

**ANNUAL
REPORT
2025**



AMTEX LIMITED

COMPANY PROFILE

Amtex Limited is amongst the largest vertically integrated Textile setups in Pakistan having production facilities in all sectors of Textile Industry from Spinning, Weaving, Processing, Printing, Finishing, Cut and Sewn processes and provides employment opportunities to large number of families. After establishing strong foothold in the Textile exports, Amtex successfully switched to Direct to Retail (“DTR”) business model that has enabled it to focus on exporting high value added diversified Products directly to premier Retailers in the EU, USA and across the globe. Amtex holds an iconic textile position in the Global textile industry, being the “One Stop Shop” concept by offering largest variety and combination of products to its diversified customers.

With state of the art Textile manufacturing facility, internationally recognized R&D Department, Strong outsourcing capabilities, Professional management, International display centers and warehouses for facilitating procurement of orders and direct dealing with retailing giants, Amtex is marching towards becoming a leader. Amtex has shown huge promise in value added Home Textile sector, where it has become a leader in exporting high end quality Products. Amtex has maintained its focus and commitment in balancing, modernization and value addition activities, as core business philosophy. Amtex aims at developing synergies by keeping abreast with their strong vendor base and establishing partnerships with them so as to increase the Product portfolio as well as to have the flexibility to react to the dynamics of ever demanding growing parameters of market and global business.

Company Information

Board of Directors

Mr. Muhammad Ahsan
Mr. Khurram Iftikhar
Mr. Shahzad Iftikhar
Mr. Nadeem Iftikhar
Mr. Suhail Maqsood Ahmed
Mr. Gul Muhammad Naz
Mrs. Bushra Bibi

Chairman
Chief Executive Officer

Chief Financial Officer

Mr. Waheed Aslam

Company Secretary

Mr. Muhammad Raza Farooq

Audit Committee

Mr. Suhail Maqsood Ahmed
Mr. Muhammad Ahsan
Mr. Nadeem Iftikhar

Chairman

Human Resource & Remuneration Committee

Mr. Suhail Maqsood Ahmed
Mr. Muhammad Ahsan
Shahzad Iftikhar

Chairman

Auditors

Zahid Jamil & Co.
Chartered Accountants

Legal Advisor

Mr. Aamir Nawaz Bhatti
Advocate High Court

Share Registrar Office

Vision Consulting Limited
3-C, LDA Flats, Lawrance Road, Lahore

Registered Office

P-225 Tikka Gali # 2 Montgomery Bazar, Faisalabad

Projects Locations

Punj Pullian Daewoo Road Faisalabad

Processing & Stitching Unit

Website

www.amtextile.com

Vision Statement

Our vision is to provide our customers all their required goods and services from one platform.

Mission Statement

Our mission is to become the buyer's first choice all around the world and to achieve this target we make sure that we stay true to the highest standards of excellence and customer's satisfaction.

FINANCIAL HIGHLIGHTS

YEAR ENDED JUNE 30, Restated

2025	2024	2023	2022	2021	2020
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Rupees in million

Operating performance

Sales-net	2,371	2,793	1,692	1,251	1,075	545
Cost of Sales	2,238	2,371	1,567	1,034	1,065	786
Gross profit / (loss)	133	422	125	217	10	(241)
Operating Profit/(loss)	63	366	235	217	(35)	(439)
Profit/(Loss) before Levy & taxation	(95)	210	158	120	(132)	(641)
Profit/(Loss) after taxation	(130)	179	138	103	(148)	(671)

YEAR ENDED JUNE 30,

2025	2024	2023	2022	2021	2020
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Rupees in million

Financial position

Property, plant and equipment-net (excl.capital work in progress)	579	974	952	1,147	1,202	1,237
Investment property	1,314	1,270	1,259	1,244	1,189	1,161
Capital work in progress						
Fixed assets	1,893	2,244	2,211	2,392	2,391	2,398
Total assets	3,540	3,685	3,310	3,661	3,577	3,724

Current assets

Store,spare parts, loose tools and stock in trade	848	716	435	637	651	706
Other current assets	697	587	537	499	335	394
Cash and cash equivalents	92	118	112	83	150	175
	1,637	1,421	1,084	1,219	1,136	1,275

Current liabilities

Short term bank borrowings	5,044	5,167	5,407	5,968	6,015	6,063
Current portion of long term financing/ murabaha	730	808	2,066	2,178	2,284	2,119
Other current liabilities	3,400	3,356	3,007	2,889	2,916	2,938
	9,174	9,331	10,480	11,035	11,216	11,120

Net Working Capital	(7,537)	(7,910)	(9,396)	(9,816)	(10,080)	(9,845)
Long term financing/ murabaha	-	-	-	320	236	414
Share capital and reserves	(9,120)	(9,380)	(9,567)	(9,907)	(10,027)	(9,883)

YEAR ENDED JUNE 30,

Restated

2025	2024	2023	2022	2021	2020
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Profitability analysis

Gross Profit / (loss) to sales	(%)	5.6	15.1	7.4	17.4	0.9	(44.3)
Profit / (Loss) before tax to sales	(%)	(4.0)	7.5	9.4	9.6	(12.3)	(117.7)
Profit / (Loss) after tax to sales	(%)	(5.5)	6.4	8.2	8.3	(13.8)	(123.1)
Profit / (Loss) per share	(Rupees)	(0.50)	0.69	0.5	0.4	(0.6)	(2.6)

YEAR ENDED JUNE 30,

2025	2024	2023	2022	2021	2020
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Financial analysis

Current Ratio	(times)	0.2	0.2	0.1	0.1	0.1	0.1
Debt to equity	(times)	(0.3)	(0.3)	(0.2)	(0.2)	(0.2)	(0.2)
Break up value per share	(Rupees)	(35.2)	(36.2)	(36.9)	(38.2)	(38.7)	(38.1)
Inventory turnover ratio	(times)	4.0	6.2	4.3	2.2	2.1	1.3
Debtors turnover ratio	(times)	9.8	12.0	7.8	10.2	12.8	3.5
Fixed assets turnover ratio	(times)	4.1	2.9	1.8	1.1	0.9	0.4
Total assets turnover	(times)	0.7	0.8	0.5	0.3	0.3	0.1



Amtext Limited

Notice of Annual General Meeting

**Scan this QR code with your smart Mobile phone
or visit below web link**

QR Code



Weblink:

<https://amtextile.com/investors/Annual-Report-2025.pdf>



Excellence Without Compromise



Amtex Limited

1-Km. Khurrianwala Jaranwala Road, Faisalabad Pakistan.
Tel: 92-41-4361724 (6Lines) Fax: 92-41-4361726 & 27
E-mail: amtex@amtextile.com URL: <http://www.amtextile.com>

Notice of Annual General Meeting

Notice is hereby given that Annual General Meeting of the members of Amtex Limited (the Company) will be held on October 28, 2025 at 11:00 A.M. at Company's registered office P-225 Tikka Gali # 2 Montgomery Bazar Faisalabad to transact the following business:

ORDINARY BUSINESS

1. To confirm minutes of the Extraordinary General Meeting held on June 06, 2025.
2. To receive and adopt the Audited Accounts of the Company for the year ended June 30, 2025 together with Directors' and Auditors' reports thereon.
3. To approve re-appointment of M/s. Zahid Jamil & Company, Chartered Accountants, as external auditors of the Company for the year 2025-26 and fix their remuneration, as recommended by the Audit Committee and Board of Directors.
4. To transact any other business with the permission of the chair.

SPECIAL BUSINESS

To ratify and approve transactions entered into by the Company with related parties in its ordinary course of business by passing the following special resolution: -

"Resolved that the transactions entered into by the Company with related parties during the year ended June 30, 2025 as disclosed in relevant notes to the financial statements in which some or majority of the directors are interested are hereby ratified and confirmed".

"Further Resolved that the Company be and is hereby authorized to enter into and carry out transactions in its normal course of the business from time to time with related parties during the ensuing year ending June 30, 2026. The members have noted that for the aforesaid transactions some or a majority of the directors may be interested. Notwithstanding the interest of the directors, the members hereby grant an advance authorization to the Board Audit Committee and the Board of Directors of the Company to review and approve all related party transactions based on the recommendation of the Board Audit Committee".

"Further Resolved that the related party transactions as aforesaid for the period ended June 30, 2026 would subsequently be presented to the members at the next Annual General Meeting for ratification and confirmation.".

By Order of the Board

Faisalabad
October 07, 2025

Muhammad Raza Farooq
Company Secretary

NOTES: -

1. The Share Transfer Books of the Company will remain closed from 20-10-2025 to 28-10-2025 (both days inclusive). Transfers received at Vision Consulting Ltd, 3-C Lawrance Road, LDA Flats Lahore at the close of the business on 19-10-2025 will be treated in time.
2. A member entitled to attend and vote at the Annual General Meeting is entitled to appoint another person as proxy to attend and vote instead of him. The proxy forms, in order to be effective, must be received at Company's registered office P-225, Tikka Gali # 2 Montgomery Bazar Faisalabad, not less than 48 hours before the meeting.
3. Members can avail video conference facility for attending the meeting at places other than the town in which general meeting is taking place. In this regard, please fill the enclosed consent for video conference facility and submit to registered address of the company, ten days (10) before holding of the general meeting. If Company receives consent from members holding in aggregate 10% or more shareholding residing at a geographical location, to participate in the meeting through video conference ten (10) days prior to the date of the meeting, Company will arrange a video conference facility in the city subject to availability of such facility in that city. The Company will intimate to members regarding venue of video conference facility at least five (5) days before the date of the meeting along with all the information necessary to enable them to access the facility.
4. Members are requested to notify immediately changes, if any, in their registered address.
5. CDC Account Holders will further have to follow the under mentioned guidelines as laid down by the Securities and Exchange Commission of Pakistan.
6. The shareholders who intends to receive the annual report including the notice of meeting through e-mail are requested to provide their written consent on the Standard Request Form provided in the annual report and also available on the Company's website.
7. The audited financial statements of the Company for the year ended 30 June 2025 have been made available on the Company's website (www.amtextile.com) in addition to annual and quarterly financial statements for the current and prior periods. Weblink for download annual report is <https://amtextile.com/investors/Annual-Report-2025.pdf>
8. As per section 72 of the Companies Act, 2017, every existing company shall be required to replace its physical shares with book-entry form in a manner as may be specified and from the date notified by the Commission, within a period not exceeding four years from the commence of this Act i.e., May 30, 2017. The Shareholders having physical shareholding may open CDC Sub-account with any of the broker or investor account directly with CDC to place their physical share into scripless form.

9. Members can exercise their right to vote by means of postal ballot i.e. by post or through electronic mode subject to the requirements of Section 143-145 of Companies Act 2017 and applicable clauses of Companies (Postal Ballot) Regulations 2018.
10. Details of the e-voting facility will be shared through an e-mail with those members who have their valid CNIC numbers, cell numbers and registered e-mail address available in the register of the members of the Company by the close of business on October 20, 2025. b) E-voting facility will be available to eligible members from October 24, 2025, 9:00 am and shall close on October 26, 2025 at 5:00 pm. c) Members can cast their votes at any time in this period. Once the vote on a resolution is cast by a member, he/she shall not be allowed to change it subsequently.
11. To attend the meeting virtually, a member is required to send an email to general.meetings@amtexile.com with email address, name, folio number, CNIC and number of shares held in his/her name with subject "Registration for AGM of AMTEX". A Video link to join the meeting will be shared with a member whose email, containing all the required particulars, are received not later than 48 hours before the time of meeting.

For Attending the Meeting:

- i. In case of individuals, the account holder or sub-account holder and / or the person whose securities are in group account and their registration details are uploaded as per the Regulation, shall authenticate his identity by showing his original Computerized National Identity Card (CNIC) or original passport at the time of attending the Meeting.
- ii. In case of corporate entity, the Board of Directors' resolution / power of attorney with specimen signature of the nominee shall be produced (unless it has been provided earlier) at the time of the Meeting.

For Appointing Proxies:

- i. In case of individuals, the account holder or sub-account holder and / or the person whose securities are in group account and their registration details are uploaded as per the Regulations, shall submit the proxy form as per the above requirements.
- ii. The proxy form shall be witnessed by two persons whose names, addresses and CNIC numbers shall be mentioned on the form.
- iii. Attested copies of the CNIC or the passport of the beneficial owners and the proxy shall be furnished with the proxy form.
- iv. The proxy shall produce his original CNIC or original passport at the time of the Meeting. In case of corporate entity, the Board of Directors' resolution / power of attorney with specimen signature shall be submitted (unless it has been provided earlier) along with proxy form to the Company.

STATEMENT UNDER SECTION 134(3) OF THE COMPANIES ACT, 2017

Ratification & Approval of Related Party Transactions

During the year, there were transactions entered into by the Company with related parties. However, since some of Company's directors were directly or indirectly interested in these transactions due to their common directorship, the quorum of directors could not be formed for approval of these transactions. Accordingly, these transactions, as disclosed in the relevant notes to the financial statements, are being placed before the members for their approval/ratification by passing special resolutions as mentioned in the Notice of Annual General Meeting with or without modifications. All related party transactions are carried out at arm's length in accordance with the Company policies and comply with legal requirements and are reviewed periodically by the Board Audit Committee which is chaired by an independent director.

Further, it is expected that the Company may be conducting related party transactions in the normal course of business in the upcoming financial year as well, wherein, some of directors are expected to be interested in due to their relationships, common directorship in these related parties. The members are informed that it is not possible to make estimate of the quantum of related party transactions to be undertaken in the period ending June 30, 2026, which depends on case-to-case basis, however, the Company will present the actual figures for subsequent ratification and confirmation by the members, at the next annual general meeting. Based on the above, approval of the members is also sought to authorize the Company to enter into such transactions with related parties during the ensuing year ending June 30, 2026 and further grant power to the Board to periodically review and approve such transactions based on the recommendation of the Board Audit Committee by passing Special Resolutions as mentioned in the Notice of Annual General Meeting with or without modifications.

Review Report by the Chairman

The Board of Directors (the Board) of Amtex Limited has performed their duties diligently in upholding the best interest of shareholders of the Company and has managed the affairs of the company in an effective and efficient manner. The Board has exercised its powers and has performed its duties as stated in the Companies Act 2017 and the Listed Companies (Code of Corporate Governance) Regulations.

Pakistan's textile exports are showing signs of recovery in FY25, this uptick is being attributed to a more favorable global trade outlook, consistent energy availability, and anticipation of a potential US–Pakistan tariff deal that could revive competitiveness. Our Company's export shown slight decline during financial year 2025. With traditional destinations like the US, the European Union, and the UK facing economic headwinds and increasing compliance pressures, Pakistani exporters are actively turning to non-traditional markets. There is need to shift toward compliance-driven, digitally traceable, and sustainability-aligned products to gain market share in regions like East Asia and Oceania. Simultaneously, there's an emphasis on participation in international expos and building brand equity to elevate Pakistan's textile image globally.

The management is responsible for carrying out day to day business activities and transforming the Board's strategies in to actions. The Board has actively participated in strategic planning process, enterprise risk management system, policy development, and financial structure, monitoring and approval. All Directors including independent directors fully participated and contributed in the decision-making process of the Board. The Board also played an important role in overseeing the management's performance and focusing on major risk area. The Board is fully involved in all types of budgeting and strategic planning process. The company has an independent internal audit department and internal audit reports are presented before the audit committee on quarterly basis.

On behalf of the board, I would like to thank our management, staff and workers for their hard work. I would like to appreciate all our valued customers for their continued confidence in the company. Not to forget, all credit to the financial institutions for their cooperation and support.



Muhammad Ahsan
Chairman

Faisalabad
October 07, 2025

چئیرمین کی جائزہ رپورٹ

ایم ٹیکس لمیٹڈ کے بورڈ آف ڈائریکٹرز (بورڈ) نے کمپنی کے حصص یافتگان کے بہترین مفاد کو برقرار رکھنے کے لیے اپنے فرائض پوری تندی سے ادا کیے ہیں اور کمپنی کے امور کو موثر انداز میں نبھایا ہے۔ بورڈ نے اپنے اختیارات کا استعمال کیا ہے اور کمپنی ایکٹ 2017 اور کوڈ آف کارپوریٹ گورننس کے ضابطہ اخلاق کے مطابق اپنے فرائض سرانجام دیے ہیں۔

پاکستان کی ٹیکسٹائل برآمدات مالی سال 25 میں بحالی کے آثار دکھا رہی ہیں، اس اضافے کو زیادہ سازگار عالمی تجارتی نقطہ نظر بتوانائی کی مستقل دستیابی، اور مکنڈ امریکی-پاکستان ٹیرف ڈیل کی توقع سے منسوب کیا جا رہا ہے جو مسابقت کو بحال کر سکتا ہے۔ مالی سال 2025 کے دوران ہماری کمپنی کی برآمدات میں معمولی کمی واقع ہوئی۔ امریکہ، یورپی یونین اور برطانیہ جیسے روایتی مقامات کو معاشی مشکلات اور تعمیل کے بڑھتے ہوئے دباؤ کا سامنا ہے، پاکستانی برآمد کنندگان سرگرمی سے غیر روایتی منڈیوں کا رخ کر رہے ہیں۔ مشرقی ایشیا اور اوشیانا جیسے خطوں میں مارکیٹ شیئر حاصل کرنے کے لیے تعمیل پر مبنی، ڈیجیٹل طور پر ٹریڈ ایبل، اور پائیداری سے منسلک مصنوعات کی طرف منتقل ہونے کی ضرورت ہے۔ اس کے ساتھ ساتھ، عالمی سطح پر پاکستان کے ٹیکسٹائل ایج کو بلند کرنے کے لیے بین الاقوامی نمائش میں شرکت اور برانڈ ایکویٹی بنانے پر زور دیا جانا چاہیے۔

انتظامیہ روزمرہ کی کاروباری سرگرمیوں کو انجام دینے اور ڈیجیٹل حکمت عملیوں کو عملی جامہ پہنانے کی ذمہ دار ہے۔ بورڈ نے اسٹریٹجک منصوبہ بندی کے عمل انٹری پرائزر سک۔ مینجمنٹ سسٹم پالیسی ڈویلپمنٹ اور مالی ڈھانچے کی نگرانی اور منظوری میں فعال طور پر حصہ لیا ہے۔ تمام ڈائریکٹرز بشمول آزاد ڈائریکٹرز بورڈ کے تمام اہم فیصلوں میں شامل رہے ہیں۔ بورڈ نے مینجمنٹ کی کارکردگی کی نگرانی اور اہم رسک ایریا پر توجہ مرکوز کرنے میں بھی اہم کردار ادا کیا ہے۔ بورڈ ہر قسم کی بجٹ سازی اور اسٹریٹجک منصوبہ بندی کے عمل میں مکمل طور پر شامل رہا ہے۔ کمپنی کا ایک آزاد انٹرنل آڈٹ ڈیپارٹمنٹ موجود ہے اور انٹرنل آڈٹ رپورٹ سہ ماہی بنیادوں پر آڈٹ کمپنی کے سامنے پیش کی جاتی ہے۔ بورڈ کی جانب سے میں انتظامیہ عملے اور کارکنوں کی محنت کے لیے ان سب کا شکریہ ادا کرتا ہوں۔ میں اپنے تمام قابل قدر کسٹمرز کے کمپنی پر مسلسل اعتماد پر انکا معترف ہوں۔ مالیاتی اداروں کی جانب سے معاونت اور حمایت قابل تحسین ہے۔

محمد احسن

چئیرمین

فیصل آباد

تاریخ: 7 اکتوبر 2025

Directors' Report

The Directors of your Company present before you the annual report with audited financial statements for the year ended June 30, 2025.

Operating & Financial Results

The financial results for the year under review with comparative figures of previous year are presented hereunder:

	2025 RUPEES	2024 RUPEES RESTATED
Revenue from contracts with customers	2,370,790,973	2,793,103,295
Cost of revenue	<u>2,237,781,941</u>	<u>2,371,170,457</u>
Gross Profit	133,009,032	421,932,838
Other operating Income	<u>148,969,551</u>	<u>136,571,303</u>
	281,978,583	558,504,141
Selling and distribution expenses	104,034,186	87,802,264
Administrative expenses	115,278,129	95,672,042
Finance cost	157,292,459	156,236,226
Workers' profit participation fund	-	6,568,759
Workers' welfare fund	-	2,540,301
	<u>376,604,774</u>	<u>348,819,592</u>
(Loss) / profit before levy and taxation	(94,626,191)	209,684,549
Levy	<u>29,634,887</u>	<u>26,646,352</u>
(Loss) / profit before taxation	(124,261,078)	183,038,197
Taxation	<u>5,889,058</u>	<u>4,009,219</u>
(Loss) / profit after taxation	<u>(130,150,136)</u>	<u>179,028,978</u>
Earning per share - Basic and diluted	<u>(0.50)</u>	<u>0.69</u>

During financial year ended June 30, 2025, company earned gross profit of Rupees 133.009 million on sales of Rupees 2,370.790 million as compared to Rupees 421.932 million gross profits on sales of Rupees 2,793.103 million for the previous financial year. During the FY 2025 Company incurred net loss after tax of Rupees 130.150 million as compared to net profit after tax of Rupees 179.028 million during the previous financial year. Despite political instability, poor economic conditions and significantly increasing cost of doing business Company has made export sale of rupees 2,370.790 million which is slightly below in FY 2024-25 as compared to previous year. However, due to

underutilization of capacities and aforementioned factors company incurred after tax loss of rupees 130.150 million.

Auditors' Observations

The auditors in audit report have provided observation regarding company's ability to continue as going concern due to accumulated losses and liquidity issue. Directors of the company explain that the management is making all efforts to continue operations and to run the entity as a going concern. Company's continuity of operations, consistent sales volume despite global recession, increased inflation and shortage of power supply clearly indicate that management's efforts and plans are effective and feasible.

Auditors also opined that certain banks did not confirm short- & long-term loan balances. In this regard we explain that most of banks, financial institutions confirmed their balances on our request despite litigation in process however few did not respond auditor's direct balance confirmations due to pending litigations. In audit report auditors also opined that company is in litigation with SNGPL and company has not recorded provision in financial statements on judgment / decree of honorable court of District Judge / Judge Gas Utility Court Faisalabad. Directors of your company explained that provision has not recorded in accounts as the Company preferred to file appeal before Honorable Lahore High Court, Lahore. Furthermore, legal counsel of the company also challenged / filed review petition before the concerned court against the judgment. As per opinion of Company's legal advisor the ultimate outcome will be in favor of the Company.

Moreover, the company is in process of selling certain properties, mortgaged with the banks, as debt restructuring / rescheduling plans with a bank and the entire such sale proceeds will be paid to relevant charge holder banks to reduce the debt burden and to settle the litigation with these banks. In view of steps mentioned above, the management is confident that it will be successful in its efforts and hence the company will be able to continue as a going concern.

The auditors in audit report have provided observation that markup expense has not been fully charged. In this regard it is explained that certain banks / financial institutions have filed suit against the company for recovery of their financing and mark up so the company has not provided any markup / cost of funds on the outstanding amount as stated in notes to the accounts. Based on the legal opinion, the company feels that, after institution of the suit, bank/financial institution is only entitled to cost of funds if so, awarded by the Court in case the suit is awarded against the company. The levy of cost of funds and the quantum thereof shall be contingent on passing of the decree and rate prescribed by the State Bank of Pakistan during the period of pendency of the claim and discharge of decree, if passed by the Court.

Market Review and Future Prospects

Year 2025 marked a significant rebound for Pakistan's textile exports which is a sign of recovery and an indicator of the sector's robustness and ability to overcome adversities. The path ahead, however, is fraught with challenges. The stringent economic reforms mandated by the International Monetary Fund (IMF), coupled with inflation and dwindling foreign exchange reserves, pose significant hurdles. These conditions have made the textile industry precarious, fighting for its economic viability.

To realize its full potential, Pakistan's textile sector requires a coordinated strategy involving the government and private sector. Firstly, implement reforms and support for climate-smart agriculture to improve cotton yield and quality, reducing reliance on imports. Provide incentives like tax breaks and low-interest loans for mills to upgrade to modern, energy-efficient, and renewable technologies, such as solar power. Establish clear national sustainability standards and a robust monitoring system to build credibility and meet international buyers' ethical and environmental demands. Support investments in research and development for technical textiles and synthetic fibers. Actively pursue new trade agreements and market access beyond traditional partners. The government must provide a consistent, favorable policy environment regarding energy tariffs, tax regimes, and trade facilitation to encourage long-term private investment.

