	
Cost of sales	4,097,117,628	4,949,756,528	4,005,945,706	4,501,657,517	655,583,574	706,515,003	-	526,575	(2,484,223,209)	6,274,023,700	7,020,089,367	
Gross profit / (loss)	(3,828,188,173)	(4,506,368,317)	(3,537,958,132)	(4,032,746,187)	(705,051,751)	(668,720,704)	(12,630,085)	(20,746,497)	2,484,223,209	(5,999,604,932)	(6,090,215,389)	
Distribution cost	468,929,456	443,388,211	467,587,574	468,911,390	49,468,177	37,794,299	(12,630,085)	(20,219,922)	-	874,418,768	929,873,979	
Administrative expenses	(109,668,146)	(114,973,969)	(203,296,163)	(226,642,254)	(7,342,502)	(6,362,982)	(131,243)	-	-	(313,095,652)	(341,616,223)	
Profit / (loss) before levy, taxation and unallocated income / expenses	(92,098,855)	(72,820,688)	(106,135,770)	(88,814,252)	(7,342,502)	(6,362,982)	(293,262)	(889,857)	-	(205,870,789)	(168,887,779)	
	(201,767,001)	(187,794,857)	(309,431,933)	(315,456,506)	(7,342,502)	(6,362,982)	(424,505)	(889,857)	-	(518,966,341)	(504,504,002)	
Unallocated income and expenses:	267,162,455	255,593,555	158,155,641	153,454,883	(56,811,079)	31,431,317	(13,054,590)	(21,109,779)	-	355,452,427	419,369,976	
Finance cost												
Other expenses										(254,929,434)	(965,214,372)	
Other income										(36,340,207)	(11,403,450)	
Profit before taxation and levy										32,548,641	42,591,550	
Levy										96,731,427	86,343,704	
Profit before taxation										(47,972,835)	(70,306,732)	
Taxation										48,758,592	15,036,972	
Profit after taxation										784,144	(4,161,224)	
										56,589,736	10,875,748	

11.2 Reconciliation of reportable segment assets and liabilities

	Weaving		Dyeing		Power Generation		Apparel		Total - Company	
	Un-audited 30 September 2025	Audited 30 June 2025	Un-audited 30 September 2025	Audited 30 June 2025	Un-audited 30 September 2025	Audited 30 June 2025	Un-audited 30 September 2025	Audited 30 June 2025	Un-audited 30 September 2025	Audited 30 June 2025
(Rupees)										
Segment assets	12,559,932,774	12,221,401,673	8,838,635,305	8,749,453,063	2,557,254,680	1,367,515,562	1,931,579,980	1,367,515,562	25,785,772,739	24,943,553,984
Unallocated assets									1,586,168,876	1,585,660,269
Total assets as per condensed interim statement of financial position									27,371,941,616	26,464,614,263
Segment liabilities	3,059,092,359	3,054,912,043	2,346,035,004	2,315,700,830	324,731,004	81,285,798			5,911,144,165	5,709,031,764
Unallocated liabilities:									2,393,261,156	2,094,168,761
Long term financing - secured									431,547,838	469,911,292
Deferred liabilities									88,138,187	130,402,994
Debtent income - Government grant									65,147,387	21,087,179
Lease liabilities									91,784,584	133,176,343
Accrued mark-up									7,826,288,612	7,499,318,105
Short term borrowings - secured									182,059,151	185,605,794
Trade and other payables									8,423,728	51,037,272
Undeclared dividend									15,116,042	
Provision for taxation and levy - net									16,992,911,820	16,212,844,232
Total liabilities as per condensed interim statement of financial position										

## 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 30 September 2025 - un-audited	Level 1	Level 2	Level 3	Total
..... (Rupees) .....				
<b>Financial assets</b>				
Investments at fair value through profit and loss	144,649,611	-	-	144,649,611
Investment at fair value through other comprehensive income	-	-	164,798,062	164,798,062
Derivative financial assets	-	701,354	-	701,354
<b>Total financial assets</b>	<b>144,649,611</b>	<b>701,354</b>	<b>164,798,062</b>	<b>310,149,027</b>