Dividend

The tight cash flow position of the company does not permit dividend payout therefore the directors have not recommended any dividend for the year.

Auditors

The present auditor's M/s Zahid Jamil & Company, Chartered Accountants, retire and being eligible, offer themselves for re-appointment. The Board of Directors has been suggested by the audit committee, the re-appointment of M/s Zahid Jamil & Company, Chartered Accountants, as auditors for the financial year ending June 30, 2026.

Internal Financial Controls

An effective and sound internal control has been established and implemented throughout the year at all levels of the company by the Board of Directors. Internal control system is designed to achieve overall Company's objectives, reliable financial reporting and compliance with laws, regulations and policies.

Related Parties

All related party transactions during the financial year ended June 30, 2025 were reviewed by the Audit Committee and approved by the Board of Directors.

Pattern of Shareholding

The pattern of Shareholding along with categories of shareholders of the company as at June 30, 2025 is annexed with this report.

Corporate Governance

The Statement of Compliance with the best practices of Code of Corporate Governance is annexed.

Corporate and Financial Frame Work

In compliance of the Code of Corporate Governance, we give below statements on Corporate and Financial Reporting frame work:

1. The financial statements together with the notes thereon prepared by the management of the Company, present fairly its state of affairs, the results of its operations, cash flows and changes in equity.
2. Proper books of accounts of the Company have been maintained.
3. Appropriate accounting policies have been consistently applied in preparation of financial statements and accounting estimates are based upon reasonable and prudent judgment.
4. International Accounting / Financial Reporting Standards, as applicable in Pakistan, have been followed in preparation of financial statements and there is no any departure there from.
5. The system of internal control is sound in design and has been effectively implemented and monitored.
6. There has been no material departure from the best practices of Corporate Governance as detailed in the Listing Regulations of the stock exchange where the company is listed.
7. Going concern is explained separately.
8. Information about taxes and levies is given in the notes to the accounts.

9. Financial highlights of the last six years are annexed.

10. There are no statutory payments on account of taxes, duties, levies and charges that are outstanding as on June 30, 2025 except for those disclosed in financial statements.

Composition of Board

Total Number of Directors:

- a) Male 6 (Six)
b) Female 1 (One)

Composition:

Sr #	Category	Name
1	Independent Directors	Suhail Maqsood Ahmed
		Gul Muhammad Naz
2	Non Executive Directors	Nadeem Iftikhar
		Muhammad Ahsan
		Bushra Bibi
3	Executive Directors	Shahzad Iftikhar
		Khurram Iftikhar

Meetings of the Board of Directors

During financial year 2024-25 attendance of directors in meetings of BOD is provided as under:

Name	Designation	No. of Attended
Khurram Iftikhar	CEO / Director	7
Shahzad Iftikhar	Director	7
Nadeem Iftikhar	Director	7
Suhail Maqsood Ahmed	Director	6
Muhammad Ahsan	Director	7
Gul Muhammad Naz	Director	5
Bushra Bibi	Director	5

No trading in Company's shares was carried out by its Directors, CFO, and Company Secretary; Head of Internal Audit, other Executives and their spouse(s) and minor children during the year.

Directors Remuneration

The Board of Directors has devised a directive for determination of remuneration of executive and non-executive directors depending upon their responsibility in affairs of the Company. The remuneration is commensurate with their level of responsibility and expertise.

Non-executive directors including the independent director are entitled only for fee for attending the Board and its committees' meetings. Remuneration of executive and non-executive directors shall be approved by the Board, as recommended by the Human Resource and Remuneration Committee. For information on remuneration of Directors and CEO in 2024-25, please refer notes to the Financial Statements.

Audit Committee

The Audit Committee of the Company is in place and comprises of the following members as required under the Code of Corporate Governance:

Suhail Maqsood Ahmed (Independent Director)	Chairman
Muhammad Ahsan (Non-Executive Director)	Member
Nadeem Iftikhar (Non-Executive Director)	Member

Meetings of Audit Committee were held during the year ended June 30, 2025 as required by the Code of Corporate Governance for review of quarterly accounts, annual accounts and other related matters. The meetings were also attended by the CFO, Head of Internal Audit and External Auditors as and when required.

Human Resource & Remuneration Committee

During the year one meeting of the Human Resource & Remuneration Committee was convened. The attendance record of each member is as follows:

SR #	Name	No. of Meetings Attended
1	Suhail Maqsood Ahmed	01
2	Muhammad Ahsan	01
3	Shahzad Iftikhar	01

Gender Pay Gap Statement

(As required under SECP Circular No. 10 of 2024)

The below gender pay gap of the company:

- i) Mean Gender pay gap =Nil
- ii) Median Gender pay gap =Nil
- iii) Any Other Detail =Nil

At present the proportion of women in the workforce is Nil, which is primarily attributable that cultural and social factors discourage female participation in male dominated workplaces.

Acknowledgment

The Directors of your company would like to place on record their deep appreciation for the support of the banks, financial institutions, regulators and shareholders and hope for the same support in future.

The directors of your company also wish to place on record appreciation for the dedication, perseverance and diligence of the staff and workers of the company.



Nadeem Iftikhar



Suhail Maqsood Ahmed

Faisalabad
October 07, 2025

ڈائریکٹرز کی رپورٹ:

آپ کی کمپنی کے ڈائریکٹرز حضرات آپ کے روہرو سالانہ رپورٹ مع مالی آڈٹ شدہ گوشوارہ حساب ہمارے 30 جون 2025 پیش کرتے ہیں۔

آپرییشنل اور مالی نتائج

مالی نتائج ہمارے زیر غور رسال مع موازنہ اعداد و شمار باہریت سابقہ سال کو ذیل میں پیش کیا جاتا ہے۔

	2025 RUPEES	2024 RUPEES RESTATE
Revenue from contracts with customers	2,370,790,973	2,793,103,295
Cost of revenue	2,237,781,941	2,371,170,457
Gross Profit	133,009,032	421,932,838
Other operating Income	148,969,551	136,571,303
	281,978,583	558,504,141
Selling and distribution expenses	104,034,186	87,802,264
Administrative expenses	115,278,129	95,672,042
Finance cost	157,292,459	156,236,226
Workers' profit participation fund	-	6,568,759
Workers' welfare fund	-	2,540,301
	376,604,774	348,819,592
(Loss) / profit before levy and taxation	(94,626,191)	209,684,549
Levy	29,634,887	26,646,352
(Loss) / profit before taxation	(124,261,078)	183,038,197
Taxation	5,889,058	4,009,219
(Loss) / profit after taxation	(130,150,136)	179,028,978
Earning per share - Basic and diluted	(0.50)	0.69

سال 30 جون 2025 کے دوران کمپنی کی کل فروخت مبلغ 2,370,790 ملین روپے کی مد میں کل منافع مبلغ 133,009 ملین روپے ہوا جبکہ پچھلے سال کی کل فروخت مبلغ 2,793,103 ملین روپے اور کل منافع مبلغ 421,932 ملین روپے ہوا تھا۔ 30 جون 2025 کے مالی سال کے دوران کمپنی کو بعد از ٹیکس ادائیگی مبلغ 130,150 ملین روپے کا نقصان ہوا جبکہ پچھلے سال بعد از ٹیکس ادائیگی مبلغ 179,028 ملین روپے کا خالص منافع ہوا تھا۔

بدترین سیاسی عدم استحکام، خراب معاشی حالات اور کاروبار کرنے کی لاگت میں نمایاں طور پر بڑھتی ہوئی لاگت کے باوجود کمپنی نے 2,370,790 ملین روپے کی برآمدی فروخت کی ہے جو کہ گزشتہ سال کے مقابلے مانی سال 2024-25 میں قدرے کم ہے۔ تاہم، صلاحیتوں کے کم استعمال اور مذکورہ بالا عوامل کی وجہ سے کمپنی کو ٹیکس کے بعد 130,150 ملین روپے کا نقصان ہوا۔

آڈیٹرز کے مشاہدات

آڈیٹرز حضرات کی رپورٹ کے پیرا گراف (a) میں کمپنی کے کاروبار کو جاری رکھنے کی اہلیت کے بارے میں رائے کا اظہار کیا گیا ہے اور جمع شدہ نقصانات، مالی بحران، کی وجہ سے کاروباری عمل کو جاری رکھنے کے بارے میں تشویش کا اظہار کیا گیا ہے آپ کی کمپنی کے ڈائریکٹرز حضرات وضاحت بیان کر رہے ہیں کہ کمپنی کے منتظمین کی جانب سے کاروبار کو مکمل کو جاری رکھنے کے لیے پوری کوشش کی جا رہی ہے۔ گزشتہ چند سالوں سے کمپنی کے کاموں کا تسلسل عالمی کساد بازاری بڑھتی ہوئی مہنگائی اور بجلی کی فراہمی میں کمی کے باوجود بڑھتی ہوئی فروخت کا حجم واضح طور پر ظاہر کرتا ہے کہ انتظامیہ کی کوششیں اور منصوبے کارگر ہیں۔

آڈیٹرز نے یہ بھی رائے دی کہ بعض بینکوں نے مختصر اور طویل مدتی قرض کے تیلنس کی تصدیق نہیں کی اس سلسلے میں ہم وضاحت کرتے ہیں

کہ زیادہ تر بینکوں، مالیاتی اداروں نے قانونی چارہ جوئی کے باوجود ہماری درخواست پر اپنے بینکس کی تصدیق کی۔ تاہم چند بینکوں، مالیاتی اداروں نے زیر التوا قانونی چارہ جوئی کی وجہ سے آڈیٹر کی براہ راست بینکس کی تصدیق کا جواب نہیں دیا۔ آڈٹ رپورٹ میں آڈیٹرز نے یہ بھی رائے دی کہ کمپنی ایس این جی پی ایل کے ساتھ قانونی چارہ جوئی میں ہے اور کمپنی نے ڈسٹرکٹ جج/جج گیس یوٹیلٹی کورٹ فیصل آباد کی معزز عدالت کے فیصلے/حکم نامے پر مالیاتی گوشواروں میں پروویژن درج نہیں کی ہے۔ آپ کی کمپنی کے ڈائریکٹرز نے وضاحت کی کہ اکاؤنٹس میں پروویژن ریکارڈ نہیں کی گئی ہے کیونکہ کمپنی نے لاہور ہائی کورٹ، لاہور میں اپیل دائر کرنے کو ترجیح دی ہے۔ مزید برآں، کمپنی کے قانونی وکیل نے بھی فیصلے کے خلاف متعلقہ عدالت میں نظر ثانی کی درخواست دائر کی ہے۔ کمپنی کے قانونی مشیر کی رائے کے مطابق حتمی نتیجہ کمپنی کے حق میں ہوگا۔

مزید برآں کمپنی نے بینکوں کے پاس رہن شدہ کمپنی کی کچھ جائیداد کو فروخت کر کے حاصل ہونے والی رقم کو ان بینکوں کے قرضوں میں ایڈجسٹ کر دیا ہے تا کہ ان بینکوں کی طرف سے کیئے گئے مقدمات کو سنبھال کیا جاسکے اور قرضوں کے بوجھ کو کم کیا جاسکے، اوپر بیان کیئے گئے اقدامات کے پیش نظر کمپنی کے منتظمین پر اعتماد ہیں کہ وہ اپنی کاوشوں میں کامیابی سے سرخرو ہونگے اور کمپنی اس قائل ہو جائیگی کہ وہ اپنے کاروبار کو جاری رکھ سکے۔

کمپنی کے آڈیٹر حضرات کی جانب سے آڈٹ رپورٹ میں رائے دی گئی ہے کہ کمپنی مالی لاگت کو اکاؤنٹس میں نہیں لے رہی جسکی بابت وضاحت بیان کی گئی ہے کہ کچھ بینکوں/مالی ادارہ کی جانب سے سے کمپنی سے اپنی سرمایہ کاری رقم اور مارک اپ کی رقم کو وصول کرنے کے لیے مجاز عدالتوں میں دعویٰ دائر کیا گیا ہے لہذا کمپنی ایسے بینکوں کی واجب الادا قرض اور سرمایہ کاری کی رقم کی بابت مالی لاگت کو اکاؤنٹس میں نہیں لے رہی اور اس رقم کی وضاحت کھاتہ جات کے نوٹس میں بیان کی گئی ہے۔ قانونی رائے پر انحصار کرتے ہوئے کمپنی کی جانب سے اس بات کو محسوس کیا گیا ہے کہ دعویٰ کے دائر ہونے کے بعد، بینک/مالی ادارہ کو صرف کمپنی سے فنڈ کی لاگت کی رقم کا استحقاق حاصل ہے اگر عدالت کی جانب سے دعویٰ کی نسبت بینک کو کمپنی کے خلاف فیصلہ مل جائے۔ اسلئے عدالتی فیصلوں کے التوا اور سٹیٹ بینک آف پاکستان کی جانب سے لاگت فنڈ کی فیصد متعین ہونے تک ایسے بینکوں کی واجب الادا قرض کی مالی لاگت کا تخمینہ نہیں لگایا جاسکتا۔

مارکیٹ کا جائزہ اور مستقبل کے امکانات :

سال 2025 پاکستان کی نیکسٹل برآمدات کے لیے ایک نمایاں بہتری کا نشان ہے جو بحالی کی علامت ہے اور اس شعبے کی مضبوطی اور مشکلات پر قابو پانے کی صلاحیت کا مظہر ہے۔ تاہم، آگے کا راستہ چیلنجوں سے بھرا ہوا ہے۔ بین الاقوامی مالیاتی فنڈ (IMF) کی طرف سے لازمی سخت اقتصادی اصلاحات، افراط زر اور گرتے ہوئے زرمبادلہ کے ذخائر کے ساتھ، اہم ریکارڈس کھڑی کر رہی ہیں۔ ان حالات نے نیکسٹل کی صنعت کو اپنی معاشی استحکام کے لیے لڑتے ہوئے غیر یقینی بنا دیا ہے۔ اپنی پوری صلاحیت کو بروئے کار لانے کے لیے پاکستان کے نیکسٹل سیکٹر کو ایک مربوط حکمت عملی کی ضرورت ہے جس میں حکومت اور نجی شعبے شامل ہوں۔ سب سے پہلے کپاس کی پیداوار کو تیز بنانے، درآمدات پر انحصار کو کم کرنے کے لیے موسمیاتی سمارٹ زراعت کے لیے اصلاحات اور تعاون کو نافذ کرنا ہوگا۔ ملوں کو جدید توانائی کی بجٹ اور قابل تجدید ٹیکنالوجیز، جیسے شمسی توانائی میں اپ گریڈ کرنے کے لیے ٹیکس میں وقفے اور کم سود والے قرضے جیسی مراعات فراہم کرنی ہوگی۔ ساکھ پیدا کرنے اور بین الاقوامی خریداروں کے اخلاقی اور ماحولیاتی تقاضوں کو پورا کرنے کے لیے واضح قومی پائیداری کے معیارات اور ایک مضبوط گمرانی کا نظام قائم کرنا ہوگا۔ ٹیکنیکی نیکسٹل اور مصنوعی ریشوں کے لیے تحقیق اور ترقی میں سرمایہ کاری کی حمایت کریں۔ فعال طور پر نئے تجارتی معاہدوں اور روایتی شراکت داروں سے بہت کر مارکیٹ تک رسائی حاصل کرنی ہوگی۔ حکومت کو طویل مدتی نجی سرمایہ کاری کی حوصلہ افزائی کے لیے توانائی کے نرخوں، ٹیکس نظاموں اور تجارتی سہولتوں کے حوالے سے ایک مستقل، سازگار پالیسی ماحول فراہم کرنا چاہیے۔

تقسیم منافع

کمپنی کی سخت کیش فلو پوزیشن ڈیویڈنڈ کی ادائیگی کی اجازت نہیں دیتی ہے اس لیے ڈائریکٹرز نے سال کے لیے کسی ڈیویڈنڈ کی سفارش نہیں کی ہے۔

آڈیٹرز :

موجودہ آڈیٹرز میسرز زاہد جمیل اینڈ کمپنی، چارٹرڈ اکاؤنٹنٹس، ریٹائرڈ اور اہل تقرری نے کمپنی میں دوبارہ تقرری کی پیشکش کی ہے۔ بورڈ آف ڈائریکٹرز حضرات کی جانب سے آڈٹ کمیٹی کی سفارشات کی روشنی میں کومیسرز زاہد جمیل اینڈ کمپنی، چارٹرڈ اکاؤنٹنٹس کو بطور آڈیٹرز مالی سال اختتام 30 جون 2026 کے لیے دوبارہ تقرری کے لیے تجویز کیا ہے۔

انٹرنل فنانشل کنٹرول :

بورڈ آف ڈائریکٹرز کے ذریعے ایک موثر اور مستحکم انٹرنل کنٹرول سسٹم کمپنی کی ہر سطح پر سال بھر کے لیے نافذ کیا گیا ہے۔ انٹرنل کنٹرول سسٹم مجموعی طور پر قابل اعتماد مالی رپورٹنگ قوانین و ضوابط پالیسیوں کی تعمیل اور کمپنی کے مقاصد کو حاصل کرنے کے لیے ڈیزائن کیا گیا ہے۔

ریلیٹیڈ پارٹیز :

30 جون 2025 کو ختم ہونے والے مالی سال کے دوران ریلیٹیڈ پارٹیز سے متعلق تمام لین دین کا آڈٹ کمیٹی کے ذریعے جائزہ لیا گیا اور بورڈ آف ڈائریکٹرز سے اسے منظور کروایا گیا۔

حصص رکھنے والے شراکت داروں کا پیٹرن :

کمپنی کے حصص رکھنے والے شراکت داروں کا پیٹرن معہ وجہ بندی حصص بابت 30 جون 2025 کو اس رپورٹ کے ساتھ منسلک کیا گیا ہے۔

کارپوریٹ گورننس :

بجاء آوری رپورٹ معہ عمدہ مشق بابت کوڈ آف کارپوریٹ گورننس کو منسلک کیا گیا ہے۔

ادارہ اور مالی امور کے متعلق ترتیب دیا گیا ڈھانچہ :

کوڈ آف کارپوریٹ گورننس کی بجاء آوری کرتے ہوئے مالی رپورٹ اور کارپوریٹ کے متعلق ترتیب دیے گئے ڈھانچے کو ڈپل میں تحریر کیا جاتا ہے۔

1- مالی گوشوارہ حساب کتاب اور اسکے نوٹس کو کمپنی کے منتظمین کی جانب سے تیار کیا گیا ہے اور موجودہ حساب کتاب کے معاملات میں گوشوارہ حساب کتاب کیش فلو اور رپورٹ آف پیچجر ان ایکویٹی میں شفافیت اور غیر جانبداری کے اصول اپنا گئے ہیں۔

2- کمپنی کی اکاؤنٹس بکس بہتر انداز میں تیاری جاری ہیں۔

3- کمپنی کیا کاؤنٹنگ پالیسیز کو ایک تسلسل کے ساتھ اس گوشوارہ حساب کتاب کو بنانے میں استعمال کیا گیا ہے۔

4- بین الاقوامی اکاؤنٹنگ اور مالی رپورٹنگ شیڈرڈ، جیسا کہ اس کا اطلاق پاکستان میں ہے، کو کمپنی کے مالی گوشوارہ حساب کتاب کی تیاری کے بابت ملحوظ خاطر رکھا گیا ہے اور ان سے کسی قسم کا انحراف نہیں کیا گیا۔

- 5- ادارہ کی جانب سے وضع کردہ انٹرنل کنٹرول سسٹم اچھی حالت میں ترتیب دیا گیا ہے اس سسٹم پر عملدرآمد کے بارے میں مناسب چانچ پڑتال کی گئی ہے۔
- 6- عمدہ مشق بابت کوڈ آف کارپوریشن گورننس کو یقینی بنایا گیا ہے جیسا کہ سٹاک ایکسچینج کے سٹینڈرڈ ریگولیشن میں درج ہے اور ان سے کسی قسم کا کوئی انحراف نہیں کیا گیا۔
- 7- کمپنی کے کاروباری حالات کے مستقبل کو الگ سے بیان کیا گیا ہے۔
- 8- ٹیکس ڈیوٹی اور محصولات کے ضمن کوئی بھی قابل ادراک نہیں سوائے ان کے جنہیں فنانشل سٹیٹمنٹ میں بیان کیا گیا ہے۔
- 9- چھ سال کی مالی کارکردگی کو اجاگر کیا گیا ہے اور بابت رپورٹ منسلک کی گئی ہے۔
- 10- میکسز اور لیویز سے متعلق انفارمیشن کو نوٹس نوڈی کاؤنٹس میں بیان کیا گیا ہے۔

کمپوزیشن آف بورڈ:

ڈائریکٹرز کی کل تعداد

میل	چھ
فیمیل	ایک

کمپوزیشن:

نام	کمپوزیشن
خرم افتخار	ایگزیکٹو ڈائریکٹر
شہزاد افتخار	ایگزیکٹو ڈائریکٹر
ندیم افتخار	ان ایگزیکٹو ڈائریکٹر
سہیل مقصود احمد	آزاد ڈائریکٹر
محمد احسن	ان ایگزیکٹو ڈائریکٹر
گل محمد ناز	آزاد ڈائریکٹر
بشرابی بی	ان ایگزیکٹو ڈائریکٹر (فیمیل ڈائریکٹر)

بورڈ کی جانب سے منعقد کی گئی میٹنگ کا شمار:

30 جون 2025 کے عرصہ کے دوران بورڈ آف ڈائریکٹرز کے اجلاس منعقد کیے گئے جن میں مندرجہ ذیل ڈائریکٹر حضرات نے شرکت کی:-

نام	عہدہ	میٹنگ میں شرکت کرنے کی حاضریاں -
خرم افتخار	چیف ایگزیکٹو آفیسر	7
شہزاد افتخار	ڈائریکٹر	7

7	ڈائریکٹر	ندیم افتخار
6	ڈائریکٹر	سہیل مقصود احمد
7	ڈائریکٹر	محمد احسن
5	ڈائریکٹر	گل محمد زار
5	ڈائریکٹر	بشرابی بی

سال کے دوران کسی ڈائریکٹری ایف او کمپنی سیکریٹری انٹرنل آڈٹ کے سربراہ دیگر ایگزیکٹو اور ان کے شوپک حیات بچوں اور نابالغ بچوں نے کمپنی کے حصص میں کوئی کاروبار نہیں کیا۔

ڈائریکٹر کا معاوضہ:

بورڈ آف ڈائریکٹرز نے کمپنی کے ایگزیکٹو اور ان ایگزیکٹو ڈائریکٹر کے معاوضے کے متعلق ان کی ذمہ داری کے مطابق ایک ہدایت نامہ تیار کیا ہے۔ معاوضہ ان کی ذمہ داری اور مہارت کے مطابق ہے۔ آزاد ڈائریکٹر سمیت ان ایگزیکٹو ڈائریکٹر صرف بورڈ اور اس کی کمیٹیوں کے اجلاسوں میں شرکت کے لیے فیس کے مستحق ہیں۔ ایگزیکٹو اور ان ایگزیکٹو ڈائریکٹر کے معاوضے کی منظوری بورڈ کے ذریعے دی گئی ہے جیسا کہ ہیومن ریسورس اور معاوضہ کمیٹی نے تجویز کیا ہے۔ سال 2024-25 کے دوران ڈائریکٹر ز اور سی ای او کے معاوضے کی معلومات فنانشل سٹیٹمنٹ کے متعلق نوٹس میں دی گئی ہیں۔

آڈٹ کمیٹی:

آڈٹ کمیٹی کمپنی میں موجود ہے اور مندرجہ ذیل ممبران پر مشتمل ہے اور یہ کوڈ آف کارپوریٹ گورننس کے عین مطابق ہے۔

سہیل مقصود احمد	چیئر مین (آزاد ڈائریکٹر)
محمد احسن	ممبر (ان ایگزیکٹو ڈائریکٹر)
ندیم افتخار	ممبر (ان ایگزیکٹو ڈائریکٹر)

کوڈ آف کارپوریٹ گورننس کے تحت ادارہ کے سہا ہی حساب کتاب، سالانہ حساب کتاب اور دیگر متعلقہ معاملات ہائے 30 جون 2025 کا جائزہ لینے کے لیے آڈٹ کمیٹی کے اجلاس منعقد کیے گئے۔ نیز چیف فنانس آفیسر، ہیڈ آف انٹرنل آڈٹ اور ایکسٹرنل آڈیٹرز نے بھی اپنی ضرورت کے مطابق میٹنگ ہائے میں شرکت کی۔

ہیومن ریسورس اور معاوضہ کمیٹی:

سال کے دوران ہیومن ریسورس اور معاوضہ کمیٹی کی دو میٹنگز منعقد ہوئیں۔ جن میں مندرجہ ذیل ڈائریکٹر حضرات نے شرکت کی:

نام	عہدہ	میٹنگ میں شرکت کرنے کی حاضریاں
سہیل مقصود احمد	چیئر مین	1
محمد احسن	ممبر	1
شہزاد افتخار	ممبر	1

صنعتی تنخواہ کے فرق کا بیان

(جیسا کہ 2024 کے ایس ای سی پی سرکلر نمبر 10 کے تحت مطلوب ہے)

کمپنی کی ذیل میں صنعتی تنخواہ کا فرق:

مین صنعتی تنخواہ میں فرق = صفر

اوسط صنعتی تنخواہ کا فرق = صفر

کوئی دوسری تحصیل = صفر

اس وقت افرادی قوت میں خواتین کا تناسب صفر ہے، جس کی بنیادی وجہ یہ ہے کہ ثقافتی اور سماجی عوامل مردوں کے زیر تسلط کام کی جگہوں پر خواتین کی شرکت کی حوصلہ شکنی کرتے ہیں۔ تاہم کمپنی اپنی ورک فورس میں خواتین کی شرکت کی حوصلہ افزائی کرتی ہے۔

توثیقی بیان :

آپ کی کمپنی کے ڈائریکٹر صاحبان کی جانب سے بینکوں، مالی اداروں، شراکت داروں اور ریگولیٹرز کی معاونت قابل تحسین ہے اور مستقبل میں بھی ایسی ہی امید وابستہ کی جاتی ہے۔

نیز آپ کے کمپنی کے ڈائریکٹر صاحبان کی جانب سے کمپنی ہذا کے سٹاف اور ورکرز کا پختہ عزم، محنت اور مستقل مزاجی قابل تحسین ہے۔

عزیم افشار

ڈائریکٹر

سہیل مقصود احمد

ڈائریکٹر

فیصل آباد

تاریخ: 7 اکتوبر 2025

**Statement of Compliance with Listed Companies (Code of Corporate Governance)
Regulations, 2019**

**Name of Company Amtex Limited
Year ending June 30, 2025**

The Company has complied with the requirements of the Regulations in the following manner:-

1. The total number of directors are 7 as per the following,-
 - a. Male:6
 - b. Female:1
2. The composition of the Board is as follows:

Category	Number	Names
Independent directors	2	Suhail Maqsood Ahmed Gul Muhammad Naz
Non-executive directors	2	Nadeem Iftikhar Muhammad Ahsan
Executive directors	2	Shahzad Iftikhar Khurram Iftikhar
Female directors	1	Bushra Bibi

3. The Directors have confirmed that none of them is serving as a director on more than seven listed companies, including this Company;
4. The Company has prepared a code of conduct and has ensured that appropriate steps have been taken to disseminate it throughout the Company along with its supporting policies and procedures;
5. The Board has developed a vision/mission statement, overall corporate strategy and significant policies of the Company. The Board has ensured that complete record of particulars of the significant policies along with their date of approval or updating is maintained by the Company;
6. All the powers of the Board have been duly exercised and decisions on relevant matters have been taken by the Board / shareholders as empowered by the relevant provisions of the Act and these Regulations;
7. The meetings of the Board were presided over by the Chairman and, in his absence, by a director elected by the Board for this purpose. The Board has complied with the requirements of Act and the Regulations with respect to frequency, recording and circulating minutes of meeting of the Board;
8. The Board have a formal policy and transparent procedures for remuneration of directors in accordance with the Act and these Regulations;

9. The Board did not participate in any orientation course / Director's training program.
10. The Board has approved appointment of chief financial officer, Company secretary and head of internal audit, including their remuneration and terms and conditions of employment and complied with relevant requirements of the Regulations;
11. Chief financial officer and chief executive officer duly endorsed the financial statements before approval of the Board;
12. The Board has formed committees comprising of members given below:-
 - a) Audit Committee

Mr. Suhail Maqsood Ahmed	<i>Chairman</i>
Mr. Muhammad Ahsan	<i>Member</i>
Mrs. Nadeem Iftikhar	<i>Member</i>
 - b) HR and Remuneration Committee

Mr. Suhail Maqsood Ahmed	<i>Chairman</i>
Mr. Muhammad Ahsan	<i>Member</i>
Mr. Shahzad Iftikhar	<i>Member</i>
13. The terms of reference of the aforesaid committees have been formed, documented and advised to the committees for compliance;
14. The frequency of meetings (quarterly/half yearly/yearly) of the committee were as per following:
 - a) Audit Committee = 5
 - b) HR and Remuneration Committee = 1
15. The Board has set up an effective internal audit function which is considered suitably qualified and experienced for the purpose and are conversant with the policies and procedures of the Company;
16. The statutory auditors of the Company have confirmed that they have been given a satisfactory rating under the Quality Control Review program of the Institute of Chartered Accountants of Pakistan and registered with Audit Oversight Board of Pakistan, that they and all their partners are in compliance with International Federation of Accountants (IFAC) guidelines on code of ethics as adopted by the Institute of Chartered Accountants of Pakistan and that they and the partners of the firm involved in the audit are not a close relative (spouse, parent, dependent and non-dependent children) of the Chief Executive Officer, Chief Financial Officer, head of internal audit, Company secretary or director of the Company;
17. The statutory auditors or the persons associated with them have not been appointed to provide other services except in accordance with the Act, these Regulations or any other regulatory requirement and the auditors have confirmed that they have observed IFAC guidelines in this regard;

18. We confirm that all requirements of regulations 3,6,7,8,27,32,33 and 36 of the Regulations have been complied with except for the independent directors for which Board of Directors is of the view that considering the volume of the business, independent directors should not be more than two as Regulations. Hence, the fraction of independent directors has not been rounded up.
19. Explanation for non-compliance with requirements, other than regulations 3,6,7,8,27, 32,33 and 36 are below:

SR no.	Non-mandatory Requirement	Explanation	Reg. No.
1.	<u>Director's Training Program</u> It is encouraged that by June 30, 2022 all the directors on their Board have acquired the prescribed certification under any director training program offered by institutions, local or foreign, that meet the criteria specified by the Commission and approved by it.	The Company acknowledges the importance of the Directors' Training Program as prescribed under the Listed Companies (Code of Corporate Governance) Regulations, 2019. However, during the year under review, some directors could not attend the training program due to their extensive professional commitments and frequent travel to abroad. The Company is committed to ensuring compliance with best corporate governance practices, and the concerned directors have assured their participation in the next available training session. It is further confirmed that they will complete the training before the corporate governance half yearly review of 2025.	19(1)
2.	<u>Director's Training Program For Female executive</u> Companies are also encouraged to arrange training for: At least one female executive every year under the Directors' Training program from year July 2020	The Company has planned to arrange Directors' Training Program certification for female executive in next year.	19(3)(i)
3.	<u>Director's Training Program For Head of Department</u> Companies are also encouraged to arrange training for: At least one head of department every year under the Directors' Training program from July 2022.	The Company has planned to arrange Directors' Training Program certification for head of department in next few years.	19(3)(ii)
4.	<u>Significant Policies</u> The Company may post key elements of its significant policies, brief synopsis of terms of reference of the Board's committees on its website and key elements of the directors' remuneration policy.	Although these are well circulated among the relevant employees and directors, the Board shall consider posting such policies and synopsis on its website in near future.	35

5.	<p><u>Nomination Committee</u></p> <p>The Board may constitute a separate committee, designated as the nomination committee, of such number and class of directors, as it may deem appropriate in its circumstances.</p>	<p>The responsibilities as prescribed for the nomination committee are being performed by the Board of directors as and when needed. The Board shall constitute the risk management committee when required.</p>	29
6.	<p><u>Risk management committee</u></p> <p>The Board may constitute the risk management committee, of such number and class of directors, as it may deem appropriate in its circumstances, to carry out a review of effectiveness of risk management procedures and present a report to the Board.</p>	<p>The Board has dedicated the Audit Committee to oversee risk management related matters of the Company. A meeting was held in May 2024 to review risks. The Board shall constitute the risk management committee when required.</p>	30
7.	<p><u>Role of the Board and its members to address sustainability Risks and Opportunities</u></p> <p>The board is responsible for governance and oversight of sustainability risks and opportunities, which includes the environmental, social and governance considerations, within the Company by setting the Company's sustainability strategies, priorities and targets to create long term corporate value.</p>	<p>SECP introduced new regulation 10A in the Regulations on 12 June 2024. Currently, the management is accessing this amendment and compliance thereof, as applicable, will be performed in due course of time. Further, Board has neither constituted a separate Sustainability Committee nor assign additional responsibilities to an existing Board Committee.</p>	10(A)

On behalf of the Board


Nadeem Iftikhar


Suhail Maqsood Ahmed

Faisalabad
October 07, 2025

Independent Auditor's Review Report to the Members of Amtex Limited

Review Report on the Statement of Compliance contained in Listed Companies (Code of Corporate Governance) Regulations, 2019

We have reviewed the enclosed Statement of Compliance with the Listed Companies (Code of Corporate Governance) Regulations, 2019 (the Regulations) prepared by the Board of Directors of Amtex Limited (the Company) for the year ended June 30, 2025, in accordance with the requirements of Regulation 36 of the Regulations.

The responsibility for compliance with the Regulations is that of the Board of Directors of the Company. Our responsibility is to review whether the Statement of Compliance reflects the status of the Company's compliance with the provisions of the Regulations and report if it does not and to highlight any non-compliance with the requirements of the Regulations. A review is limited primarily to inquiries of the Company's personnel and review of various documents prepared by the Company to comply with the Regulations.

As a part of our audit of the financial statements we are required to obtain an understanding of the accounting and internal control systems sufficient to plan the audit and develop an effective audit approach. We are not required to consider whether the Board of Directors' statement on internal control covers all risks and controls or to form an opinion on the effectiveness of such internal controls, the Company's corporate governance procedures and risks.

The Regulations requires the Company to place before the Audit Committee, and upon recommendation of the Audit Committee, place before the Board of Directors for their review and approval, its related party transactions. We are only required to ensure compliance of this requirement to the extent of the approval of the related party transactions by the Board of Directors upon recommendation of the Audit Committee.

Based on our review nothing has come to our attention which causes us to believe that the Statement of Compliance does not appropriately reflect the Company's compliance, in all material respects, with the requirements contained in the Regulations as applicable to the Company for the year ended 30 June 2025.

Place: Lahore
Date: October 07, 2025
UDIN: CR202510366HyKaW1twD


ZAHID JAMIL AND COMPANY
CHARTERED ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT

To the members of Amtex Limited

Report on the Audit of the Financial Statements

Adverse Opinion

We have audited the annexed financial statements of Amtex Limited (the Company), which comprise the statement of financial position as at June 30, 2025, and the statement of profit or loss, the statement of comprehensive income, the statement of changes in equity, the statement of cash flows for the year ended, and Notes to the financial statements, including a material accounting policy information and other explanatory information and we state that we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of the audit.

In our opinion and to the best of our information and according to explanations given to us because of the significance of the matters discussed in paragraphs (a), (b) and (c) of "Basis for Adverse Opinion" section of our report, the statement of financial position, statement of profit or loss, the statement of comprehensive income, the statement of changes in equity and the statement of cash flows together with the Notes forming part thereof, do not conform with the accounting and reporting standards as applicable in Pakistan and do not give the information required by the Companies Act, 2017 (XIX of 2017), in the manner so required and respectively do not give a true and fair view of the state of the Company's affairs as at June 30, 2025 and of the loss, and other comprehensive income, the changes in equity and its cash flows for the year then ended.

Basis for Adverse Opinion

- (a) The Company has suffered loss after taxation of Rs.130.150 million during the year ended June 30, 2025 and as at that date the Company has accumulated losses of Rs. 12,246 million (2024: Rs. 12,506 million), negative equity of Rs. 8,585 million (2024: Rs. 8,457 million) and current liabilities exceeded its current assets by Rs. 7,537 million (2024: Rs.7,910 million). Further, the Company has stopped the operations of processing division in previous years and rented out its land and building of processing division mentioned in Note 6 of the financial statements. The Company is facing operational and financial crisis and is not taking any legal action to recover the past due balances. Moreover, the Company is defendant / petitioner in various law suits as mentioned in Note 28 to the financial statements and due to pending litigations regarding certain long term and short term liabilities, bank balances remained unconfirmed / un-reconciled in the absence of balance confirmations from related banks and financial institutions as mentioned in Note 16.1, 20.1.9, 21 and 26.5 to the financial statements. Further, there is no sufficient appropriate audit evidence that the management's plans are feasible and ultimate outcome will improve the Company's current situation. These factors, along with matters mentioned in paragraph (b) and (c) below, lead us to believe that going concern assumption used in preparation of financial statements is inappropriate; consequently, the assets and liabilities should have been stated at their realizable and settlement amounts respectively.





- (b) The Company has deferred the markup on long term financing instead of accruing it amounting to Rs. 1,615 million (2024: Rs. 1,532 million) till reporting date. Mark up expense has not been fully charged in these financial statements on long term and short term financing and lease liability due to pending litigations with various banks. Had the mark up been fully charged, net (loss) / profit for the year would have been increased / decreased by Rs 870.726 million (2024: Rs 1,299 million), mark up payable and accumulated losses would have been increased by Rs. 9,969 million (2024: Rs. 9,098 million).
- (c) The Company had litigations with Sui Northern Gas Pipelines Limited amounting to Rs. 543.138 million which were decreed against the Company on September 30, 2024 in the honourable court of District Judge / Judge Gas Utility Court Faisalabad, for which no provision has been recorded in the financial statements. Had the provision charged, net loss after taxation for the year would have been increase to Rs. 673.288 million, negative equity would have been increased to Rs. 9,128 million and current liability to Rs. 9,717 million.

We conducted our audit in accordance with International Standards on Auditing (ISAs) as applicable in Pakistan. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the *Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' *Code of Ethics for Professional Accountants* as adopted by the Institute of Chartered Accountants of Pakistan and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our adverse opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current year. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In addition to the matters referred in paragraphs (a), (b) and (c) of "Basis of Adverse Opinion" section of our report, we have determined the matters below to be the key audit matters to be communicated in our report.

Following are the key audit matters:

Key audit matter	How the matter was addressed in our audit
<p>Revenue Recognition</p> <p>The Company recognized revenue of Rs 2,370.791 million for the year ended 30 June 2025.</p> <p>We identified recognition of revenue as a key audit matter because revenue is one of the key performance indicator of the Company and gives rise to an inherent risk that revenue could be subject to misstatement to meet expectations or targets.</p> <p>For further information, refer to the following:</p> <ul style="list-style-type: none"> - Material accounting policy information, Revenue recognition (Note 4.18 to the financial statements). 	<p>Our audit procedures included but not limited to:</p> <ul style="list-style-type: none"> - We obtained an understanding of the process relating to recognition of revenue and testing the design, implementation and operating effectiveness of key internal controls over recording of revenue. - We compared a sample of revenue transactions recorded during the year with sales orders, sales invoices, delivery documents and other relevant underlying documents. - We compared a sample of revenue transactions recorded around the year-end with the sales orders sales invoices, delivery documents and

<p>- Revenue (Note 29 to the financial statements).</p>	<p>other relevant underlying documentation to assess if the related revenue was recorded in the appropriate accounting period.</p> <ul style="list-style-type: none"> - Performed audit procedures to analyse variation in the price and quantity sold during the year. - We assessed whether the accounting policies for revenue recognition complies with the requirements of IFRS 15 'Revenue from Contracts with Customers'. - We also considered the appropriateness of disclosures in the financial statement.
<p>Property, plant and equipment</p> <p>As referred in Note. 5 to the accompanying financial statements, the property, plant and equipment (PPE) constitutes 16.36% of the total assets of the company as at 30 June 2025.</p> <p>We considered this a key audit matter due to significant disposal of land which leads to decrease of land by 67.94% and net decreased in PPE by 40.56%, which formed a substantial part of its property, plant, and equipment. We focused on this area as amounts have a significant effect on financial position of the Company.</p> <p>For further information a property, plant and equipment, refer to the following:</p> <ul style="list-style-type: none"> - Material accounting policy information, Property, plant and equipment (Note 4.1 to the financial statements) - Property, plant and equipment (Note 5 to the financial statements) 	<p>To address the risk for material error in Property, plant and equipment our audit procedure included but not limited to:</p> <ul style="list-style-type: none"> - We examined the documentation supporting management's decisions regarding the disposal of land e.g. sale agreement and other supporting documentation. - Assessed management's calculation of the gain or loss on disposal by comparing the carrying value of the land with the consideration received. - We evaluated the authorization and approval procedures for disposal, checking compliance with all relevant laws and policies of the Company. - We performed tests of detail on costs of disposals. - We assessed the adequacy of disclosures in the financial statements in accordance with the applicable financial reporting framework.
<p>Inventory existence and valuation</p> <p>Inventory as at June 30, 2025 amounted to Rs. 848.259 million, breakup of which is as follows:</p> <ul style="list-style-type: none"> -Stores, Spare parts and loose tools Rs. 228.848 million -Stock in trade Rs. 619.411 million <p>As referred in Note 8 and 9 to the accompanying financial statements, the stock in trade constitutes</p>	<p>To address the risk for material error on inventories our audit procedures included but not limited to:</p> <ul style="list-style-type: none"> - Observed physical inventory count procedures as at year end and compared physically counted inventories with closing inventory sheets provided by the management, on sample basis.





<p>23.96% of total assets of the Company as at 30 June 2025.</p> <p>Inventories were considered as a key audit matter due to the size of the balance and because inventory valuation involves management judgment. According to the financial statements' accounting principles inventories are measured at the lower of cost or net realizable value.</p> <p>The Company has specific procedures for identifying risk for obsolescence and measuring inventories at the lower of cost or net realizable value.</p>	<ul style="list-style-type: none"> - Assessing the compliance of Company's accounting policies over inventory with applicable accounting standards. - Assessing the inventory valuation processes and practices. On major locations we tested the effectiveness of the key controls. - Assessing the analyses and assessment made by management with respect to slow moving and obsolete stock. - Compared on a sample basis specific purchases and directly attributable costs with underlying supporting documents. - Checked the accumulation of costs at different stages of production to ascertain the valuation of finished goods on a sample basis. - Compared the net realizable value, on a sample basis, to the cost of finished goods to assess whether any adjustments are required to stocks value in accordance with applicable accounting and reporting standards. - We also assessed the adequacy of the disclosures made in respect of the accounting policies and the details of inventory balances held by the Company at the year end.
<p>Valuation of investment property</p> <p>As referred in Note 6 to the accompanying financial statements.</p> <p>We considered the valuation of the investment properties to be significant to the audit because the determination of fair value involves significant judgment and the use of external valuation expert.</p> <p>We identified the valuation of investment properties as a key audit matter as it covers 37.11% of total assets of Company.</p>	<p>Our audit procedures included but not limited to:</p> <ul style="list-style-type: none"> - Obtained valuation reports and evaluated the qualification, experience and competence of the external property valuer engaged by management and holding discussions with the external property valuer, without the presence of management, to understand their valuation methods and the assumptions applied; - Compare the revalued amounts to external market data. - Test the mathematical accuracy of the revaluation calculation; - Obtained rental agreements signed between the Company and lessees; - Assessed the adequacy of disclosures related to investment properties in Note 6 to the financial statements.

Recoverability of Trade debts

As referred in Note 10 to the financial statements. The trade debts of the Company as at June 30, 2025 are Rs. 272.570 million.

IFRS 9 requires the entities to incorporate an allowance for the impairment of financial assets using Expected Credit Loss (ECL) approach. The Company has incorporated a provision of Rs.7,048 million as expected credit loss against trade debts.

We have considered this matter as a key audit matter as the determination of ECL requires significant judgment and assumptions including consideration of factors such as forward looking.

Our audit procedures included but not limited to:

- Reviewed the procedures employed by the Company for the estimation of recoverability of trade debts and for the determination of required ECL.
- Reviewed the judgments, assumptions, historical credit loss and forward-looking factors exercised by the management for the development of ECL model.
- Obtained aging reports and, on sample basis checked the correctness of these reports.
- Assessed the adequacy of ECL provision by performing recalculation on sample basis.
- Assessed the adequacy of disclosures made in the financial statements according to the requirements of the International Financial Reporting Standards.

Information other than the Financial Statements and Auditor's Report Thereon

Management is responsible for the other information. The other information comprises the information included in the Annual report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance opinion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. As described in the "Basis for Adverse Opinion" section of our report, we have concluded that the other information is materially misstated for the same reason.

Responsibilities of Management and Board of Directors for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the accounting and reporting standards as applicable in Pakistan and the requirements of Companies Act, 2017(XIX of 2017) and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Board of directors are responsible for overseeing the Company's financial reporting process.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that





includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs as applicable in Pakistan will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs as applicable in Pakistan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the board of directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the board of directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the board of directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

Based on our audit, we further report that in our opinion, except for the effects, if any, of the matters referred to in paragraph (a) and (b) of "Basis of Adverse Opinion" of our report above:

- a) Proper books of account have been kept by the Company as required by the Companies Act, 2017 (XIX of 2017).



- b) The statement of financial position, the statement of profit or loss, the statement of comprehensive income, the statement of changes in equity and the statement of cash flows together with the Notes thereon have been drawn up in conformity with the Companies Act, 2017 (XIX of 2017) and are in agreement with the books of account and returns.
- c) Investments made, expenditure incurred and guarantees extended during the period were for the purpose of the Company's business and
- d) No Zakat was deductible at source under the Zakat and Ushr Ordinance, 1980 (XVIII of 1980).
- The engagement partner on the audit resulting in this independent auditors' report is Adeel Anwar (ACA)

Zahid Jamil & Co.

ZAHID JAMIL AND COMPANY
Chartered Accountants

Place: Lahore

Date: October 07, 2025

UDIN: AR202510366jPd8cC7UY

AMTEX LIMITED
STATEMENT OF FINANCIAL POSITION
AS AT JUNE 30, 2025

	NOTE	2025 RUPEES	2024 RUPEES
ASSETS			
NON CURRENT ASSETS			
Property, plant and equipment	5.	579,150,040	974,336,976
Investment property- fair value	6.	1,313,891,907	1,270,465,767
Long term deposits	7.	10,087,882	19,462,379
		1,903,129,829	2,264,265,122
CURRENT ASSETS			
Stores, spare parts and loose tools	8.	228,848,622	216,676,502
Stock-in-trade	9.	619,410,945	498,912,010
Trade debts	10.	266,422,605	217,932,489
Advances	11.	31,738,387	41,092,393
Deposits	12.	4,799,126	5,948,126
Other receivables	13.	111,304,820	23,934,191
Prepaid levy and advance income tax - net	14.	57,059,301	39,101,278
Sales tax receivable	15.	225,365,338	258,491,600
Cash and bank balances	16.	92,005,217	118,252,023
		1,636,954,361	1,420,340,612
TOTAL ASSETS		3,540,084,190	3,684,605,734
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorised share capital 260,000,000 (2024: 260,000,000) ordinary shares of Rs.10/- each		2,600,000,000	2,600,000,000
Issued, subscribed and paid up share capital	17.	2,594,301,340	2,594,301,340
Reserves			
Capital reserves			
Merger reserve	18.	98,039,330	98,039,330
Share premium		183,000,000	183,000,000
Surplus on revaluation of property, plant and equipment		535,130,147	923,546,882
		816,169,477	1,204,586,212
Revenue reserve			
General reserves	18.	250,000,000	250,000,000
Accumulated loss		(12,245,287,348)	(12,505,661,164)
TOTAL EQUITY		(8,584,816,531)	(8,456,773,612)
NON CURRENT LIABILITIES			
Redeemable capital	19.	-	-
Long term financing	20.	1,293,913,957	1,241,067,298
Lease liabilities	21.	-	-
Deferred liabilities	22.	1,657,039,319	1,569,877,120
		2,950,953,276	2,810,944,418
CURRENT LIABILITIES			
Trade and other payables	23.	508,503,398	490,243,620
Contract liabilities - unsecured	24.	294,967,495	162,463,213
Interest / markup payable	25.	2,596,250,534	2,702,818,114
Short term borrowings	26.	5,043,819,233	5,166,503,195
Current portion of non current liabilities	27.	730,406,785	808,406,785
		9,173,947,445	9,330,434,927
Contingencies and commitments	28.	-	-
TOTAL EQUITY AND LIABILITIES		3,540,084,190	3,684,605,734

The annexed notes from 1 to 46 form an integral part of these financial statements.