Recurring fair value measurements At 30 June 2025 - audited	Level 1	Level 2	Level 3	Total
..... (Rupees) .....				
<b>Financial assets</b>				
Investments at fair value through profit and loss	374,618,127	-	-	374,618,127
Investment at fair value through other comprehensive income	-	-	164,798,062	164,798,062
Derivative financial assets	-	701,354	-	701,354
<b>Total financial assets</b>	<b>374,618,127</b>	<b>701,354</b>	<b>164,798,062</b>	<b>540,117,543</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 Quarter ended 30 September 2025:

	Unlisted equity security Rupees
<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 30 September 2024 - Unaudited</b>	22,380,302
Add: Surplus recognized in other comprehensive income	142,417,760
<b>Balance as on 30 June 2025 - Audited</b>	164,798,062
Add/(Less): Surplus/(Deficit) recognized in other comprehensive income	-
<b>Balance as on 30 September 2025 - Unaudited</b>	164,798,062

**(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		Valuation technique	Unobservable inputs	Range of inputs (probability-weighted average)	Relationship of unobservable inputs to fair value
	Un-audited 30 September 2025 Rupees	Audited 30 June 2025 Rupees			30 September 2025	

**Investment**

Security General Insurance Company Limited	164,798,062	164,798,062	Dividend growth model	Dividend growth rate Risk adjusted discount rate	6.50% 15.57%	Increase / decrease in terminal growth factor by 1% and decrease / increase in discount rate by 1% would increase / decrease fair value by Rupees +48.592 million / -31.037 million.
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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:

Dividend growth model for unlisted equity investment considers the present value of future dividends discounted using Weighted Average Cost of Capital.

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 30 September 2025 Un-audited	Level 1	Level 2	Level 3	Total
------------------------------------	---------	---------	---------	-------

..... (Rupees) .....

Property, plant and equipment:

- Freehold land	-	4,426,954,725	-	4,426,954,725
- Buildings	-	2,373,132,799	-	2,373,132,799

**Total non-financial assets**

-	-	6,800,087,524	-	6,800,087,524
---	---	---------------	---	---------------

At 30 June 2025 Audited	Level 1	Level 2	Level 3	Total
----------------------------	---------	---------	---------	-------

..... (Rupees) .....

Property, plant and equipment:

- Freehold land	-	4,426,954,725	-	4,426,954,725
- Buildings	-	2,392,577,345	-	2,392,577,345

**Total non-financial assets**

-	-	6,819,532,070	-	6,819,532,070
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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 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. 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 2025.

## 15. 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 Quarter ended	
	30 September 2025 Rupees	30 September 2024 Rupees
Repayment of loan to: Chief executive officer	1,000,000	-
Remuneration to: Chief executive officer, directors and executives	113,740,014	94,035,936
Contribution to employees' provident fund trust	26,290,479	26,552,960
	Un-audited 30 September 2025 Rupees	Audited 30 June 2025 Rupees
Period end balances		
Loan from:		
Chief executive officer	32,800,000	33,800,000
Close relatives of chief executive officer	27,532,490	27,532,490
Director	17,282,000	17,282,000
Receivable from employees' provident fund trust	2,499,774	151,992
Payable to Security General Insurance Company Limited	195,862	430,000

## 16. AUTHORIZED FOR ISSUE

These condensed interim financial statements were authorized for issue on 28 October 2025 by the Board of Directors of the Company.

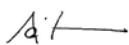
## 17. CORRESPONDING FIGURES

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



IMRAT AAMIR FAYYAZ  
DIRECTOR



KAMRAN SHAHID  
CHIEF FINANCIAL OFFICER

## CONTACT US

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