Statement under section 232(1) of the Companies Act, 2017:

The Chief Executive Officer of the Company is presently out of the country. Therefore these financial statements have been signed by two Directors and Chief Financial Officer as required under section 232(1) of the Companies Act, 2017.


Director


Director


Chief Financial Officer

AMTEX LIMITED
STATEMENT OF PROFIT OR LOSS
FOR THE YEAR ENDED JUNE 30, 2025

	NOTE	2025 RUPEES	2024 RUPEES RESTATED
Revenue from contracts with customers	29.	2,370,790,973	2,793,103,295
Cost of revenue	30.	<u>2,237,781,941</u>	<u>2,371,170,457</u>
Gross Profit		133,009,032	421,932,838
Other operating Income	31.	<u>148,969,551</u>	<u>136,571,303</u>
		281,978,583	558,504,141
Selling and distribution expenses	32.	104,034,186	87,802,264
Administrative expenses	33.	115,278,129	95,672,042
Finance cost	34.	157,292,459	156,236,226
Workers' profit participation fund		-	6,568,759
Workers' welfare fund		-	2,540,301
		<u>376,604,774</u>	<u>348,819,592</u>
(Loss) / profit before levy and taxation		(94,626,191)	209,684,549
Levy	35.	<u>29,634,887</u>	<u>26,646,352</u>
(Loss) / profit before taxation		(124,261,078)	183,038,197
Taxation	35.	<u>5,889,058</u>	<u>4,009,219</u>
(Loss) / profit after taxation		<u>(130,150,136)</u>	<u>179,028,978</u>
Earning per share - Basic and diluted	36.	<u>(0.50)</u>	<u>0.69</u>

The annexed notes from 1 to 46 form an integral part of these financial statements.

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 Director


 Director


 Chief Financial Officer

AMTEX LIMITED
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED JUNE 30, 2025

	NOTE	2025 RUPEES	2024 RUPEES
(Loss) / profit after taxation		(130,150,136)	179,028,978
Other comprehensive income			
Items that will not be reclassified subsequently to statement of profit or loss:			
Remeasurement arising on defined benefit obligation	21.1.3.	2,107,217	(2,276,069)
Other comprehensive income / (loss) for the year		2,107,217	(2,276,069)
Total comprehensive (loss) / income for the year		<u>(128,042,919)</u>	<u>176,752,909</u>

The annexed notes from 1 to 46 form an integral part of these financial statements.

Statement under section 232(1) of the Companies Act, 2017:

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 Director



 Director



 Chief Financial Officer

AMTEX LIMITED
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2025

	NOTE	2025 RUPEES	2024 RUPEES
a) CASH FLOWS FROM OPERATING ACTIVITIES			
(Loss) / profit before levy and taxation		(94,626,191)	122,266,119
Adjustments for:			
Depreciation of property, plant and equipment	5.1.2	40,311,528	38,918,393
Provision for staff retirement gratuity	22.1.4.	9,443,449	11,569,398
Debit balance written off	33.3	9,374,497	9,232,056
Unrealised gain on investment property carried at fair value	31	(43,426,140)	(11,774,210)
Gain on disposal of property, plant and equipment	31	(41,400,455)	(17,835,980)
Finance cost	34	157,292,459	157,431,475
Operating cash flows before working capital changes		36,969,147	309,807,251
Changes in working capital			
(Increase) / decrease in current assets			
Stores, spare parts and loose tools		(12,172,120)	(43,450,390)
Stock-in-trade		(120,498,936)	(237,064,101)
Trade debts		(48,490,116)	29,390,082
Advances		9,354,006	(15,088,821)
Deposits		1,149,000	(1,149,000)
Other receivables		(87,370,629)	(13,543,097)
Sales tax receivable		33,126,262	(52,774,183)
Increase in current liabilities			
Trade and other payables		17,701,433	484,853,068
Contract liabilities - unsecured		132,504,282	122,917,464
		(74,696,818)	274,091,023
Cash (used in) / generated from operations		(37,727,671)	583,898,274
Income tax paid		(53,481,968)	(36,641,845)
Finance cost paid		(179,975,047)	(89,795,976)
Staff retirement gratuity paid	22.1.3.	(3,500,680)	(3,500,550)
Net cash (used in) / generated from operating activities		(274,685,366)	453,959,903
b) CASH FLOWS FROM INVESTING ACTIVITIES			
Capital expenditure on property, plant and equipment		(32,623,092)	(101,800,348)
Proceeds from disposal of property, plant and equipment		428,898,955	58,862,850
Long term deposit		-	(4,358,551)
Net cash generated / (used in) from investing activities		396,275,863	(47,296,048)
c) CASH FLOWS FROM FINANCING ACTIVITIES			
Long term financing		(25,153,341)	(146,902,200)
Short term borrowings		(122,683,962)	(240,597,800)
Lease liability paid		-	(13,000,000)
Net cash used in financing activities		(147,837,303)	(400,500,000)
Net (decrease) / increase in cash and cash equivalents (a+b+c)		(26,246,806)	6,163,855
Cash and cash equivalents at the beginning of the year		118,252,023	112,088,168
Cash and cash equivalents at the end of the year	16.2.	92,005,217	118,252,023

The annexed notes from 1 to 46 form an integral part of these financial statements.

Statement under section 232(1) of the Companies Act, 2017:

The Chief Executive Officer of the Company is presently out of the country. Therefore these financial statements have been signed by two Directors and Chief Financial Officer as required under section 232(1) of the Companies Act, 2017.


 Director


 Director


 Chief Financial Officer

AMTEX LIMITED
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED JUNE 30, 2025

	Reserves						Accumulated loss	Total equity
	Capital reserves			Revenue reserve				
	Merger reserve	Share premium	Surplus on revaluation of property, plant and equipment	Sub total	General reserve			
Balances as at July 01, 2023	2,594,301,340	98,039,330	183,000,000	933,235,260	1,214,274,590	250,000,000	(12,692,102,451)	(8,633,526,520)
Profit for the year	-	-	-	-	-	-	179,028,978	179,028,978
Other comprehensive income for the year	-	-	-	-	-	-	(2,276,069)	(2,276,069)
Total comprehensive income for the year	-	-	-	-	-	-	176,752,909	176,752,909
Transfer to accumulated loss in respect of:								
-Incremental depreciation for the year	-	-	-	(5,477,743)	(5,477,743)	-	5,477,743	-
-Disposal of operating fixed assets	-	-	-	(4,210,635)	(4,210,635)	-	4,210,635	-
	-	-	-	(9,688,378)	(9,688,378)	-	9,688,378	-
Balances as at June 30, 2024	2,594,301,340	98,039,330	183,000,000	923,546,882	1,204,586,212	250,000,000	(12,505,661,164)	(8,456,773,612)
Loss for the year	-	-	-	-	-	-	(130,150,136)	(130,150,136)
Other comprehensive income for the year	-	-	-	-	-	-	2,107,217	2,107,217
Total comprehensive income for the year	-	-	-	-	-	-	(128,042,919)	(128,042,919)
Transfer to accumulated loss in respect of:								
-Incremental depreciation for the year	-	-	-	(5,040,135)	(5,040,135)	-	5,040,135	-
-Disposal of operating fixed assets	-	-	-	(383,376,600)	(383,376,600)	-	383,376,600	-
	-	-	-	(388,416,735)	(388,416,735)	-	388,416,735	-
Balances as at June 30, 2025	2,594,301,340	98,039,330	183,000,000	535,130,147	816,169,477	250,000,000	(12,245,287,348)	(8,584,816,531)

The annexed notes from 1 to 46 form an integral part of these financial statements.

Statement under section 232(1) of the Companies Act, 2017:

The Chief Executive Officer of the Company is presently out of the country. Therefore these financial statements have been signed by two Directors and Chief Financial Officer as required under section 232(1) of the Companies Act, 2017.


Director


Chief Financial Officer

AMTEX LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2025

1. STATUS AND ACTIVITIES

- 1.1** Amtex Limited (the Company) is a public limited company incorporated in Punjab, Pakistan on July 18, 1991 under the repealed Companies Ordinance, 1984 (now the Companies Act, 2017) and listed on Pakistan Stock Exchange Limited (formerly Karachi Stock Exchange Limited) in Pakistan. The registered office of the Company is situated at P-225, Tikka Gali No. 2, Montgomery Bazar, Faisalabad. The principal business of the Company is export of all kinds of value-added fabrics, textile made-ups, casual and fashion garments duly processed. The Company is also engaged in the business of yarn trading and manufacturing and sale of fabrics on its own & conversion basis. The cloth processing unit and stitching units are located at Punj Pullian Daewoo Road, District Faisalabad, in the province of Punjab.
- 1.2** Pursuant to scheme of arrangement approved by the Honourable Lahore High Court, Lahore, assets, liabilities and reserves of Amtex Spinning Limited were merged with the assets, liabilities and reserves of the Company with effect from April 01, 2003.
- 1.3** The Company has suffered loss before taxation of Rs. 94,626,191/- during the year and its sales have also decreased during the period as compared to previous corresponding period but the Company is in litigation with Sukuk unit holders and certain financial institutions have also filed suits against the Company for recovery of their outstanding debts. The management of the Company has already taken steps for restructuring of loans. The major bankers of the Company had restructured the facilities and negotiations with other banks are in process. The Company has negative equity of more than Rs. 8 billion, its long-term solvency position is quite adverse and so is the case with short term solvency position which cast significant doubt about the Company's ability to continue as a going concern, and therefore, it may be unable to realize its assets and discharge its liabilities in the normal course of business. However, the management is confident that it has been taking measures and will be able to restore the financial position of the Company.

2. BASIS OF PREPARATION

2.1. Statement of compliance

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

- International Financial Reporting Standards (IFRSs) issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017; and
- Provisions of and the directives issued under the Companies Act, 2017.

Where the provisions of and directives issued under the Companies Act, 2017 differ from the IFRSs, the provisions of and directives issued under the Companies Act, 2017 have been followed.

2.2. Functional and presentation currency

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the Company operates (the functional currency). The financial statements are presented in Pak Rupees, which is the Company's functional and presentation currency and figures are rounded off to the nearest rupee unless otherwise specified.

2.3. Basis of measurement

The financial statements have been prepared under the "historical cost convention" except: -

- certain property, plant and equipment items carried at revaluation.
- employee retirement benefits carried at present value.
- investment property measured at fair value.

2.4. Critical accounting estimates and judgments

The preparation of financial statements in conformity with the approved accounting and reporting standards requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies. Estimates and judgements are continually evaluated and are based on historic experience and other factors, including expectation of future events that are believed to be reasonable under the circumstances. The areas where various assumptions and estimates are significant to the Company's financial statements or where judgement was exercised in application of accounting policies are as follows:

Determining the useful lives, residual values and depreciation method of property, plant and equipment – Note 5.

Financial instruments - fair value - Note 4.17.

Fair value of investment property - Note 6.

Inventories - Note 8 & 9.

Allowance for expected credit losses – Note 10.

Obligation of defined benefit obligation - Note 22.1.

Provisions - Note 4.13.

Contingent liabilities - Note 28.

Levy and taxation - Note 35.

Revenue from contracts with customers involving sale of goods - Note 29.

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectation of future events that are believed to be reasonable under the circumstances.

2.5. Accounting convention

These financial statements have been prepared under the historical cost convention except as otherwise stated in the respective accounting policies.

3. Changes in accounting standards and interpretations

3.1. New accounting standards, amendments and IFRS interpretations that are effective for the year ended June 30, 2025

3.1.1. The following standards, amendments and interpretations are effective for the year ended June 30, 2025.

-Amendments to IAS 1 'Presentation of Financial statements' - Classification of liabilities as current and non current along with non current liabilities with covenants;

-Amendments to IAS 7 'Statement of Cash Flows' and IFRS 7 'Financial Instrument disclosures' - Supplier Finance Arrangements;

-Amendments to IFRS 16 'Leases' - lease liability in a Sale and Leaseback.

The above-mentioned amendments to approved accounting standards did not have any impact on the amounts recognised in prior period and are not expected to significantly affect the current or future periods.

There are some amendments to published standards that are mandatory for accounting periods beginning on or after July 1, 2024. These are either not relevant to the Company's operations or are not expected to have significant impact on the Company's financial statements.

3.2. New accounting standards, amendments and IFRS interpretations that are not yet effective

The following standards, amendments and interpretations are only effective for accounting periods, beginning on or are the date mentioned against each of them.

	Effective from accounting period beginning on or after:
-Amendments to IAS 21 'The effects of changes in Foreign Exchange rates'- Clarification on how entity accounts when there is long term lack of Exchangeability	January 1, 2025
-IFRS 17 'Insurance Contracts' (Including the June 2020 and December 2021 amendments to IFRS 17)	January 1, 2026
- IFRS 18 - 'Presentation and Disclosures in Financial Statements'	January 1, 2025
-Amendments to IFRS 9 'Financial Instruments' and 'IFRS 7 Financial instruments: Disclosures'- Classification and measurement of financial instruments	Deferred Indefinitely January 1, 2026
-IFRS S1 'General Requirements for Disclosure of Sustainability-related Financial Information'. IFRS S1 sets out overall requirements for sustainability-related financial disclosures with the objective to require an entity to disclose information about its sustainability-related risks and opportunities that is useful to primary users of general purpose financial reports in making decisions relating to providing resources to the entity.	
-IFRS S2 'Climate-related Disclosures'. IFRS S2 sets out the requirements for identifying, measuring and disclosing information about climate-related risks and opportunities that is useful to primary users of general purpose financial reports in making decisions relating to providing resources to the entity	
-IFRS S1 and IFRS S2 will be phased as per the SECP's order dated 31 December 2024, with different effective dates based on annual turnover, number of employees, and total assets:	
Phase I	July 1, 2025
Phase II	July 1, 2026
Phase III will cover non-listed public interest companies and remaining listed companies	July 1, 2027
-Annual improvements to IFRS Accounting Standards (related to IFRS 1, IFRS 7, IFRS 9, IFRS 10 and IAS 7)	January 1, 2026
-Amendments to IFRS 9 'Financial Instruments' and IFRS 7 'Financial Nature-dependent Electricity instruments disclosures' - Contract Referencing	January 1, 2026

The International Accounting Standards Board (IASB) has published 'Annual Improvements to IFRS Accounting Standards — Volume 11'. The amendments are effective for annual reporting periods beginning on or after 01 January 2026. It contains amendments to following five standards as result of the IASB's annual improvements project:

- IFRS 1 First-time Adoption of International Financial Reporting Standards;
- IFRS 7 Financial Instruments: Disclosures and its accompanying Guidance on implementing IFRS 7;
- IFRS 9 Financial Instruments;
- IFRS 10 Consolidated Financial Statements; and
- IAS 7 Statement of Cash flows

The above standards and amendments are likely to have no significant impact on the financial statements.

There are standards, interpretations and the amendments that are mandatory for accounting periods beginning on or after July 1, 2025, are either not relevant to the Company's operations or are not expected to have significant impact on the Company's financial statements.

4. MATERIAL ACCOUNTING POLICY INFORMATION

The material accounting policy information applied in the preparation of these financial statements are set out below. These have been consistently applied to all years presented, unless otherwise stated.

4.1 Property, plant and equipment

Owned

Property, plant and equipment is stated at cost less accumulated depreciation and any identified impairment loss except freehold land is stated at revalued amount less accumulated impairment in value, if any and building on freehold land, plant and machinery, electric installation and factory equipment which is stated at revalued amount less accumulated depreciation and any identified impairment loss. Capital work-in-progress is stated at cost less accumulated impairment in value, if any.

All expenditure connected with specific assets incurred during installation and construction period are carried under capital work in progress. These are transferred to specific assets as and when these assets are available for use. Cost of operating fixed assets consists of historical cost, borrowing cost pertaining to the erection / construction period of qualifying assets and directly attributable costs of bringing the assets to working condition.

When parts of an item of property, plant and equipment have different useful lives, they are recognised as separate items of property, plant and equipment.

Normal repairs and maintenance costs are charged to statement of profit and loss during the period in which they are incurred. Major renewals and improvements are capitalised.

Depreciation is charged to income applying the reducing balance method at the rates specified in the property, plant and equipment note. Assets' residual values, if significant and their useful lives are reviewed and adjusted, if appropriate, at each reporting date. In respect of additions and disposals during the year, depreciation is charged from the date of acquisition or capitalisation and up to the date preceding the day of disposal. Gains or losses on disposal of assets, if any, are recognized as and when incurred.

Surplus arising on revaluation of property, plant and equipment is recognized, in other comprehensive income and accumulated in reserves in shareholders' equity and is shown in equity. Revaluation is carried out with sufficient regularity to ensure that the carrying amounts of the assets does not differ materially from the fair value. Accumulated depreciation at the date of revaluation is eliminated against the cost of the asset and net amount is restated to the revalued amount of the asset. The surplus on revaluation of property, plant and equipment to the extent of incremental depreciation charged on the related property, plant and equipment during the year is part of statement of changes in equity. A decrease as a result of revaluation is recognized in the statement of profit or loss however, a decrease is recorded in statement of other comprehensive income to the extent of any credit balance in revaluation surplus in respect of same assets. The revaluation reserve is not available for distribution to the Company's shareholders.

4.2. Right-of-use assets

A right-of-use asset is recognized at the commencement date of a lease. The right-of-use asset is measured at cost less accumulated depreciation and accumulated impairment losses (if any). Cost comprises of the initial amount of the lease liability, adjusted for, as applicable, any lease payments made at or before the commencement date net of any lease incentives received, any initial direct costs incurred, and, except where included in the cost of inventories, an estimate of costs expected to be incurred for dismantling and removing the underlying asset, and restoring the site or asset.

Right-of-use assets are depreciated on a straight-line basis over the unexpired period of the lease or the estimated useful life of the asset, whichever is shorter. Where the Company expects to obtain ownership of the leased asset at the end of the lease term, the depreciation is charged over its estimated useful life.

Right-of use assets are subject to impairment or adjusted for any re-measurement of lease liabilities. The Company has elected not to recognize a right-of-use asset and corresponding lease liability for short-term leases with terms of 12 months or less and leases of low-value assets. Lease payments on these assets are charged to expense as incurred.

4.3. Investment property

Gains and losses arising from the change in the fair value of investment properties is recognized in the statement of profit or loss in the period in which they arise. The fair value of investment property is determined at the end of each year using current market prices for comparable real estate, adjusted for any differences in nature, location and condition.

Investment properties are properties held to earn rentals and / or for capital appreciation (including property under construction for such purposes). Investment properties are measured initially at cost including transaction costs. Subsequent to initial recognition, investment properties are measured at fair value.

An investment property is de-recognised upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from disposal. Any gain or loss arising on de-recognition of property (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is recognized in the statement of profit or loss in the period in which the property is derecognised.

4.3.1 Rental income

Rental income from investment property that is leased to a third party under an operating lease is recognised in the statement of profit or loss over the lease term and is included in 'other income'.

4.4 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use. Such borrowing cost, if any, are capitalized as part of cost of that asset.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization.

All other borrowing costs are recognised in the statement of profit and loss in the period in which these are incurred.

4.5 Earnings per share

The Company presents basic and diluted earnings per share (EPS) data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the year. Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding for the effects of all dilutive potential ordinary shares.

4.6 Stores, spare parts and loose tools

These are stated at lower of cost and net realizable value. Cost is determined using moving average method. Items in transit are stated at invoice value plus other charges incurred thereon until the reporting date.

For items that are slow moving adequate provision is made, if necessary, for any excess carrying value over estimated realizable value and charged to the statement of profit or loss while items considered obsolete are carried at nil value.

4.7 Stock in trade

Stock in trade except waste are valued at lower of cost and net realisable value. Cost is determined as follows:

Raw material	Weighted average cost except items in transit which are valued at cost accumulated upto the reporting date
Work in process	Average manufacturing cost
Finished goods	Average manufacturing cost

Raw material in transit are stated at cost comprising invoice values plus other charges paid thereon.

Wastes are valued at net realisable value.

Net realizable value represents the estimated selling price in the ordinary course of business less estimated cost of completion and estimated cost to make the sales. Average manufacturing cost consists of direct materials, labor and a proportion of manufacturing overheads.

4.8 Trade debts and other receivables

Trade debts and other receivables are recognized initially at fair value and subsequently measured at amortized cost using the effective interest method, less loss allowance for expected credit losses. The Company always measures the loss allowance for trade debts at an amount equal to lifetime expected credit losses (ECL). The expected credit losses on trade debts are estimated using a simplified approach by reference to historical rate of default to the debtor's balance at the reporting date.

There has been no change in the estimation techniques or significant assumptions made during the current reporting period.

Other receivables are recognized at amortized cost, less any allowance for expected credit losses. Trade debts and other receivables considered irrecoverable are written off.

4.9. Cash and cash equivalents

Cash and cash equivalents are carried in the statement of financial position at cost. For the purpose of statement of cash flow, cash and cash equivalents consist of cash in hand, balances with banks on current and saving and deposit accounts, book overdrafts, and other short term highly liquid instruments that are readily convertible into known amounts of cash which are subject to insignificant risk of changes in value.

4.10. Employees retirement benefit

The Company operates a defined benefit plan - unfunded gratuity scheme covering all its permanent employees, who have completed the minimum qualifying period of service as defined under the scheme, calculated from the date of their joining with the Company. Provision is made annually on the basis of actuarial valuation to cover the period of service completed by employees using Projected Unit Credit Method. Actuarial valuation is conducted by an independent valuer. All remeasurement adjustments are recognized in other comprehensive income as they occur. The amount recognized in the statement of financial position is measured at present value of the estimated future cash outflows. All contributions are charged to statement of profit or loss for the year.

4.11. Trade and other payables

Liabilities for trade and other payable are recorded initially at fair value which is normally the transaction cost and subsequently measured at amortized cost using the effective interest method. Generally, this results in their recognition at nominal value.

4.12. Borrowings

Borrowings are initially recognised at fair value plus directly attributable cost, if any, and are subsequently stated at amortized cost. Any difference between the proceeds and the redemption value is recognized in the statement of profit or loss over the period of the borrowings using the effective interest method.

4.13. Provisions

Provisions are recognised when the Company has a present, legal or constructive, obligation as a result of past events and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the amount of obligation can be made. However, provisions are reviewed at each reporting date and adjusted to reflect the current best estimate.

4.14. Levy and taxation

Income tax expense comprises levy, current tax and deferred tax. Income tax expense is recognized in the Statement of profit or loss, except to the extent that it relates to items recognized directly in equity or in other comprehensive income, in which case it is recognized in equity or in other comprehensive income respectively. In making the estimates for income taxes currently payable by the Company, the management considers the current income tax law and the decisions of appellate authorities on certain issues in the past.

Current

Current tax is the expected tax payable on the taxable income or otherwise for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable or receivable in respect of previous years.

Provisions for current taxation is based on taxability of certain income streams of the Company at the applicable tax rates and remaining income streams chargeable at current rate of taxation under the normal tax regime and / or minimum tax or alternate corporate tax as applicable, after taking into account tax credits and tax rebates available, if any.

Deferred

Deferred tax is accounted for using the liability method in respect of all temporary differences arising from differences between the carrying amount of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of the taxable profit.

Deferred tax asset is recognised for all deductible temporary differences and carry forward of unused tax losses, if any, to the extent that it is probable that taxable profit will be available against which such temporary differences and tax losses can be utilised.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates that have been enacted or substantively enacted at the balance sheet date.

Deferred tax is charged or credited in the income statement, except in case of items credited or charged to equity in which case it is included in equity.

Levies

The tax charged under Income Tax Ordinance, 2001 which is not based on taxable income or any amount paid / payable in excess of the calculation based on taxable income, which is not adjustable against the future tax liability, is classified as levy in the statement of profit or loss as these levies fall under the scope of IFRIC 21 / IAS 37.

4.15. Dividend and other appropriations

Dividend distribution to the Company's shareholders is recognized as a liability in the Company's financial statements In the period in which the dividends are declared and other appropriations are recognized in the period in which these are approved by the Board of Directors.

4.16. Foreign currency translation

All monetary assets and liabilities in foreign currencies are translated Into Pak Rupees at exchange rates prevailing at the reporting date. Transactions In foreign currencies are translated into Pak Rupees at exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year end exchange rates of monetary assets and liabilities denominated in foreign currencies are charged or credited to statement of profit or loss.

4.17. Financial instruments

4.17.1. Financial assets

All regular way purchases or sales of financial assets are recognized and derecognized on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace. All recognized financial assets are measured subsequently in their entirety at either amortized cost or fair value, depending on the classification of the financial assets.

Financial assets at amortized cost

Instruments that meet the following conditions are measured subsequently at amortized cost:

- the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at fair value through profit or loss (FVTPL)

Financial assets that do not meet the criteria for being measured at amortized cost or FVTOCI are measured at fair value through the statement of profit or loss (FVTPL). Specifically:

- Investments in equity instruments are classified as at FVTPL, unless the Company designates an equity investment that is neither held for trading nor a contingent consideration arising from a business combination as at FVTOCI on initial recognition.
- Debt instruments that do not meet the amortized cost criteria or the FVTOCI criteria are classified as at FVTPL. In addition, debt instruments that meet either the amortized cost criteria or the FVTOCI criteria may be designated as at FVTPL upon initial recognition. If such designation eliminates or significantly reduces a measurement or recognition inconsistency (so called 'accounting mismatch') that would arise from measuring assets or liabilities or recognizing the gains and losses on them on different bases. The Company has not designated any debt instruments as at FVTPL.
- Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any fair value gains or losses recognized in the statement of profit or loss.

Derecognition

The Company derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received. On derecognition of a financial asset measured at amortised cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in the statement of profit or loss. In addition, on derecognition of an investment in a debt instrument classified as at fair value through other comprehensive income (FVTOCI), the cumulative gain or loss previously accumulated in the investments' revaluation reserve is reclassified to the statement of profit or loss. In contrast, on derecognition of an investment in equity instrument which the Company has elected on initial recognition to measure at FVTOCI, the cumulative gain or loss previously accumulated in the investments' revaluation reserve is not reclassified to the statement of profit or loss, but is transferred to retained earnings.

4.17.2. Impairment of financial assets

The Company recognizes loss allowances for Expected Credit Losses (ECLs) on financial assets measured at amortized cost. The Company measures loss allowances at an amount equal to lifetime ECLs, except for the following, which are measured at 12-month ECLs:

- bank balances for which credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.

12-month ECLs are the portion of ECLs that result from default events that are possible within the 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months).

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLS, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and informed credit assessment and including forward-looking information.

The Company assumes that the credit risk on a financial asset has increased significantly if it is more than past due for a reasonable period of time. Lifetime ECLS are the ECLS that result from all possible default events over the expected life of a financial instrument. 12-month ECLS are the portion of ECLS that result from default events that are possible within the 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months). Loss allowances for financial assets measured at amortized cost are deducted from the gross carrying amount of the assets.

The gross carrying amount of a financial asset is written off when the Company has no reasonable expectations of recovering of a financial asset in its entirety or a portion thereof. The Company individually makes an assessment with respect to the timing and amount of write-off based on whether there is a reasonable expectation of recovery. The Company expects no significant recovery from the amount written off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Company's procedures for recovery of amounts due.

At each reporting date, the Company assesses whether financial assets are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred. Evidence that a financial asset is credit-impaired includes the following observable data:

(i) Significant increase in credit risk

In assessing whether the credit risk on a financial instrument has increased significantly since initial recognition, the Company compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition. In making this assessment, the Company considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort.

For financial guarantee contracts, the date that the Company becomes a party to the irrevocable commitment is considered to be the date of initial recognition for the purposes of assessing the financial instrument for impairment. In assessing whether there has been a significant increase in the credit risk since initial recognition of a financial guarantee contracts, the Company considers the changes in the risk that the specified debtor will default on the contract.

The Company regularly monitors the effectiveness of the criteria used to identify whether there has been a significant increase in credit risk and revises them as appropriate to ensure that the criteria are capable of identifying significant increase in credit risk before the amount becomes past due.

The Company assumes that the credit risk on a financial instrument has not increased significantly since initial recognition if the financial instrument is determined to have low credit risk at the reporting date. A financial instrument is determined to have low credit risk if:

- (a) The financial instrument has a low risk of default,
- (b) The borrower has a strong capacity to meet its contractual cash flow obligations in the near term, and
- (c) Adverse changes in economic and business conditions in the longer term may, but will not necessarily, reduce the ability of the borrower to fulfil its contractual cash flow obligations.

(ii) Definition of default

The Company employs statistical models to analyse the data collected and generate estimates of probability of default ("PD") of exposures with the passage of time. This analysis includes the identification for any changes in default rates and changes in key macro-economic factors across various geographies of the Company.

(iii) Credit-impaired financial assets

A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of that financial asset have occurred. Evidence that a financial asset is credit-impaired includes observable data about the following events:

- (a) significant financial difficulty of the issuer or the borrower;
- (b) a breach of contract, such as a default or past due event (see (ii) above);
- (c) the lender(s) of the borrower, for economic or contractual reasons relating to the borrower's financial difficulty having granted to the borrower a concession(s) that the lender(s) would not otherwise consider;
- (d) it is becoming probable that the borrower will enter bankruptcy or other financial reorganisation; or
- (e) the disappearance of an active market for that financial asset because of financial difficulties.

(iv) Write-off policy

The Company writes off a financial asset when there is information indicating that the counterparty is in severe financial difficulty and there is no realistic prospect of recovery.

(v) Measurement and recognition of ECL

The measurement of ECL is a function of the probability of default, loss given default (i.e. the magnitude of the loss if there is a default) and the exposure at default. The assessment of the probability of default and loss given default is based on historical data adjusted by forward-looking information as described above. As for the exposure at default, for financial assets, this is represented by the assets' gross carrying amount at the reporting date; for financial guarantee contracts, the exposure includes the amount drawn down as at the reporting date, together with any additional amounts expected to be drawn down in the future by default date determined based on historical trend, the Company's understanding of the specific future financing needs of the debtors, and other relevant forward-looking information.

For financial assets, the expected credit loss is estimated as the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive, discounted at the original effective interest rate.

Derivative financial instruments

Derivatives that do not qualify for hedge accounting are recognised in the statement of financial position at estimated fair value with corresponding effect to the statement of profit or loss. Derivative financial instruments are carried as assets when fair value is positive and liabilities when fair value is negative.

Non-financial assets

The Company assesses at each reporting date whether there is any indication that assets except inventories, biological assets and deferred tax asset may be impaired. If such indication exists, the carrying amounts of such assets are reviewed to assess whether they are recorded in excess of their recoverable amount. Where carrying values exceed the respective recoverable amount, assets are written down to their recoverable amounts and the resulting impairment loss is recognized in the statement of profit or loss. The recoverable amount is the higher of an asset's 'fair value less costs to sell' and 'value in use'.

Where impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised recoverable amount but limited to the extent of the carrying amount that would have been determined (net of amortization or depreciation) had no impairment loss been recognized. Reversal of impairment loss is recognized as income in statement of profit or loss.

4.17.3. Financial liabilities

All financial liabilities are measured subsequently at amortised cost using the effective interest method or at FVTPL.

Financial liabilities measured subsequently at amortized cost

Financial liabilities that are not designated as FVTPL, are measured subsequently at amortised cost using the effective interest method. The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant year. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the amortised cost of a financial liability. Borrowing costs are recognised as an expense in the year in which these are incurred except to the extent of borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset. Such borrowing costs, if any, are capitalised as part of the cost of that asset.

Financial liabilities at FVTPL

"Financial liabilities at FVTPL are stated at fair value, with any gains or losses arising on changes in fair value recognised in the statement of profit or loss to the extent that they are not part of a designated hedging relationship. The net gain or loss recognised in the statement of profit or loss incorporates any interest paid on the financial liability. However, for financial liabilities that are designated as at FVTPL, the amount of change in the fair value of the financial liability that is attributable to changes in the credit risk of that liability is recognised in the statement of comprehensive income, unless the recognition of the effects of changes in the liability's credit risk in the statement of comprehensive income would create or enlarge an accounting mismatch in the statement of profit or loss. The remaining amount of change in the fair value of liability is recognised in the statement of profit or loss. Changes in fair value attributable to a financial liability's credit risk that are recognised in the statement of comprehensive income are not subsequently reclassified to the statement of profit or loss; instead, they are transferred to retained earnings upon derecognition of the financial liability. Gains or losses on financial guarantee contracts issued by the Company that are designated by the Company as at FVTPL are recognised in the statement of profit or loss."

Derecognition of financial liabilities

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognized and the consideration paid and payable is recognized in the statement of profit or loss.

4.17.4. Offsetting of financial assets and financial liabilities

Financial assets and financial liabilities are set off and the net amount is reported in the financial statements when there is a legally enforceable right to set off the recognized amounts and the Company intends either to settle on a net basis or to realize the assets and to settle the liabilities simultaneously.

4.18. Revenue recognition

(i) Revenue from contracts with customers

Sale of goods:

Revenue from the sale of goods is recognized at the point in time when the customer obtains control of the goods, which is generally at the time of delivery.

Processing services

The Company provides knitting / dyeing / coating / flocking / quilting services to local customers. These services are sold separately and the Company's contract with the customer for services constitute a single performance obligation.

Revenue from services is recognized at the point in time, generally at the time of dispatch. There are no terms giving rise to variable consideration under the Company's contracts with its customers.

(ii) Contract assets

Contract assets arise when the Company performs its performance obligations by transferring goods to a customer before the customer pays its consideration or before payment is due. Contract assets are treated as financial assets for impairment purposes.

(iii) Right of return assets

Right of return assets represents the right to recover inventory sold to customers and is based on an estimate of customers who may exercise their right to return the goods and claim a refund. Such rights are measured at the value at which the inventory was previously carried prior to sale, less expected recovery costs and any impairment.

(iv) Contract liabilities

Contract liability is the obligation of the Company to transfer goods to a customer for which the Company has received consideration from the customer. If a customer pays consideration before the Company transfers goods, a contract liability is recognized when the payment is received. Contract liabilities are recognized as revenue when the Company accomplishes its performance obligations under the contract.

(v) Other income recognition

Interest

Interest income is recognized as interest accrues using the effective interest method. This is a method of calculating the amortized cost of a financial asset and allocating the interest income over the relevant period using the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset.

Rent

Rent revenue from investment properties is recognized on a straight line basis over the lease term. Contingent rentals are recognized as income in the period when earned.

Other revenue

Other revenue is recognized when it is received or when the right to receive payment is established.

4.19. Related party transactions

Transactions with related parties are priced on arm's length basis. Prices for these transactions are determined on the basis of comparable uncontrolled price method, which sets the price by reference to comparable goods and services sold in an economically comparable market to a buyer unrelated to the seller.

4.20. Lease Liabilities

A lease liability is recognized at the commencement date of a lease. The lease liability is initially recognized at the present value of the lease payments to be made over the term of the lease, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate. Lease payments comprise of fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, amounts expected to be paid under residual value guarantees, exercise price of a purchase option when the exercise of the option is reasonably certain to occur, and any anticipated termination penalties. The variable lease payments that do not depend on an index or a rate are expensed in the period in which they are incurred.

Lease liabilities are measured at amortised cost using the effective interest method. The carrying amounts are re-measured if there is a change in the following: future lease payments arising from a change in an index or a rate used; residual guarantee; lease term; certainty of a purchase option and termination penalties.

When a lease liability is re-measured, an adjustment is made to the corresponding right-of-use asset, or to statement of profit or loss if the carrying amount of the right-of-use asset is fully written down.

4.21. Contingent liabilities

Contingent liability is disclosed when the Company has a possible obligation as a result of past events, whose existence will only be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company; or the Company has a present legal or constructive obligation that arises from past events but it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation, or the amount of the obligation cannot be measured with settlement reliability.

4.22. Contingent assets

Contingent assets are disclosed when there is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company. Contingent assets are not recognised until their realisation become certain.

4.23. Share Capital

Ordinary shares are classified as equity and recognized at their face value. Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction, net of tax, if any.

4.24. Impairment of non-financial assets

Assets that have an indefinite useful life are not subject to depreciation and are tested annually for impairment. Assets that are subject to depreciation are reviewed for impairment at each reporting date or whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount for which asset's carrying amount exceeds its recoverable amount. An asset's recoverable amount is the higher of its fair value less costs to sell and value in use. Reversals of the impairment losses are restricted to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation, if impairment losses had not been recognized. An impairment loss or reversal of impairment loss is recognized in the statement of profit or loss.

5 Property, plant and equipment

Operating fixed assets

5.1 Operating fixed assets

NOTE	2025 RUPEES	2024 RUPEES
5.1	579,150,040	974,336,976

Company owned									Right-of-use assets	Total
Freehold land	Building on freehold land	Plant and machinery	Electric installations	Factory equipment	Furniture and fixtures	Office equipment	Vehicles	Sub total	Plant and machinery	

-----Rupees-----

At June 30, 2023

Cost / revalued amount	602,647,500	117,497,600	234,090,873	27,394,455	1,350,000	7,520,074	18,921,126	82,745,660	1,092,167,288	25,911,500	1,118,078,788
Accumulated depreciation	-	-	66,827,935	6,917,625	415,058	6,174,627	15,843,685	61,451,476	157,630,406	7,966,491	165,596,897

Net book value

	602,647,500	117,497,600	167,262,938	20,476,830	934,943	1,345,447	3,077,441	21,294,184	934,536,883	17,945,009	952,481,891
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Year ended June 30, 2024

Opening net book value	602,647,500	117,497,600	167,262,938	20,476,830	934,943	1,345,447	3,077,441	21,294,184	934,536,883	17,945,009	952,481,891
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Additions	-	-	43,935,398	37,371,503	-	20,493,447	-	-	101,800,348	-	101,800,348
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Disposals:

Cost / revalued amount	32,274,000	8,931,500	-	-	-	-	-	-	41,205,500	-	41,205,500
Accumulated depreciation	-	178,630	-	-	-	-	-	-	178,630	-	178,630

	32,274,000	8,752,870	-	-	-	-	-	-	41,026,870	-	41,026,870
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Depreciation charge	-	8,031,935	18,919,184	4,387,797	93,494	1,124,902	307,744	4,258,837	37,123,892	1,794,501	38,918,393
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Closing net book value

	570,373,500	100,712,795	192,279,152	53,460,536	841,448	20,713,992	2,769,697	17,035,347	958,186,468	16,150,508	974,336,976
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At June 30, 2024

Cost / revalued amount	570,373,500	108,566,100	278,026,271	64,765,958	1,350,000	28,013,521	18,921,126	82,745,660	1,152,762,136	25,911,500	1,178,673,636
Accumulated depreciation	-	7,853,305	85,747,119	11,305,422	508,552	7,299,529	16,151,429	65,710,313	194,575,668	9,760,992	204,336,660

Net book value

	570,373,500	100,712,795	192,279,152	53,460,536	841,448	20,713,992	2,769,697	17,035,347	958,186,468	16,150,508	974,336,976
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Year ended June 30, 2025

Opening net book value	570,373,500	100,712,795	192,279,152	53,460,536	841,448	20,713,992	2,769,697	17,035,347	958,186,468	16,150,508	974,336,976
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Addition	-	-	23,008,147	-	-	-	-	9,614,945	32,623,092	-	32,623,092
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Disposals:

Cost / revalued amount	387,498,500	-	-	-	-	-	-	-	387,498,500	-	387,498,500
Accumulated depreciation	-	-	-	-	-	-	-	-	-	-	-

	387,498,500	-	-	-	-	-	-	-	387,498,500	-	387,498,500
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Depreciation charge	-	7,218,140	19,992,398	5,346,054	84,145	2,071,399	276,970	3,707,371	38,696,477	1,615,051	40,311,528
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Closing net book value	182,875,000	93,494,655	195,294,901	48,114,482	757,303	18,642,593	2,492,727	22,942,921	564,614,583	14,535,457	579,150,040
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At June 30, 2025

Cost / revalued amount	182,875,000	108,566,100	301,034,418	64,765,958	1,350,000	28,013,521	18,921,126	92,360,605	797,886,728	25,911,500	823,798,228
Accumulated depreciation	-	15,071,445	105,739,517	16,651,476	592,697	9,370,928	16,428,399	69,417,684	233,272,145	11,376,043	244,648,188

Net book value

	182,875,000	93,494,655	195,294,901	48,114,482	757,303	18,642,593	2,492,727	22,942,921	564,614,583	14,535,457	579,150,040
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Depreciation rate per annum (%)

	-	5-10	10	10	10	10	10	20		10	
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5.1.1 Particulars of immovable property (i.e land and building) in the name of the Company are as follows:

	Location	Usage of immovable property	Covered Area (Square yards)	Total Area (Square yards)
a)	Punj Pullian Daewoo Road, Chak No. 120/J.B, District Faisalabad, Punjab.	Manufacturing unit	2,117	2,965
b)	Chak No. 204/R.B, Raza Garden, District Faisalabad, Punjab.	Guest house	1,647	1,109
c)	Montgomery Bazar, Amtex Office, District Faisalabad, Punjab.	Registered / Admin office	270	164

Note **2025** **2024**
Rupees **Rupees** **Rupees**

5.1.2 Depreciation for the year has been allocated as under:

Cost of sales	30.1.	39,505,307	38,140,025
Administrative expenses	33.	806,221	778,368
		<u>40,311,528</u>	<u>38,918,393</u>

5.1.3 The company had revalued its freehold land, building on freehold land, electric installations, factory equipment and laboratory equipment . Revaluation of freehold land on market value basis and building on freehold land, electric installations, and factory equipment on depreciated replacement values basis was carried out by independent valuers M/S Observers (Private) Limited as at June 03, 2004, by M/S BFA (Private) Limited as at June 30, 2009 ,by M/S Empire Enterprises (Private) Limited as at December 31, 2012, by M/S Gulf Consultants as at June 30, 2017 and as at January 01, 2020 of Plant & Machinery, Factory equipments, Electric Installation and Laboratory equipments by M/S Gulf Consultants and latest revaluation was carried out of land and building by independent valuer M/S Gulf Consultants as at 30 June 2023 on depreciated replacement values basis.

5.1.4 Forced sales value (FSV) of machinery and equipments is Rs. 97.235 Million respectively as at January 01, 2020.Forced sales value (FSV) of land and buildings is Rs. 155.44 and Rs. 92.281 Million respectively as at June 30, 2023.

5.1.5 Detail of operating fixed assets, exceeding the book value of rupees 500,000/- disposed of during the year is as follow

Description	Cost / revaluated amount A	Written down value B=A	Sale proceeds C	Gain / (loss) D=C-B	Particulars	Mode of disposal
-----Rupees-----						
Chak 120 J.B 1 Kanal 9 Marlas	29,000,120	29,000,120	35,270,500	6,270,380	Khurram Shahzad, Faisalabad	Negotiation
Chak 120 J.B 1 Kanal 10 Marlas	29,999,940	29,999,940	36,486,500	6,486,560	Khurram Shahzad, Faisalabad	Negotiation
Chak 120 J.B 1 Kanal 10 Marlas	29,999,940	29,999,940	36,486,500	6,486,560	Umair Rehman, Faisalabad.	Negotiation
Chak 120 J.B 1 Kanal 13.499 Marlas	50,248,500	50,248,500	36,545,455	(13,703,045)	Khurram Shahzad, Faisalabad	Negotiation
Chak 204 R.B 2 Kanal 5 Marlas	67,500,000	67,500,000	102,375,000	34,875,000	Loyal Textile (Pvt.) Limited	Negotiation
Chak 204 R.B 6 Kanal 0.4 Marla	180,750,000	180,750,000	181,735,000	985,000	Cotton passion (Pvt.) limited (Related party)	Approved by Board of Directors

387,498,500 387,498,500 428,898,955 41,400,455

5.1.6 Had there been no revaluation, the related figures of freehold land, building on freehold land, electric installations, factory equipment and laboratory equipment as at June 30, 2025 would have been as follows:

2025		
Cost	Accumulated depreciation	Written down value
-----Rupees-----		

Company owned

Freehold land	36,308,572	-	36,308,572
Plant and machinery	1,807,830,326	1,616,318,730	191,511,596
Building on freehold land	175,155,608	141,781,803	33,373,805
Electric installations	62,320,535	21,210,825	41,109,710
Factory equipment	3,693,513	3,472,466	221,047
Leasehold			
Plant and machinery	133,214,356	118,594,062	14,620,294
	<u>2,218,522,910</u>	<u>1,901,377,886</u>	<u>317,145,024</u>

2024		
Cost	Accumulated depreciation	Written down value

-----Rupees-----

Company owned

Freehold land	40,430,472	-	40,430,472
Plant and machinery	1,784,822,179	1,595,039,664	189,782,515
Building on freehold land	175,155,608	138,765,906	36,389,702
Electric installations	62,320,535	16,643,079	45,677,456
Factory equipment	3,693,513	3,447,905	245,608

Leasehold

Plant and machinery	133,214,356	116,969,585	16,244,771
	<u>2,199,636,663</u>	<u>1,870,866,139</u>	<u>328,770,524</u>

	Note	2025 Rupees	2024 Rupees
6. Investment property - at fair value			
Land	6.1.	746,351,000	668,244,500
Building	6.2.	567,540,907	602,221,267
		<u>1,313,891,907</u>	<u>1,270,465,767</u>

6.1. Land

Carrying amount as at July 1,	668,244,500	642,209,000
Add: fair value gain during the year	78,106,500	26,035,500
Carrying amount as at June 30,	<u>746,351,000</u>	<u>668,244,500</u>

6.2. Building

Carrying amount as at July 1,	602,221,267	616,482,557
Less: fair value loss during the year	(34,680,360)	(14,261,290)
Carrying amount as at June 30,	<u>567,540,907</u>	<u>602,221,267</u>

6.3. The fair value of investment property was carried out by independent valuer as at June 30, 2025.

6.4. Investment property with a carrying amount of Rs. 1021.10 million (2024: Rs. 1244.23 million) are subject to first charge against loan of Rs. 849.722 million (2024: Rs. 982.722 million) from United Bank Ltd, and Rs. 142.083 million (2024: Rs. 122.684 million) from Bank Islami Ltd. (Formerly KASB Bank Limited and now merged into Bank Islami).

6.5. Forced sales value (FSV) of land and buildings is Rs. 634.398 million and Rs. 482.410 million respectively as at June 30, 2025.

6.6. It represents land and building rented to Abwa Knowledge Village (Pvt) Ltd, an associated undertaking.

6.7. It represents freehold land and building located at 1 K.M. Jararnwala Road, Chak No. 76/R.B, Khurrianwala, District Faisalabad, Province Punjab, Pakistan with total area of 105,010 square yards.

	Note	2025 Rupees	2024 Rupees
7. Long term deposits			
Against utilities	7.1	10,087,882	10,087,882
Against TFC		-	9,374,497
		<u>10,087,882</u>	<u>19,462,379</u>
7.1 Movement of long term deposits			
Opening balance		10,087,882	5,729,331
Addition during the year		-	4,358,551
Closing balance		<u>10,087,882</u>	<u>10,087,882</u>
8. Stores, spare parts and loose tools			
Stores	8.1.	228,566,812	216,242,331
Spare parts		281,810	434,171
		<u>228,848,622</u>	<u>216,676,502</u>

8.1. Stores include items that may result in fixed capital expenditure but are not distinguishable.

9. Stock-in-trade

Raw material		514,094,156	386,179,106
Work in process		18,216,998	19,110,448
Finished goods		86,101,288	92,125,441
Waste		998,503	1,497,015
	9.1.	<u>619,410,945</u>	<u>498,912,010</u>

9.1. Stock-in-trade amounting to Rs. 155.121 million (2024 : Rs. 155.121 million) was pledged as security with the banks. Due to pending litigation with banks latest pledged stock sheets are not provided / made available by the banks.

10. Trade debts

	Note	2025 Rupees	2024 Rupees
Considered good			
Secured			
Foreign		-	5,869,864
Unsecured			
Foreign		159,683,074	157,365,422
Local	10.1	112,886,808	57,381,540
		272,569,882	214,746,962
Considered doubtful			
Unsecured			
Foreign		7,041,998,879	7,041,998,879
		7,314,568,761	7,262,615,705
Less: Provision for expected credit losses	10.2.	(7,048,146,156)	(7,044,683,216)
		266,422,605	217,932,489

10.1. It includes balance due from related party as follows:

Cotton Passion (Pvt.) Limited		77,802,176	40,564,233
The balance is past due but not impaired. The ageing analysis is as under:			
Upto 1 month		-	4,731,405
Within 1 to 6 months		77,802,176	35,832,828
		77,802,176	40,564,233

10.1.1. The maximum aggregate amount of receivable due from related party at the end of any month during the year was Rs. 77.802 million (2024: Rs. 42.704 million).

	Note	2025 Rupees	2024 Rupees
10.2. Provision for expected credit losses			
Balance as at July 01		7,044,683,216	7,041,998,879
Recognized during the year	33	3,462,940	2,684,337
Balance as at June 30		7,048,146,156	7,044,683,216

10.3. Trade debts in respect of foreign and local jurisdiction is as follows:

Jurisdiction		2025 Rupees	2024 Rupees
USA		85,457,652	21,843,410
Italy		14,104,199	-
Spain		-	2,806,012
UK		55,627,995	133,182,212
France		4,493,228	5,403,651
Pakistan		106,739,531	54,697,203
		266,422,605	217,932,489

10.4. Revenue from the sale of goods is recognized at the time of delivery, while payment is generally due within 15 to 30 days from delivery in case of local sales, and 60 to 90 days in case of export sales.

	2025 Rupees	2024 Rupees
11. Advances		
Considered good		
Advances		
Suppliers / service providers	31,738,387	41,092,393
12. Deposits		
Custom deposits	-	1,149,000
Lease deposits	4,799,126	4,799,126
	4,799,126	5,948,126

	Note	2025 Rupees	2024 Rupees
13. Other receivables			
Export rebate	13.1.	21,069,820	23,934,191
Receivable from related party	13.2.	90,235,000	-
		<u>111,304,820</u>	<u>23,934,191</u>
13.1. Movement of other receivable			
Balance as at July 01		23,934,191	19,623,150
Add: Recognized during the year	29.	8,315,008	17,305,070
Less: Written off during the year		-	(9,232,056)
Less: Received during the year		(11,179,379)	(3,761,973)
Balance as at June 30		<u>21,069,820</u>	<u>23,934,191</u>
13.2. It represents receivable from Cotton Passion (Pvt.) Limited, a related party, in respect of sale of land. The balance is past due not impaired, the aging analysis is as under:			
		2025 Rupees	2024 Rupees
Upto 1 month		-	-
Within 1 to 6 months		90,235,000	-
		<u>90,235,000</u>	<u>-</u>
13.3. The maximum aggregate amount of receivable due from related party at the end of any month during the year was Rs. 128.735 million (2024: Nil/-).			
14. Prepaid levy and advance income tax - net			
Prepaid levy - net			
Prepaid levy		29,634,887	24,835,983
Less: Levy payable		(29,634,887)	(24,835,983)
		-	-
Advance income tax - net			
Advance income tax		61,244,867	45,092,294
Less: Provision for taxation		(4,185,566)	(5,991,016)
		57,059,301	39,101,278
		<u>57,059,301</u>	<u>39,101,278</u>
15. Sales tax refundable			
		<u>225,365,338</u>	<u>258,491,600</u>
16. Cash and bank balances			
Cash in hand		64,961,969	84,916,571
Cash at banks:			
In current accounts (including \$ 4327.52 (2024: \$134.29))		27,021,691	33,305,047
In PLS accounts		21,557	30,405
		27,043,248	33,335,452
		<u>92,005,217</u>	<u>118,252,023</u>
16.1. Information / records were not made available by the banking companies to confirm the year end balances amounting to Rs.0.069 million (2024: Rs.16.945 million) out of total outstanding amount due to pending litigation.			
16.2. Cash and cash equivalent			
		<u>92,005,217</u>	<u>118,252,023</u>

17. Issued, subscribed and paid up capital

2025 -----No. of shares-----	2024		2025 Rupees	2024 Rupees
237,444,067	237,444,067	Ordinary shares of Rs. 10/- each fully paid in cash.	2,374,440,670	2,374,440,670
4,046,067	4,046,067	Ordinary shares of Rs.10/- each issued as fully paid shares as per scheme of arrangement for amalgamation sanctioned by the Court.	40,460,670	40,460,670
17,940,000	17,940,000	Ordinary shares of Rs. 10/- each issued as fully paid bonus shares.	179,400,000	179,400,000
<u>259,430,134</u>	<u>259,430,134</u>		<u>2,594,301,340</u>	<u>2,594,301,340</u>

17.1. The ordinary shareholders are entitled to receive dividends as and when declared by the Company from time to time and are entitled to one vote per share at the general meeting of the company. All shares are ranked equally with regard to company's residual assets.

	Note	2025 Rupees	2024 Rupees
18. Reserves			
Capital reserves			
Merger reserve	18.1.	98,039,330	98,039,330
Share premium	18.2.	183,000,000	183,000,000
		281,039,330	281,039,330
Surplus on revaluation of property, plant and equipment	18.3.	535,130,147	923,546,882
		816,169,477	1,204,586,212
Revenue reserves			
General reserve	18.4.	250,000,000	250,000,000
		1,066,169,477	1,454,586,212

18.1. The merger reserve pertain to the amount paid to the shareholders of Amtex Spinning Limited over and above the amount of their paid up capital pursuant to scheme of amalgamation of Amtex Spinning limited with Amtex Limited as approved by honourable Lahore High court with effect from April 1, 2003.

18.2. This reserve can be utilized by the Company only for the purposes specified in section 81 of the Companies Act, 2017.

18.3. The revaluation surplus on property, plant and equipment is a capital reserve, and is not available for distribution to the shareholders in accordance with section 241 of the Companies Act, 2017.

18.4. This reserve can be utilized by the Company for various purposes including issue of bonus shares to shareholders, payment of dividend when profits are insufficient and further to meet sudden losses due to natural calamities.

	Note	2025 Rupees	2024 Rupees
19. Redeemable capital			
Secured			
Sukuk certificates	19.1. & 19.2.	-	-

19.1. These represent balance out of 130,000 sukuk certificates of Rs. 5,000/- each privately placed with a banking company.

During the musharika, the legal title to the musharika assets will remain with the Company, however, a trustee will hold the beneficial title on behalf of the investors.

In addition, these are secured against second charge on all the present and future fixed assets excluding freehold land and building on freehold land of the Company, bank guarantee of Rs. 740 million issued in favour of the trustee and by personal guarantee of two directors of the Company. Bank guarantee of Rs. 740 million is also secured. Securities are disclosed in Note 20.1.1.

Sukuk certificates are redeemable in twelve equal quarterly installments commenced from January 10, 2010 and ending on October 10, 2012.

The certificate holders will be entitled to rental payments for use of musharika assets. Rental payments shall be calculated to provide return equal to the base rate plus incremental rental plus service agency charges incurred by the trustee during the previous quarter.

Base rate is defined as three months KIBOR and incremental rental is defined as margin of 2% per annum.

The effective yield rate of rental is Nil (2024 Nil).

19.2. The Company has filed suit under Financial Institutions (Recovery of Finances) Ordinance, 2001 against the sukuk unit holders in the Honorable Lahore High Court, Lahore and prayed for declaration of undertaking to purchase the sukuk units at a pre-agreed price as void, unlawful and satisfaction of obligations against the existing amounts paid. The Company has also sought relief of suspension of operation of the undertaking and the bank guarantee issued there under till the final decision of the suit. As per two different interim orders of The Honorable Lahore High Court, Lahore guarantor has deposited the amount of guarantee against all overdue rentals, as claimed by the sukuk unit holders amounting Rs. 529,734,801/- in an escrow account opened by the Deputy Registrar (Judicial) to secure the payments due under sukuk arrangement. The payable sukuk rentals, as claimed by the sukuk holders, have been adjusted in these financial statements against the amounts paid by the guarantor, however, due to pending litigation, sukuk unit holders have not received these payments and sukuk unit holders have not acknowledged the adjustment of sukuk rentals.

Further, in its final order The Honorable Lahore High Court, Lahore has dismissed the above referred suit, with no findings on the issue and prayer of the Company, stating that this Court lacks jurisdiction under Financial Institutions (Recovery of Finances) Ordinance, 2001 and the plaint is returned to the plaintiff (Company) to be presented to the court in which the suit should have been instituted. Being aggrieved Company has filed first appeal against this order before Division Bench of Honorable Lahore High Court, Lahore and same is pending for adjudication and in its interim order Division Bench has passed stay order that no amount will be withdrawn, paid by the guarantor, from escrow account opened by the Deputy Registrar (Judicial) up till further orders in this matter.

	Note	2025 Rupees	2024 Rupees Restated
20. Long term financing			
From banking companies and financial institutions	20.1.	1,054,373,411	1,097,290,479
Due to related party	20.2.	239,540,546	143,776,819
		<u>1,293,913,957</u>	<u>1,241,067,298</u>
20.1. From banking companies and financial institutions-secured			
Under mark up arrangements			
Demand finance	20.1.1	1,462,848,873	1,583,765,941
Long term finances under SBP	20.1.1	19,176,163	19,176,163
Syndicated term finance		-	-
Morabaha finance	20.1.1	9,594,052	9,594,052
Morabaha finance II	20.1.1	104,000,000	104,000,000
Not subject to markup			
Demand finance	20.1.1	134,835,000	134,835,000
		<u>1,730,454,088</u>	<u>1,851,371,156</u>
Less: Current portion			
Installments overdue	20.1.6.	(337,105,215)	(599,080,677)
Payable within one year	27.	(338,975,462)	(155,000,000)
		<u>(676,080,677)</u>	<u>(754,080,677)</u>
		<u>1,054,373,411</u>	<u>1,097,290,479</u>

20.1.1 Terms of finances are as under:

Nature of finance	Notes	Balance Rupees	Number of installments	Payment rests	Commencement date	Ending date	Mark up rate
Under mark up arrangements:							
Demand finances							
United Bank Limited - DFI	20.1.2 & 20.1.9	849,722,110	39	Quarterly	Aug 31, 2023	Aug 31, 2030	5.69% p.a.
Soneri Bank Limited - DFI	20.1.3 & 20.1.9	153,975,462	2	Annually	Dec 31, 2024	Dec 31, 2025	6% p.a.
Askari Bank Limited - DF	20.1.4 & 20.1.9	317,068,369	11	Semi annually	Dec 31, 2023	Dec 31, 2028	5.45% p.a.
		<u>1,320,765,941</u>					
Long term finances under State Bank of Pakistan Scheme							
Faysal Bank Limited - II	20.1.9	4,243,913	12	Quarterly	Jan 27, 2007	Oct 27, 2009	SBP rate + 2.00%
Pak Kawait - III	20.1.9	14,932,250	17	Quarterly	Mar 31, 2007	Mar 31, 2012	SBP rate +3.00%
		<u>19,176,163</u>					
First National Bank Modaraba							
Morabaha finance	20.1.9	9,594,052	8	Quarterly	Aug 27, 2019	Aug 27, 2021	11.00% p.a
Al Baraka Islamic Bank Limited							
Morabaha finance II	20.1.5 & 20.1.9	104,000,000	36	Quarterly	Dec 31, 2013	Dec 31, 2022	1 year kibar-3% with cap at 7 % p.a.
Not subject to mark up:							
Demand finances							
Soneri Bank Limited - DFII	20.1.6 & 20.1.9	134,835,000	8	Quarterly	Jun 30, 2023	Jun 30, 2023	-
Bank Islamic Pakistan Limited - DF	20.1.8 & 20.1.9	142,082,932	27	Quarterly	Jul 31, 2025	Oct 31, 2031	-
		<u>276,917,932</u>					
		<u>1,730,454,088</u>					

JPP charge for Rs. 255 million over all present and future current assets, exclusive charge on machinery for Rs. 125 million and joint parri passu charge on current assets of the Company in respect of long term financing and short term borrowing mentioned in Note 27. These are further secured against ranking charge over current assets, pledge of sponsor's 45 million shares in the Company, counter bank guarantee of Rs. 340 million and personal guarantee of all directors of the Company. Bank guarantee is secured against first charge over current assets of the Company. The effective rate of mark up ranges from 5.45% to 6.00% per annum (2024: 6.00% to 8.50% per annum).

- 20.1.2** It represents amount payable to United Bank Limited restructured during the financial year 2024. The Company entered in to triparte Settlement agreement with the Bank and Abwa knowledge village private limited in November 2023 according to which company has paid an amount of rupees 110 million as down payment and balance principal that includes Demand finance rupees 967.124 million, export finance rupees 109.725 million and LG encashment rupees 30.872 million along with IRIS cost of rupees 18.033 million will be paid in seven years in 28 quarterly installments commencing from December 2023 till September 2030. Mark up at cost of funds i.e., 5.69% will be accrued and will be paid after entire adjustment of principal in eight equal quarterly installments of rupees 28.899 million each commencing from December 2030 to September 2032. Further Markup decretal liability and cost of funds from the date of decree till execution of settlement agreement shall be waived off amounting to Rs.834.242 million by the bank at the tail end subject to regular payments in accordance with the agreement. Till reporting date an amount of rupees 263 million has paid other than down payment.
- 20.1.3** The Company has entered in to restructuring and rescheduling agreement with Soneri bank limited for 4rd time of existing finance facilities in October 2024. According to which Company has been paid first installment on December 2024 and second and final installment will be paid on December 2025. According to restructuring letter bank also agreed to waive off residual principal liability of Rs,53,975,463/-, markup DF II of rs.33,216,000/- ,COF from 26.06.2012 till 31.12.2025 Rs 393,199,328/- and legal charges of Rs 1,473,800/-
In case of non-payment of any amount/installment on due date as stand above shall be treated as default by borrower and wavier of markup / COFs and write-off of legal charges etc. shall automatically become null and void. The Company has defaulted in payments of loan as per schedule therefore whole amount stand as overdue and bank has filed suit against Company due to non payment.
- 20.1.4** The Company has entered in to restructuring and rescheduling agreement with Askari Bank Limited in October 2023 regarding out of court settlement of all outstanding liabilities amounting rupees 399.568 million along with future cost of funds. According to said settlement agreement Company paid down payment of rupees 45 million before signing of agreement and remaining balance amount will pay in 5 years in 11 step-up semiannual installments along with future cost of funds with last two installments. Cost of funds will be calculated at 5.45%. Till the reporting date the Company has paid amount of Rs. 37.5 million.
- 20.1.5** It represents short term export Morabaha finance restructured into long term Morabaha finance II and short term Morabaha Finance I as on December 06, 2013 with Al Barka Islamic Bank Limited. Further total Mark up till date mentioned amounting to Rs. 84,290,601 has been deferred (Refer Note 23) and will be recovered on quarterly basis in 3 years after complete adjustment of long term Morabaha Finance II in 9 years. These are secured against JPP charge on Current Assets valuing Rs.750 million, ranking charge over Fixed Assets valuing Rs. 200 million with 25% margin for all lines, Title of export documents and personal guarantees of main sponsoring directors of the company.
- 20.1.6** It represents outstanding mark up on principal liabilities rescheduled 2nd time under the agreement dated month 07, 2016 in the demand finance. Hence no mark up shall be charged on it.
- 20.1.7** It represent amount overdue on account of non repayment of the installments on due dates as per the repayment schedule due to non availability of the funds.
- 20.1.8** The Company has entered in to restructuring and rescheduling agreement with Bank Islami Pakistan Limited in June 2025 regarding out of court settlement of short term borrowing along with the markup amounting rupees 147.083 million, export refinane amounting to rupees 122.684 and markup amounting to rupees 24.399 million Note 26 and Note 27 to these financial statements.. According to said settlement agreement company paid down payment of Rs. 5 million before signing of agreement and remaining balance amount will pay in 6 years quarterly installments starting from July 31, 2025 to October 31, 2031.
- 20.1.9** Information / records were not made available by the banking companies to confirm the year end balances amounting to Rs. 1,730.454 million (2024: Rs. 521.581 million) out of total outstanding amount due to pending litigation.
- 20.1.10** As per terms of agreement with a bank, the recommendation, declaration and payment of dividend is subject to prior written approval of the bank.

20.2. Due to related party - unsecured

	Note	2025 Rupees	2024 Rupees Restated
Opening balance		143,776,819	-
Add: Received during the year		132,000,000	230,000,000
Fair value adjustment during the year	34	8,417,451	-
Less: Gain on recognition of loan at fair value	31.1.	(44,653,724)	(86,223,181)
Closing balance		<u>239,540,546</u>	<u>143,776,819</u>

20.2.1. It represents balance due to Abwa Knowledge Village (Pvt.) Limited (AKVPL), a related party, against the repayment of long term loan to United Bank Limited on behalf of the Company under the triparte agreement dated November 15, 2023. The rent receivable from AKVPL is adjusted from the amount due to related party against the investment property during the year.

20.2.2. During the year, the Company reassessed the classification of a balance previously included under 'Trade and other payables' representing an amount payable to a related party. Upon detailed review, it was determined that the amount represents a loan financing arrangement rather than a trade payable, as the settlement is not expected to occur within the normal operating cycle and carries a long term financing component. Accordingly, the balance has been reclassified from Trade and other payables to Long-term financing – Due to related party in accordance with the requirements of IAS 1 “Presentation of Financial Statements” relating to reclassification and fair presentation. In accordance with IFRS 9 “Financial Instruments”, the loan has been recognized initially at fair value, being the present value of future cash outflows discounted at a market rate of interest applicable to similar instruments. The difference between the carrying amount previously recognized under Trade and other payables and the fair value determined at initial recognition has been recognized as income / expense in statement of profit or loss. Subsequent to initial recognition, the loan is measured at amortized cost using the effective interest method, with finance cost recognized in the statement of profit or loss over the loan period Note 34 and Note 31 to these financial statements. As required by IAS 8 “Accounting Policies, Changes in Accounting Estimates and Errors”, comparative figures have been restated to reflect the reclassification for consistent presentation fair value on the initial recognition of loan has been recognized as income in the profit and loss amounting to Rupee 86,223,181/- in Note 31 to these financial statements. The reclassification had no impact on total equity or cash flows for the prior year.

20.3 Reconciliation of liabilities arising from long term financing activities

	At July 01, 2024	Availed / transfer during the year	Repaid / transfer / adjustment during the year	At June 30, 2025
-----Rupees-----				
Long term financing - Banking Companies and financial statements	1,851,371,156	147,082,932	(268,000,000)	1,730,454,088
Due to related party	143,776,819	132,000,000	(36,236,273)	239,540,546
	<u>1,995,147,975</u>	<u>279,082,932</u>	<u>(304,236,273)</u>	<u>1,969,994,634</u>

	Note	2025 Rupees	2024 Rupees
21. Lease Liabilities			
Opening balance		54,326,108	67,326,108
Paid / adjusted during the year		-	(13,000,000)
		<u>54,326,108</u>	<u>54,326,108</u>
Current portion			
Installments overdue		(54,326,108)	(54,326,108)
Payable within one year		-	-
	27.	<u>(54,326,108)</u>	<u>(54,326,108)</u>
		<u>-</u>	<u>-</u>

These represent plant and machinery acquired under separate lease agreements.

The purchase option is available to the Company on payment of last installment and surrender of deposit at the end of the lease period.

The principal plus financial charges are payable over the lease period in 16, 24 and 16 quarterly installments. The liability represents the total minimum lease payments. Furthermore, information / records were not made available by the financial institution to confirm the year end balance of the outstanding amount due to pending litigation.

Reconciliation of lease liabilities is given below:

	2025			2024		
	Minimum lease payments	Finance cost for future periods	Present value of minimum lease payments	Minimum lease payments	Finance cost for future periods	Present value of minimum lease payments
-----Rupees-----						
Installments overdue	73,945,214	19,619,106	54,326,108	73,945,214	19,619,106	54,326,108
Due within one year	-	-	-	-	-	-
Due after one year but Not later than five years	-	-	-	-	-	-
	<u>73,945,214</u>	<u>19,619,106</u>	<u>54,326,108</u>	<u>73,945,214</u>	<u>19,619,106</u>	<u>54,326,108</u>

	Note	2025 Rupees	2024 Rupees
22. Deferred liabilities			
Deferred markup on:			
Demand finance	20.1.2.-20.1.4.	1,530,569,505	1,447,242,858
Morabaha finance	20.1.5.	84,290,601	84,290,601
		1,614,860,106	1,531,533,459
Staff retirement gratuity	22.1.	42,179,213	38,343,661
		1,657,039,319	1,569,877,120
22.1. Staff retirement gratuity			
22.1.1. General description			
The Company operates an unfunded gratuity scheme for all its permanent employees at mills who have completed the minimum qualifying period of service as defined under the scheme. The latest actuarial valuation of staff retirement gratuity was carried out as at June 30, 2025 using the "Projected Unit Credit Method".			
	Note	2025 Rupees	2024 Rupees
22.1.2. Statement of financial position reconciliation as at June 30,			
Present value of defined benefit obligation		42,179,213	38,343,661
22.1.3. Movement in net liability recognised			
Opening balance as at July 01,		38,343,661	27,998,744
Expenses recognised in statement of profit and loss	22.1.4.	9,443,449	11,569,398
Benefits paid during the year		(3,500,680)	(3,500,550)
Remeasurements recognized in other comprehensive income	23.1.5	(2,107,217)	2,276,069
Closing balance as at June 30,		42,179,213	38,343,661
		2025 Rupees	2024 Rupees
22.1.4. Expenses recognised in statement of profit and loss	Note		
Current service cost		5,741,034	6,423,385
Interest cost		3,702,415	5,146,013
		9,443,449	11,569,398
23.1.4.1. Provision for the year has been allocated as follows:			
Cost of sales	30.1	7,365,890	9,024,130
Administrative expense	33.	2,077,559	2,545,268
		9,443,449	11,569,398
22.1.5. Remeasurements recognized in other comprehensive income			
Remeasurements arising on obligation		(2,107,217)	2,276,069
22.1.6. Principal actuarial assumptions			
Discount rate used (per annum)		11.75%	14.25%
Expected increase in eligible salaries (per annum)		10.00%	10.00%
Expected average remaining job tenure of employees		5 years each	5 years each
Age of retirement for all employees		60 years	60 years
Mortality rate		According to SLIC 2001-2005 table, with one-year setback	According to SLIC 2001-2005 table, with one-year setback
Withdrawal rates		Age-based	Age-based
22.1.7. Year end sensitivity analysis of the defined benefit obligation is as follows:			
		Change in assumptions	Increase in assumptions
		Increase	Decrease in assumptions
Discount rate		12.75%	10.75%
Salary increase rate		11%	9%
			40,530,734
			43,978,381
			43,990,670
			40,489,557

The above sensitivity analysis is based on change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions must be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions, the same method has been used.

22.1.8. Reason for change in Assumptions

The discount rate used in the last actuarial valuation as on June 30, 2024 was 14.75%. However, in the current investment environment, where there is a downward trend in the interest rate structure, the discount rate has been decreased to 11.75%, in line with the specifications of the IAS 19.

22.1.9. Expected Maturity Profile

Followings are the expected distribution and timing of benefit payments at year end:

Year	Amount Rupees
2026	864,674
2027	822,495
2028	759,226
2029	733,918
2030	695,957
2031 to 2035	3,205,620
2036 onward	35,097,323

22.1.10. Comparison of present value of defined benefit obligation is as follows:

Description		2025	2024	2023	2022	2021
As at June 30,						
Present value of defined benefits obligation	Rupees	42,179,213	38,343,661	27,998,744	22,474,942	18,215,266
Experience adjustment on obligation	Rate	4%	3%	2%	3%	-9%

22.1.11. The expected expense to be charged to the statement of profit or loss for the year ending June 30, 2026 is Rs. 13,070,604/-.

22.1.12. Risk associated with the scheme

Interest rate risk: A decrease in the discount rate increases the present value of the defined benefit obligation, thereby increasing the liability.

Salary growth risk: The defined benefit obligation is linked to future salaries. Higher-than-expected salary increases will increase the obligation.

Inflation risk: Future salary increases are often correlated with inflation. Higher inflation than expected will increase the gratuity obligation.

Withdrawal risk: If employee turnover is lower than expected, more employees will qualify for benefits, leading to a higher obligation..

	Note	2025 Rupees	2024 Rupees
23. Trade and other payables			
Creditors		267,088,131	369,995,486
LC payable		188,694,346	76,076,570
Accrued liabilities		30,786,763	28,659,389
Other payable		5,863,637	-
Workers' welfare fund	23.1.	8,943,417	8,943,417
Workers' profit participation fund	23.2.	7,127,104	6,568,759
		<u>508,503,398</u>	<u>490,243,620</u>
23.1. Workers' welfare fund			
Balance as at July 01		8,943,417	6,403,116
Charge for the year		-	2,540,301
		<u>8,943,417</u>	<u>8,943,417</u>
Payment made during the year		-	-
Balance as on June 30		<u>8,943,417</u>	<u>8,943,417</u>
23.2. Workers' profit participation fund			
Balance as at July 01		6,568,759	8,511,147
Charge for the year		-	6,568,759
Interest charged during the year	23.2.1	558,345	-
		<u>7,127,104</u>	<u>15,079,906</u>
Payment made during the year		-	(8,511,147)
Balance as on June 30		<u>7,127,104</u>	<u>6,568,759</u>

23.2.1. The Company retains workers' profit participation fund for its business operations till the date of allocation to workers. Interest is paid at prescribed rate under the Companies Profits (Workers Participation) Act, 1968 on funds utilized by the Company till the date of allocation to workers.

	2025	2024
	Rupees	Rupees
24. Contract liabilities - unsecured		
Foreign	285,870,398	151,841,676
Local	9,097,097	10,621,537
	<u>294,967,495</u>	<u>162,463,213</u>

24.1. Revenue aggregating to Rs. 97,443,170 /- (2024: Rs. 10,266,311/-) has been recognized for proceeding year advances from customers.

	Note	2025	2024
		Rupees	Rupees
25. Interest / markup payable			
Redeemable capital		88,882,946	88,882,946
Long term financing		99,888,430	99,888,430
Lease Liabilities		19,619,106	19,619,106
Short term borrowings	20.1.8	2,387,860,052	2,494,427,632
		<u>2,596,250,534</u>	<u>2,702,818,114</u>

26. Short term borrowings			
Secured			
From banking companies and financial institutions			
Under mark up arrangements	26.2.		
Export finances	20.1.8	3,577,156,732	3,699,840,694
Running finance		185,231,590	185,231,589
Morabaha finances	26.3.	327,001,675	327,001,675
Cash finances		53,320,760	53,320,760
Forced demand finance		529,734,801	529,734,801
Payment against documents		99,968,675	99,968,675
Not subject to markup			
Demand finance	26.4.	271,405,000	271,405,000
		<u>5,043,819,233</u>	<u>5,166,503,195</u>

26.1. The aggregate unavailed short term borrowing facilities available to the Company is Rs. Nil at the year end. (2024: Rs.Nil)

26.2. Short term borrowings, excluding cash finances are secured against lien on export documents, hypothecation of current assets, first charge over current assets ranking pari passu with the charges created in respect of long term financing (Refer Note 20.1.1), and ranking charge over current assets of the Company. These are further secured against first charge over fixed assets ranking pari passu with the charges created in respect of long term financing (Refer Note 20.1.1), ranking charge over fixed assets and by personal guarantee of directors of the Company. Cash finances are secured against pledge of stocks and personal guarantee of directors / sponsor directors of the Company.

The effective rate of mark up charged during the year ranges is Nil (2024: Nil).

26.3. Morabaha finances include Morabaha finance I and also include morabaha facilities availed. These finances are to be repaid from export proceeds realized or from own source and are for purchase of cotton, PSF, yarn, cloth, chemical, spares and other raw material. Collateral securities are same as detailed in Note 20.1.5.

26.4. Total amount of demand finance was Rs. 367.722 million. The securities are disclosed in Note 20.1.1 Rs. 74.989 million was payable on June 29, 2010 as down payment, Rs. 127.876 million was payable till July 31, 2010 out of proceeds of sales tax refunds and remaining mark up balance of Rs. 164.857 million was payable in 10 equal monthly installments commenced from June 30, 2010 and ending on March 31, 2011. As mentioned above Rs. 271.405 million is outstanding and suit is in process at court.

26.5. Information / records were not made available by the banking companies to confirm the year end balances amounting to Rs. 1,800.505 million (2024: Rs.1,651.784 million) due to pending litigation.

26.6. Reconciliation of liabilities arising from short term borrowings

At July 01, 2024	Availed / transfer during the year	Repaid / transferred to long term financing during the year	At June 30, 2025
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-----Rupees-----

Short term borrowings	5,166,503,195	-	(122,683,963)	5,043,819,233
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	Note	2025 Rupees	2024 Rupees
27. Current portion of non-current liabilities			
Long term financing	20.1.	676,080,677	754,080,677
Lease liabilities	21.	54,326,108	54,326,108
		<u>730,406,785</u>	<u>808,406,785</u>

28. Contingencies and commitments

28.1. Contingencies

- 28.1.1.** M/S Bank Islami (Formerly KASB Bank Limited merged in to Bank Islami) instituted a suit for recovery of Rs.149,802,970/- under Financial institutions (Recovery of Finances) Ordinance, 2001 in the Honorable Lahore High Court, Lahore against the Company. The case has been decreed and execution of the decree is pending before the Honorable Lahore High Court, Lahore. The Company has entered into a settlement agreement with the Bank in April 2025.
- 28.1.2.** M/S Zephyr Textiles Limited has filed a suit for recovery of Rs. 2,916,762/- against the Company. The case is decreed in favor of Zephyr Textiles Limited by the Honorable Judge, High Court, Lahore. The case is pending for execution.
- 28.1.3.** M/S. Pak Kuwait Investment Company Private Limited has instituted suit under Financial Institutions (Recovery of Finances) Ordinance, 2001 for recovery of Rs. 97,903,568/- along with future markup. The case was decreed for a sum of Rs.73.945 million. The execution of the decree is pending before Banking Court, Karachi. Being aggrieved, Company has filed appeal in the said matter and the same is pending adjudication in Sindh High Court.
- 28.1.4.** Bank Islami Pakistan Limited has instituted suit against the company in the Honorable Lahore High Court, Lahore under financial institutions (Recovery of Finance) Ordinance, 2001 for recovery of Rs. 660,473,859/-. The Company has duly filed its petition for leave to defend in the said matter and the same is pending adjudication.
- 28.1.5.** M/S National Bank of Pakistan (Islamic Banking Division) has instituted a suit for recovery of Rs. 106,924,484/- under Financial Institutions (Recovery of finances) Ordinance, 2001 in the Honorable Lahore High Court, Lahore against the company. The company has duly filed its petition for leave to defend in the said matter and the same is pending adjudication.
- 28.1.6.** M/S National Bank of Pakistan has instituted a suit for recovery of Rs. 1,487,663,500/- under Financial Institutions (Recovery of finances) Ordinance, 2001 in the Honorable Lahore High Court, Lahore against the company. The company has duly filed its petition for leave to defend in the said matter and the same is pending adjudication. The Company has also requested the Bank for settlement which is under consideration.
- 28.1.7.** M/S Faysal Bank Ltd has instituted a suit for recovery of Rs. 6,061,867/- under Financial Institutions (Recovery of finances) Ordinance, 2001 in the Honorable Banking Court No. II, Faisalabad against the company. Court decreed the case in favor of Bank to the tune of Rs.4,246,576/-. Execution of decree is pending till date. The Company is in negotiation with the Bank for settlement.
- 28.1.8.** The Bank of Punjab instituted a suit for recovery of Rs. 6,373,121,000/- under Financial Institutions (Recovery of finances) Ordinance, 2001 in the Honorable High Court Lahore against the company. Court has passed the decree in favor of the Bank. The sale proceeds of Land, Building and Machinery of the Spinning Division of the Company amounting to Rs. 600 million have been appropriated towards partial adjustment of principal decretal liability. The Company is in negotiation with the Bank for rescheduling of balance liability.
- 28.1.9.** Sui Northern Gas Pipelines Ltd had filed a suit against the Company's Spinning Division situated at 30 KM Sheikhpura Road Faisalabad, in the Court of District Judge / Judge Gas Utility Court, Faisalabad for recovery of Rs. 57,713,100/-. The case has been decreed in favor of plaintiff. However, the Company has filed appeal before the Honorable Lahore High Court, Lahore against the Judgment.
- 28.1.10.** Sui Northern Gas Pipelines Ltd had filed a suit against the Company's Processing Division situated at 1 KM Khurrianwala Jaranwala Road Faisalabad, in the Court of District Judge / Judge Gas Utility Court, Faisalabad for recovery of Rs. 485,424,500/-. The case has been decreed in favor of plaintiff, however, the Company has filed appeal before Honorable Lahore High Court, Lahore against the Judgment.
- 28.1.11.** The Company has filed reference against order passed by Commissioner Punjab Revenue Authority in Honorable Lahore High Court Lahore challenging the imposition of Punjab Services on sales tax amounting to Rs. 3.1 million on foreign commission paid. Honorable Court after initial hearing has granted stay order and suspend the recovery notice issued in respect of said impugned demand and same is pending adjudication.
- 28.1.12.** The Company is defendant in various legal proceedings initiated by ex-employee in labor courts. The Company expects decisions in its favor based on grounds of case and legal opinion hence, no provision has been made.
- 28.1.13.** M/S. First National Bank Modaraba (FNBM) has instituted a suit under Financial Institutions (Recovery of Finances) Ordinance, 2001 for recovery of Rs. 36,013,341/- along with Cost of Funds before the Honorable Judge Banking Court, Lahore. Court has passed the decree in favor of FNBM. The Company entered into a settlement agreement and under the terms of settlement Agreement Company paid Rs. 4 million as down payment and remaining in installments. Due to overall economic situation, the Company could not adhere to terms of settlement. However, the Company has approached FNBM for rescheduling of the liability.

- 28.1.14.** Amtex Limited has filed appeal in the District Court, Faisalabad of Additional Session Judge, Faisalabad against M/s S.A Rehmat Private Limited for recovery of Rs. 28,230,026/-, Rendition of account and cancellation of documents. Same is pending adjudication.
- 28.1.15.** M/S Albaraka Bank Pakistan Limited has instituted a suit for recovery of Rs. 929,221,858/- under Financial Institutions (Recovery of finances) Ordinance, 2001 in the Honorable Lahore High Court, Lahore against the company in September 2020. The company has filed its petition for leave to defend in the said matter and same is pending adjudication.
- 28.1.16.** The Soneri Bank Limited has instituted a suit for recovery of Rs. 674,938,722/- under Financial Institutions (Recovery of finances) Ordinance, 2001 in the Honorable High Court Lahore against the company. However, the company has entered into Settlement Agreement with the Bank through consent decree and accordingly sold its assets and entire proceeds were paid to the bank towards outstanding liability.
- 28.1.17.** The Company has filed writ petition in the Honorable Islamabad High Court against Federation of Pakistan and others, in the case of appointment of inspectors for investigation of affairs of the Company by the Securities and Exchange Commission of Pakistan (SECP). The case is pending adjudication. The Honorable Islamabad High Court has granted stay in the matter.
- 28.1.18.** The Company filed complaint before adjudicating officer of “The Punjab Employees Social Security Institution” Lahore under Section 57 of the Social Security Ordinance, 1965 against the unlawful demand of unpaid contribution amounting rupees 2,402,290/- and prayed to set-aside the demand. The adjudicating officer after listening arguments of both the Complainant and respondent reject the complaint and allowed the respondent for recovery of disputed amount. However, Company filed appeal before the Honorable Lahore High Court, Lahore against the order and same is pending adjudication.
- 28.2.** Financial impact, if any, of the above (28.1.1-28.1.18) has not been acknowledged in these financial statements because of pending litigations.

	Note	2025 Rupees	2024 Rupees
28.3. Commitments			
Collector of custom		-	13,675,623
29. Revenue from contracts with customers			
Export sales - Made ups / garments	29.1.	1,915,719,825	2,276,622,529
Local sales	29.2.	446,756,140	499,175,696
Add: Export rebate	13.1.	8,315,008	17,305,070
		<u>2,370,790,973</u>	<u>2,793,103,295</u>

29.1. Exchange (loss) / gain due to currency rate fluctuation amounting to Rs. (517,548/-) 2024: Rs.6,256,168/- has been included in direct export sales.

	2025 Rupees	2024 Rupees
29.2. Local sales		
Processing	331,434,985	375,403,805
Made ups	50,654,161	141,200,562
Cloth	109,943,403	47,773,085
Waste and left over	35,139,703	24,649,870
	527,172,252	589,027,322
Less: Sales tax	(80,416,112)	(89,851,625)
	<u>446,756,140</u>	<u>499,175,696</u>

	Note	2025 Rupees	2024 Rupees
29.3. Set out below the disaggregation of the Company's Sales.			
Geographic markets:			
Pakistan		446,756,140	499,175,696
UK		1,273,524,165	1,709,237,845
USA		526,218,600	325,134,409
Italy		17,354,077	532,661
Denmark		-	3,577,299
Hong kong		1,233,624	56,567,749
Spain		24,938,539	59,118,436
France		61,904,601	67,337,768
Czech Republic		18,861,227	29,538,286
Nigeria		-	35,339,014
Scotland		-	7,544,133
		<u>2,370,790,973</u>	<u>2,793,103,295</u>

	Note	2025 Rupees	2024 Rupees
30. Cost of revenue			
Cost of goods manufactured	30.1.	2,231,259,276	2,350,644,911
Finished goods			
Opening stock		93,622,456	114,148,002
Closing stock		(87,099,791)	(93,622,456)
		6,522,665	20,525,546
		<u>2,237,781,941</u>	<u>2,371,170,457</u>
30.1. Cost of goods manufactured			
Raw material consumed	30.1.1.	1,254,375,360	1,245,062,810
Salaries, wages and benefits		121,131,817	164,476,286
Staff retirement benefits	23.1.4.1	7,365,890	9,024,130
Stores and spares		3,583,895	4,625,326
Dyes and chemicals		275,748,229	291,893,435
Packing material		239,412,259	211,685,103
Conversion processing and stitching charges		257,691,528	339,673,480
Repairs and maintenance		3,220,699	4,218,115
Fuel and power		25,575,965	40,711,186
Depreciation	5.1.2	39,505,307	38,140,025
Other		2,754,877	4,938,571
		<u>2,230,365,826</u>	<u>2,354,448,469</u>
Work in process			
Opening stock		19,110,448	15,306,890
Closing stock		(18,216,998)	(19,110,448)
		893,450	(3,803,558)
		<u>2,231,259,276</u>	<u>2,350,644,911</u>
30.1.1. Raw material consumed			
Opening stock		386,179,106	132,393,017
Purchases including direct expenses		1,382,290,410	1,498,848,899
		<u>1,768,469,516</u>	<u>1,631,241,916</u>
Closing stock		(514,094,156)	(386,179,106)
		<u>1,254,375,360</u>	<u>1,245,062,810</u>
31. Other Income			
Income from financial assets:			
Exchange gain on restatement		3,740,762	48,285
Exchange gain on Imports		8,848,470	11,105,647
Income from assets other than financial assets:			
Gain on disposal of property, plant and equipment	5.1.5	41,400,455	17,835,980
Rental income	31.2.	6,900,000	9,584,000
Unrealised gain on investment property carried at fair value - net	6.	43,426,140	11,774,210
Gain on recognition of loan at fair value		44,653,724	86,223,181
		<u>148,969,551</u>	<u>136,571,303</u>
31.2. It includes rental income from related parties as follows:			
Abwa Knowledge Village (Pvt.) Limited		6,000,000	8,864,000
Cotton Passion Textile Mills (Pvt.) Limited		180,000	180,000
I.A Textiles		180,000	180,000
Shama Exports (Pvt.) Limited		180,000	180,000
Amfort (Pvt.) Limited		180,000	180,000
Musaif (Pvt.) Limited		180,000	-
		<u>6,900,000</u>	<u>9,584,000</u>
32. Selling and distribution expenses			
Steamer freight		64,060,807	45,227,559
Freight and octroi		16,067,249	15,652,080
Clearing and forwarding		18,761,697	20,610,760
Export development surcharge		5,134,257	6,176,226
Other expenses		10,176	135,639
		<u>104,034,186</u>	<u>87,802,264</u>

	Note	2025 Rupees	2024 Rupees
33. Administrative expenses			
Directors' remuneration	34.1.	15,000,000	10,200,000
Salaries and benefits		36,970,536	30,572,553
Staff retirement benefits	23.1.4.1	2,077,559	2,545,268
Utilities		2,353,769	1,550,259
Postage and telecommunication		4,846,228	5,444,287
Vehicles running and maintenance		2,400,105	3,101,412
Traveling and conveyance	34.2	9,472,555	13,060,009
Printing and stationery		1,536,471	2,151,480
Entertainment		7,516,405	6,841,549
Fees and subscriptions		3,523,201	1,106,935
Legal and professional		8,371,134	1,419,000
Sales tax penalty		2,752,404	-
Debit balances written off	34.3	9,374,497	9,232,056
Provision for expected credit losses		3,462,940	2,684,337
Auditor's remuneration	33.4	2,600,000	2,500,000
Repairs and maintenance		340,655	540,189
Depreciation	5.1.2	806,221	778,368
Other		1,873,449	1,944,340
		<u>115,278,129</u>	<u>95,672,042</u>

34.1. Directors' remuneration

	2025			2024		
	Chief Executive Officer	Director	Executives	Chief Executive Officer	Director	Executives
	-----Rupees-----					
Remuneration	5,226,000	4,824,000	17,987,256	3,618,000	3,216,000	15,615,000
House rent allowance	2,106,000	1,944,000	6,424,017	1,458,000	1,296,000	5,576,780
Utility allowance	468,000	432,000	1,284,807	324,000	288,000	1,115,350
	<u>7,800,000</u>	<u>7,200,000</u>	<u>25,696,080</u>	<u>5,400,000</u>	<u>4,800,000</u>	<u>22,307,130</u>
Number of persons	1	1	16	1	1	15

33.2. It includes foreign traveling expense of Company's executives amount of Rs 2,620,000/-.

	NOTE	2025 Rupees	2024 Rupees
33.3. It includes			
TFC written off	7.1.	9,374,497	-
Rebate receivable written off	13.1.	-	9,232,056
		<u>9,374,497</u>	<u>9,232,056</u>
33.4. Auditor's remuneration			
Audit fee		2,000,000	2,000,000
Half yearly review		600,000	500,000
		<u>2,600,000</u>	<u>2,500,000</u>
34. Finance cost			
Interest / mark up on:			
Long term financing		83,326,647	98,955,264
Fair value adjustment during the year		8,417,451	-
Bank charges and commission		65,548,361	57,280,962
		<u>157,292,459</u>	<u>156,236,226</u>
35. Levy and taxation			
Levy	35.1.	<u>29,634,887</u>	<u>26,646,352</u>
		29,634,887	26,646,352
Taxation			
-for the year		-	3,403,576
-Pertaining to prior year		5,889,058	605,643
		<u>35,523,945</u>	<u>30,655,571</u>

35.1. This represents final taxes paid under Section 154 of the Income Tax Ordinance 2001, representing levy in terms of requirements of IFRIC 21/IAS 37.

35.2. Deferred taxation

Deferred tax asset is not recognised for all deductible temporary differences and carry forward of unused tax losses due to uncertainty regarding non availability of taxable profits in foreseeable future against which such temporary differences and tax losses can be utilised. Had the deferred tax been recognised, the loss of the Company would have been decreased by Rs 487,913,882, other comprehensive income would have been increased by Rs.611,093/- and the non current assets would have been increased by Rs.1,481,802,374/-

	Note	2025 Rupees	2024 Rupees
35.3. Tax Reconciliation			
Profit before taxation		(94,626,191)	122,266,119
Tax @ 29%		-	35,457,175
Prior year adjustment		5,889,058	605,643
Turnover tax @ 1.25%		29,634,887	-
Income subject to diff tax rate		-	(5,407,246)
		<u>35,523,945</u>	<u>30,655,571</u>

36. Earning per share - Basic and diluted

(Loss) / profit after taxation attributable to ordinary shares	(Rupees)	(130,150,136)	179,028,978
Weighted average number of ordinary shares outstanding during the year	(Number)	259,430,134	259,430,134
Earning per share - Basic and diluted	(Rupees)	(0.50)	0.69

36.1. There is no dilutive effect on basic earnings per share for the year ended 30 June 2025 and year ended 30 June 2024 respectively as the Company has no potential ordinary shares as on 30 June 2025 and 30 June 2024.

	Unit	2025 (FIGURES IN THOUSAND)	2024
37. INSTALLED CAPACITY AND ACTUAL PRODUCTION			

Dyeing and finishing

Production capacity for 3 shifts per day for 1095 shifts (2024: 1095 shifts)	Mt.	43,159	43,159
Actual production for 3 shifts per day for Nil (2024: Nil)		-	-

Coating & Flocking

Production capacity for 3 shifts per day for 1095 shifts (2024: 1095 shifts)	Mt.	960	960
Actual production of 3 shifts per day	Mt.	719	765

Processing, Stitching and Apparel

The production capacity and its comparison with actual production of Processing, Home Textile and Apparel segments is impracticable to determine due to varying manufacturing processes, run length of order lots and various other factors.

38. NUMBER OF EMPLOYEES		2025	2024
Number of employees as at June 30,		59	78
Number of factory employees as at June 30,		221	260
Average number of employees during the year		62	78
Average number of factory employees during the year		215	234

39. ENTITY-WIDE INFORMATION

The Company constitutes of a single reportable segment. The Company does not hold non-current asset in any foreign country. There is one major customer (2024: one major customer) of the Company representing revenue of Rs. 253.774 million (2024: Rs. 312.569 million).

40. FINANCIAL RISK MANAGEMENT

40.1. Financial risk factors

The Company's activities expose it to a variety of financial risks: market risk (including currency risk, other price risk and interest rate risk), credit risk and liquidity risk. The Company's overall risk management program focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the Company's financial performance. The Company uses derivative financial instruments to hedge certain risk exposure. Risk management is carried out by the Company's finance department under policies approved by the Board of Directors (the Board). The Company's finance department evaluates and hedges financial risks. The Board provides principles for overall risk management, as well as policies covering specific areas such as currency risk, other price risk, interest rate risk, credit risk, liquidity risk, use of derivative financial instruments and nonderivative financial instruments and investment of excess liquidity.

(a) Market risk

(i) **Currency risk:** Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. Currency risk arises mainly from future commercial transactions or receivables and payables that exist due to transactions in foreign currencies.

The Company is exposed to currency risk arising from various currency exposures, primarily with respect to the United States Dollar (USD). Currently, the Company's foreign exchange risk exposure is restricted to bank balances and the amounts receivable / payable from / to the foreign entities. The Company's exposure to currency risk was as follows:

	2025	2024
Cash at banks - USD	4,327.52	134.29
Trade debts - USD	563,057	586,544
Trade and other payables - USD	665,354	273,362
Net exposure - USD	(97,969.48)	313,316.29

Following significant exchange rates were applied during the year:

	Rupees per US Dollar	Rupees per US Dollar
Average rate	279.03	282.96
Reporting date rate	284.10	278.30

Sensitivity analysis

If the functional currency, at reporting date, had weakened / strengthened by 5% against the USD with all other variables held constant, the impact on loss after taxation for the year would have been Rupees 1.392 million higher / lower (2024: Profit after taxation would have rupees 4.360 million lower / higher) mainly as a result of exchange gains / losses on translation of foreign exchange denominated financial instruments. Currency risk sensitivity to foreign exchange movements has been calculated on a symmetric basis. In management's opinion, the sensitivity analysis is unrepresentative of inherent currency risk as they are end exposure does not reflect the exposure during the year.

(ii) **Other price risk:** Other price risk represents the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instrument traded in the market. The Company is not exposed to price risk.

(iii) Interest rate risk

This represents the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's interest rate risk arises from long term financing, lease liabilities, short term borrowings, bank balances in saving account and term deposit receipts. However the Company has no significant long term interest bearing assets. Financial instruments at variable rates expose the Company to cash flow interest rate risk. Financial instruments at fixed rate expose the Company to fair value interest rate risk. At the reporting date, the interest rate profile of the Company's interest bearing financial instruments was:

	2025 RUPEES	2024 RUPEES
Fixed rate instruments:		
Financial liabilities:		
Long term financing	1,290,765,941	1,553,765,941

Fair value sensitivity analysis for fixed rate instruments

The Company does not account for any fixed rate financial assets and liabilities at fair value through profit or loss. Therefore, a change in interest rate at the reporting date would not affect profit or loss of the Company.

Cash flow sensitivity analysis for variable rate instruments

There is no financial instruments at variable rate at the reporting rate. This analysis is prepared assuming the amounts of financial instruments outstanding at reporting dates were outstanding for the whole year.

(b) Credit risk

Credit risk represents the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date was as follows:

	2025	2024
	RUPEES	RUPEES
Deposits	14,887,008	19,462,379
Trade debts	266,422,605	217,932,489
Bank balances	27,043,248	33,335,452
	<u>308,352,861</u>	<u>270,730,320</u>

The credit quality of financial assets that are neither past due nor impaired can be assessed by reference to external credit ratings (If available) or to historical information about counterparty default rate:

BANKS	RATING			2025	2024
	SHORT TERM	LONG TERM	AGENCY		
	----- Rupees -----				
Allied Bank Limited	A-1+	AAA	PACRA	10,497	11,047
Askari Bank Limited	A-1+	AA+	PACRA	20,912	29,912
Bank Alfalah Limited	A-1+	AAA	PACRA	6,330,944	3,228,149
Bank Al-Habib Limited	A-1+	AAA	PACRA	220,112	220,112
The Bank of Punjab	A-1+	AA+	PACRA	2,590,978	2,591,177
Habib Bank Limited	A-1+	AAA	VIS	9,856,121	5,151,258
MCB Bank Limited	A-1+	AAA	PACRA	29,595	23,548
Meezan Bank Limited	A-1+	AAA	VIS	2,052,379	47,101
National Bank of Pakistan	A-1+	AAA	PACRA	2,814,430	2,820,477
United Bank Limited	A-1+	AAA	VIS	28,283	25,783
Soneri Bank Limited	A-1+	AA-	PACRA	3,047,633	5,031,335
Bank Makramah Limited	A3	BBB-	VIS	6,614	20,249
The Bank of Khyber	A-1	A+	PACRA	27,950	27,950
BankIslami Pakistan Limited	A-1	AA-	PACRA	-	14,100,700
Al Baraka Bank (Pakistan) Limited	A-1	AA-	VIS	6,800	6,654
TOTAL				27,043,248	33,335,452

Due to the Company's long standing business relationships with these counterparties, management does not expect non-performance by these counterparties on their obligations to the Company. Accordingly, the credit risk is minimal. To manage exposure to credit risk in respect of trade debts, management performs credit reviews taking into account the customer's financial position, past experience and other factors. Sales contracts and credit terms are approved by the senior management. The management has set a maximum credit period limit for each type of customers in order to reduce the credit risk. The Company applies the IFRS 9 simplified approach to measure expected credit losses which uses a lifetime expected loss allowance for all trade debts. Management uses actual historical credit loss experience, credit risk characteristics and past days due, adjusted for forward-looking factors specific to the debtors and the economic environment to determine expected credit loss allowance. The Company's exposure to credit risk related to trade debts due from other than the related party is as follows:

	GROSS AMOUNT		EXPECTED CREDIT LOSSES	
	2025	2024	2025	2024
	-----Rupees-----		-----Rupees-----	
Not past due	12,708,066	12,617,805	-	-
Upto 1 month	228,909,625	227,283,753	-	-
1 to 6 months	16,480,237	16,363,183	-	-
6 months to 1 year	8,324,677	8,265,549	-	-
More than 1 year	-	-	7,048,146,156	7,044,683,216
	<u>266,422,605</u>	<u>264,530,290</u>	<u>7,048,146,156</u>	<u>7,044,683,216</u>

The management believes that all unimpaired amounts are collectable in full, based on historical payment behaviour and extensive analysis of consumer credit risk.

(c) Liquidity risk: Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or other financial asset. The Company's approach to manage liquidity risk is by maintaining sufficient cash. There is no unavailed credit facility available to the Company. However as at 30 June 2025, the Company had Rupees 92.005 million (2024: Rupees 118.252 million) cash and bank balances. Management believes that currently the liquidity risk to be high. The contractual maturities of financial liabilities are disclosed in the table depicting undiscounted cash flows.

Contractual maturities of financial liabilities as at 30 June 2025 and 2024 are as follows:

2025						
Carrying amounts	Contractual cash flows	Six months or less	Six to twelve months	Two to five years	Above five years	
-----RUPEES-----						
Financial liabilities:						
Long term financing	1,969,994,634	1,976,550,634	275,399,634	248,005,000	899,608,000	553,538,000
Lease Liabilities	54,326,108	54,326,108	54,326,108	-	-	-
Trade and other payables	508,503,398	508,503,398	508,503,398	-	-	-
Short term borrowings	5,043,819,233	5,043,819,233	5,043,819,233	-	-	-
Interest / markup payable	2,596,250,534	3,162,251,236	3,162,251,236	-	-	-
	10,172,893,907	10,745,450,609	9,044,299,609	248,005,000	899,608,000	553,538,000

2024						
Carrying amounts	Contractual cash flows	Six months or less	Six to twelve months	Two to five years	Above five years	
-----RUPEES-----						
Financial liabilities:						
Long term financing	2,082,566,405	2,082,570,646	1,046,129,646	10,361,000	712,387,000	313,693,000
Lease Liabilities	54,326,108	54,326,108	54,326,108	-	-	-
Trade and other payables	490,243,620	490,243,620	490,243,620	-	-	-
Short term borrowings	5,166,503,195	5,166,503,195	5,166,503,195	-	-	-
Interest / markup payable	2,702,818,114	2,702,818,114	2,702,818,114	-	-	-
	10,496,457,442	10,496,461,683	9,460,020,683	10,361,000	712,387,000	313,693,000

The contractual cash flows relating to the above financial liabilities have been determined on the basis of interest rates / mark-up rates / profit rates effective as at 30 June. The rates of interest / mark-up / profit have been disclosed in Note 20.1 to these financial statements.

On the reporting date the installments of long term finances amounting to Rs. 1,730.454 million, Lease finance amounting to Rs. 54.326 million and short term borrowings amounting to Rs. 5,061.410 million. Overdue installment of long term loans amounting to Rs. 491.080 million was subsequently paid.

40.2. FINANCIAL INSTRUMENT BY CATEGORY

2025			2024		
At amortized cost	At FVTPL	Total	At amortized cost	At FVTPL	Total

-----RUPEES-----

Assets as per statement of financial position

Long term deposits	10,087,882	-	10,087,882	19,462,379	-	19,462,379
Trade debts	266,422,605	-	266,422,605	217,932,489	-	217,932,489
Other receivables	111,304,820	-	111,304,820	23,934,191	-	23,934,191
Cash and bank balances	92,005,217	-	92,005,217	118,252,023	-	118,252,023
	479,820,524	-	479,820,524	379,581,082	-	379,581,082

Liabilities as per statement of financial position

	2025	2024
	-----RUPEES-----	
Long term financing	1,969,994,634	2,082,566,405
Lease liabilities	54,326,108	54,326,108
Trade and other payables	508,503,398	490,243,620
Interest / markup payable	2,596,250,534	2,702,818,114
Short term borrowings	5,043,819,233	5,166,503,195
	10,172,893,907	10,496,457,442

40.2.1. Reconciliation of financial assets and financial liabilities to the line items presented in the statement of financial position is as follows:

	2025			2024		
	Financial assets	Other than financial assets	Total	Financial assets	Other than financial assets	Total
-----RUPEES-----						
Assets as per statement of financial position						
Long term deposits	10,087,882	-	10,087,882	19,462,379	-	19,462,379
Trade debts	266,422,605	-	266,422,605	217,932,489	-	217,932,489
Advances	-	31,738,387	31,738,387	-	41,092,393	41,092,393
Deposits	-	4,799,126	4,799,126	-	5,948,126	5,948,126
Other receivables	111,304,820	-	111,304,820	23,934,191	-	23,934,191
Cash and bank balances	92,005,217	-	92,005,217	118,252,023	-	118,252,023
	<u>479,820,524</u>	<u>36,537,513</u>	<u>516,358,037</u>	<u>379,581,082</u>	<u>47,040,519</u>	<u>426,621,600</u>

	2025			2024		
	Financial liabilities	Other than financial liabilities	Total	Financial liabilities	Other than financial liabilities	Total
-----RUPEES-----						
Liabilities as per statement of financial position						
Long term financing	1,969,994,634	-	1,969,994,634	2,082,566,405	-	2,082,566,405
Lease liabilities	54,326,108	-	54,326,108	54,326,108	-	54,326,108
Trade and other payables	508,503,398	-	508,503,398	490,243,620	-	490,243,620
Interest / markup payable	2,596,250,534	-	2,596,250,534	2,702,818,114	-	2,702,818,114
Short term borrowings	5,043,819,233	-	5,043,819,233	5,166,503,195	-	5,166,503,195
	<u>10,172,893,907</u>	<u>-</u>	<u>10,172,893,907</u>	<u>10,496,457,442</u>	<u>-</u>	<u>10,496,457,442</u>

40.3. Offsetting financial assets and financial liabilities

As on reporting date, recognized financial instruments are not subject to offsetting as there are no enforceable master netting arrangements and similar agreements.

41. RECOGNIZED FAIR VALUE MEASUREMENTS - NON-FINANCIAL ASSETS

(i) Fair value hierarchy

Judgements and estimates are made for the non-financial assets that are recognized and measured at fair value in these 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:

	2025			
	Level 1	Level 2	Level 3	Total
-----Rupees-----				
Operating fixed assets				
Freehold				
Land	-	182,875,000	-	182,875,000
Building	-	93,494,655	-	93,494,655
Plant and Machinery	-	195,294,901	-	195,294,901
Electric installation	-	48,114,482	-	48,114,482
Factory equipment	-	757,303	-	757,303
		<u>520,536,342</u>		<u>520,536,342</u>
Right of use assets				
Plant and Machinery	-	14,535,457	-	14,535,457
		<u>535,071,799</u>		<u>535,071,799</u>
Investment property				
Land	-	746,351,000	-	746,351,000
Building	-	567,540,907	-	567,540,907
		<u>1,313,891,907</u>		<u>1,313,891,907</u>
		<u>1,848,963,706</u>		<u>1,848,963,706</u>

There were no transfers between the levels during the year

Details of the Company's revalued assets and information about fair value hierarchy as at June 30, 2024 are as follows:

	2024			
	Level 1	Level 2	Level 3	Total
	-----Rupees-----			
Operating fixed assets				
Freehold				
Land	-	570,373,500		570,373,500
Building	-	100,712,795	-	100,712,795
Plant and Machinery		192,279,152	-	192,279,152
Electric installation	-	53,460,536	-	53,460,536
Factory equipment	-	841,448	-	841,448
		917,667,431		917,667,431
Right to use assets				
Plant and Machinery	-	16,150,508	-	16,150,508
	-	933,817,940	-	933,817,940
Investment property				
Land	-	668,244,500	-	668,244,500
Building	-	602,221,267	-	602,221,267
	-	1,270,465,767	-	1,270,465,767
	-	2,204,283,707	-	2,204,283,707

The Company's policy is to recognize transfers into and transfers out of fair value hierarchy levels as at the end of the reporting period. There were no transfer between level 1 and 2 for recurring fair value measurement during the year. Further, there was no transfer in and out of level 3 measurements.

(ii) Valuation techniques used to determine level 2 fair values. The Company obtains independent valuation for its freehold land (classified as property, plant and equipment). The management updates the assessment of the fair value of freehold land, taking into account the most recent independent valuation. The management determines freehold land's value within a range of reasonable fair value estimates. The best evidence of fair value is current prices in an active market for similar lands.

Valuation processes

The Company engages external, independent and qualified valuer to determine the fair value of the Company's freehold land. Last valuation of operating fixed assets and investment property freehold land was performed by Messrs. Golf Consultants, Messrs Paradise consultants respectively. Changes in fair values are analyzed during the valuation discussion 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.

RECOGNIZED FAIR VALUE MEASUREMENTS - FINANCIAL INSTRUMENTS

Certain financial assets and financial liabilities are 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. Judgements and estimates are made in determining the fair values of the financial instruments that are recognized and measured at fair value in these financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company classifies its financial instruments into following three levels. However, as at the reporting date, the Company has no such type of financial instruments which are required to be grouped into these levels. These levels are explained as under:

Level 1: Quoted prices (unadjusted) in active market for identical assets or liabilities.

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 maximize 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: Inputs for the asset or liability that are not based on observable market data (i.e. unobservable inputs).

42. Capital risk management

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends to be paid to shareholders, issue new shares or obtain / repay long term financing from / to financial institutions.

The Company manages its capital risk by monitoring its debt levels and liquid assets and keeping in view future investment requirements and expectation of the shareholders. Debt is calculated as total borrowings ('redeemable capital', 'long term financing', 'liabilities against assets subject to finance lease' and 'short term borrowings' as shown in the statement of financial position). Equity comprises of shareholders' equity as shown in the statement of financial position under 'share capital and reserves'.

The salient information relating to capital risk management of the Company as of June 30, 2025 and 2024 were as follows:

	Note	2025 Rupees	2024 Rupees
Total debt	18,19,20,25&26.	6,828,599,429	7,072,200,459
Total equity		(8,654,814,385)	(8,544,192,042)
Total capital employed		(1,826,214,956)	(1,471,991,583)
Percentage			
Gearing ratio		-79%	-83%

The increase in gearing is primarily due to heavy losses sustained by the Company.

43. Transactions with related parties

The related parties comprise associated undertakings, directors of the Company and key management personnel. The Company in the normal course of business carries out transactions with related parties. Detail of transactions with related parties other than those disclosed in relevant notes are as follows:

Name of related party	Basis of relationship	Nature of transactions	2025 Rupees	2024 Rupees
Associated undertakings				
Cotton Passion (Pvt.) Limited	Close family member	Sales	133,140,670	146,720,286
		Rental income	180,000	180,000
		Sale of land	181,735,000	-
Abwa Knowledge Village (Pvt.) Limited	Close family member	Loan obtained	138,000,000	235,000,000
		Rental income	6,000,000	8,864,000
I.A Textiles - AOP	Common directorship	Rental income	180,000	180,000
Shama Exports (Pvt.) Limited	Common directorship	Rental income	180,000	180,000
Amfort (Pvt.) Limited	Common directorship	Rental income	180,000	180,000
Musaif (Pvt.) Limited	Common directorship	Rental income	180,000	-
Other related parties				
Key management personnel	Members of Board of Directors	Remuneration to Directors	15,000,000	10,200,000

44. Non Adjusting Event after the reporting period.

There are no significant activities since June 30, 2025 causing any adjustment or disclosure in the financial statements.

45. DISCLOSURE REQUIREMENTS FOR COMPANY NOT ENGAGED IN SHARIAH NON-PERMISSIBLE BUSINESS ACTIVITIES AS ITS CORE BUSINESS ACTIVITIES:

Description	NOTE	2025 Rupees	2024 Rupees
Revenue earned from shariah compliant business	29	2,370,790,973	2,793,103,295
Shariah compliant bank deposits and bank balances		2,076,613	14,185,524
Exchange gain accrued on local currency		12,589,232	48,285
Profit earned or interest expense on any conventional loan / advance			
Mark up on long term loan		83,326,647	98,955,264
Financing (long term, short term) obtained as per islamic mode			
Long term financing		255,676,984	113,594,052
Short term borrowing		327,001,675	327,001,675
Source and detailed breakup of other income including other or miscellaneous portion of other income into shariah-compliant and non-compliant income:			
Shariah compliant			
Exchange gain - net		3,740,762	48,285
Gain on disposal of property, plant and equipment		41,400,455	17,835,980
Rental income		6,900,000	9,584,000

Unrealised gain on investment property carried at fair value - net	43,426,140	11,774,210
Non - shariah compliant		
Gain on recognition of loan at fair value	44,653,724	86,223,181
Relationship with shariah compliant financial institutions including banks		
Name	Relationship	
Meezan Bank Limited	Bank balance	
NBP Islamic Bank	Bank balance, Long term financing, Short term borrowings	
BankIslami Pakistan Limited	Bank balance, Long term financing	

46. GENERAL

46.1. Corresponding figures

Corresponding figures have been re-arranged, wherever necessary for the purpose of comparison. However, no significant re-arrangements have been made except for reclassification as follows:

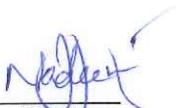
Particulars	Reclassified		Amount Rupee
	From	To	
Clearing and forwarding	Selling and distribution expenses	Cost of revenue	15,000,000
Staff retirement benefits	Cost of revenue	Administrative expenses	2,545,268
Due to related party	Trade and other payables	Long term financing	231,195,249

46.2. DATE OF AUTHORISATION FOR ISSUE

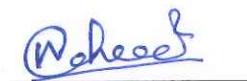
These financial statements were authorised for issue on October 07, 2025 by the Board of Directors of the Company.

Statement under section 232(1) of the Companies Act, 2017:

The Chief Executive Officer of the Company is presently out of the country. Therefore these financial statements have been signed by two Directors and Chief Financial Officer as required under section 232(1) of the Companies Act, 2017.


Director


Director


Chief Financial Officer

Pattern of Shareholding

As on June 30, 2025

Number of Shareholders	Shareholding		Total Number of Shares Held	Percentage of Total Capital
	From	To		
188	1 -	100	5,857	0.00
292	101 -	500	116,933	0.05
347	501 -	1000	295,673	0.11
695	1001 -	5000	2,089,643	0.81
274	5001 -	10000	2,193,007	0.85
109	10001 -	15000	1,416,186	0.55
93	15001 -	20000	1,736,586	0.67
60	20001 -	25000	1,399,114	0.54
47	25001 -	30000	1,353,679	0.52
25	30001 -	35000	813,658	0.31
25	35001 -	40000	960,102	0.37
11	40001 -	45000	466,308	0.18
37	45001 -	50000	1,827,289	0.70
13	50001 -	55000	690,578	0.27
13	55001 -	60000	758,598	0.29
9	60001 -	65000	567,023	0.22
6	65001 -	70000	414,000	0.16
6	70001 -	75000	436,490	0.17
11	75001 -	80000	870,171	0.34
7	80001 -	85000	585,846	0.23
5	85001 -	90000	437,000	0.17
5	90001 -	95000	471,074	0.18
25	95001 -	100000	2,497,010	0.96
3	100001 -	105000	307,141	0.12
3	105001 -	110000	323,927	0.12
3	110001 -	115000	339,423	0.13
1	115001 -	120000	119,389	0.05
3	120001 -	125000	375,000	0.14
2	125001 -	130000	259,051	0.10
1	130001 -	135000	130,060	0.05
2	135001 -	140000	276,022	0.11
7	145001 -	150000	1,038,350	0.40
3	160001 -	165000	484,700	0.19
2	165001 -	170000	338,063	0.13
1	170001 -	175000	175,000	0.07
2	175001 -	180000	355,625	0.14
1	180001 -	185000	183,300	0.07
8	195001 -	200000	1,596,983	0.62

Number of Shareholders	Shareholding From	To	Total Number of Shares Held	Percentage of Total Capital
2	205001 -	210000	418,047	0.16
1	215001 -	220000	218,760	0.08
1	225001 -	230000	228,500	0.09
1	230001 -	235000	233,151	0.09
1	245001 -	250000	248,000	0.10
3	250001 -	255000	758,267	0.29
1	265001 -	270000	269,000	0.10
1	280001 -	285000	284,000	0.11
2	295001 -	300000	600,000	0.23
1	300001 -	305000	302,505	0.12
1	305001 -	310000	310,000	0.12
1	335001 -	340000	340,000	0.13
4	345001 -	350000	1,398,824	0.54
1	350001 -	355000	353,190	0.14
1	360001 -	365000	363,523	0.14
1	365001 -	370000	369,998	0.14
1	375001 -	380000	377,475	0.15
1	385001 -	390000	389,121	0.15
1	395001 -	400000	400,000	0.15
1	400001 -	405000	401,264	0.15
1	430001 -	435000	435,000	0.17
1	465001 -	470000	467,545	0.18
1	480001 -	485000	484,161	0.19
1	490001 -	495000	495,000	0.19
1	495001 -	500000	500,000	0.19
2	500001 -	505000	1,002,310	0.39
1	515001 -	520000	517,916	0.20
1	545001 -	550000	549,900	0.21
1	595001 -	600000	600,000	0.23
1	610001 -	615000	613,160	0.24
1	630001 -	635000	631,600	0.24
1	680001 -	685000	681,473	0.26
1	695001 -	700000	700,000	0.27
1	765001 -	770000	766,877	0.30
1	885001 -	890000	887,792	0.34
1	900001 -	905000	901,669	0.35
1	920001 -	925000	925,000	0.36
1	1895001 -	1900000	1,900,000	0.73
1	8730001 -	8735000	8,732,427	3.37
1	22550001 -	22555000	22,555,000	8.69
1	23170001 -	23175000	23,172,472	8.93
1	48255001 -	48260000	48,255,780	18.60
1	51590001 -	51595000	51,594,656	19.89
1	55090001 -	55095000	55,092,912	21.24
2,397			259,430,134	100.00

Categories of Shareholding
As at June 30, 2025

Categories of Members	No. of Shareholders	No. of Shares Held	Percentage
Directors, Chief Executive Officer, and their spouse and minor children	7	154,945,148	59.73
Associated Companies, undertakings and related parties		-	-
NIT / Funds	2	752,644	0.29
Banks Development Financial Institutions, Non banking Financial institutions	1	23,172,472	8.93
Insurance Companies		-	-
Modarabas and Mutual Funds		-	-
Share holders holding 10%	3	154,943,348	59.72
General Public			
Local	2370	57,172,718	22.04
Foreign		-	
Joint stock companies	16	832,152	0.32
Others (Government Institution)	1	22,555,000	8.69
Total (Excluding Shareholders holding 10% or more)	2397	259,430,134	

Pattern of Shareholding
As at June 30, 2025
Other Information

Categories of Shareholders	Number	Shares Held	Percentage
Associated Companies, Undertakings and Related Parties		-	-
NIT & ICP / FUNDS			
NIT	2	752,644	0.29
Directors, CEO their Spouses & Minor Children			
Mr. Khurram Iftikhar	1	51,594,656	19.89
Mr. Shahzad Iftikhar	1	55,092,912	21.24
Mr. Nadeem Iftikhar	1	48,255,780	18.60
Mr. Suhail Maqsood Ahmad	1	500	0.00
Mr. Muhammad Ahsan	1	650	0.00
Mr. Gul Muhammad Naz	1	500	0.00
Mrs. Bushra Bibi	1	150	0.00
Executives		-	-
Public Sector Companies & Corporations			
Joint Stock companies	16	832,152	0.32
Banks, Development Finance Institutions, Non Banking Finance Institutions, Insurance Companies, Takaful, Modarabas & Pension Funds	1	23,172,472	8.93
Shareholders Holding Five Percent or More Voting Intrest in the Listed Company			
Mr. Khurram Iftikhar	Chief Executive	51,594,656	19.89
Mr. Shahzad Iftikhar	Director	55,092,912	21.24
Mr. Nadeem Iftikhar	Director	48,255,780	18.60
EMPLOYEES OLD-AGE BENEFITS INSTITUTION		22,555,000	8.69
NATIONAL BANK OF PAKISTAN		23,172,472	8.93

None of the Directors , Executives and their spouses and minor children has traded in the shares of the company during the year.

FORM OF PROXY
Annual General Meeting

I / We _____
of _____
being a member of **Amtex Ltd**, hereby appoint _____
of _____
or failing him/her _____
of _____

member (s) of the Company, as my / our proxy in my / our absence to attend and vote for me / us and on my /our behalf at the Annual General Meeting of the Company to be held on October 28, 2025 at 11:00 A.M. at Company’s registered office P-225 Tikka Gali # 2 Montgomery Bazar Faisalabad.

as witness my / our hand seal this _____ day of _____ 2025

Please
affix
Revenue
Stamp Rs.5

Signed by the said member
in presence of _____

Signature(s) of Member(s)

<p>Witness 1</p> <p>Signature of witness _____</p> <p>Name _____</p> <p>Address _____</p> <p>CNIC # _____</p>	<p>Witness 2</p> <p>Signature of witness _____</p> <p>Name _____</p> <p>Address _____</p> <p>CNIC # _____</p>
--	--

Please Quote:

Folio No	Shares Held	CDC A/C No.

IMPORTANT: Proxies in order to be effective, must be received at the Registered Office of the company at P-225, Tikka Gali # 2 Montgomery Bazar Faisalabad, not later than 48 hours before the time for holding the Annual General Meeting and must be duly stamped, signed and witnessed.

Consent for video conference facility
Annual General Meeting

I/We _____ of _____ being a member (s) of Amtex Limited, holder of _____ ordinary share (s) as per registered Folio/CDS Account No. _____ hereby opt for video conference facility at _____ CDS Account No.

Revenue Stamp
of Appropriate
Value

AFFIX
CORRECT
POSTAGE

The Company Secretary
AMTEX LIMITED
P-225, Tikka Gali # 2 Montgomery
Bazar, Faisalabad - Pakistan

AFFIX
CORRECT
POSTAGE

The Company Secretary
AMTEX LIMITED
P-225, Tikka Gali # 2 Montgomery
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