ANNUAL REPORT 2026

AMTEX

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. Nadeem Iftikhar	Chairman
Mr. Khurram Iftikhar	Chief Executive Officer
Mr. Shahzad Iftikhar	
Mr. Muhammad Ahsan	
Mr. Muhammad Asif	
Mr. Muhammad Mobeen	
Mrs. Bushra Bibi	

Chief Financial Officer

Mr. Muhammad Asim

Company Secretary

Mr. Muhammad Raza Farooq

Audit Committee

Mr. Muhammad Asif	*Chairman*
Mr. Muhammad Ahsan	
Mr. Nadeem Iftikhar	

Human Resource & Remuneration Committee

Mr. Muhamamd Mobeen	*Chairman*
Mr. Muhammad Ahsan	
Mr. Shahzad Iftikhar	

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 plat form.

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,					
	2026	2025	2024	2023	2022	2021
	Rupees in million					
Operating performance						
Sales-net	3,069	2,371	2,793	1,692	1,251	1,075
Cost of Sales	2,747	2,238	2,371	1,567	1,034	1,065
Gross profit / (loss)	322	133	422	125	217	10
Operating Profit/(loss)	317	63	366	235	217	(35)
Profit/(Loss) before Levy & taxation	174	(95)	210	158	120	(132)
Profit/(Loss) after taxation	135	(130)	179	138	103	(148)

	YEAR ENDED JUNE 30,					
	2026	2025	2024	2023	2022	2021
	Rupees in million					
Financial position						
Property, plant and equipment-net (excl.capital work in progress)	868	579	974	952	1,147	1,202
Investment property	1,491	1,314	1,270	1,259	1,244	1,189
Capital work in progress						
Fixed assets	2,360	1,893	2,244	2,211	2,392	2,391
Total assets	4,007	3,540	3,685	3,310	3,661	3,577
Current assets						
Store,spare parts, loose tools and stock in trade	966	848	716	435	637	651
Other current assets	519	697	587	537	499	335
Cash and cash equivalents	120	92	118	112	83	150
	1,605	1,637	1,421	1,084	1,219	1,136
Current liabilities						
Short term bank borrowings	1,801	5,044	5,167	5,407	5,968	6,015
Current portion of long term financing/ murabaha	872	730	808	2,066	2,178	2,284
Other current liabilities	3,367	3,400	3,356	3,007	2,889	2,916
	6,039	9,174	9,331	10,480	11,035	11,216
Net Working Capital	(4,435)	(7,537)	(7,910)	(9,396)	(9,816)	(10,080)
Long term fianancing/ murahaba	-	-	-	-	320	236
Share capital and reserves	(8,980)	(9,120)	(9,380)	(9,567)	(9,907)	(10,027)

		YEAR ENDED JUNE 30,					
		Restated					
		2026	2025	2024	2023	2022	2021
Profitability analysis							
Gross Profit / (loss) to sales	(%)	10.5	5.6	15.1	7.4	17.4	0.9
Profit / (Loss) before tax to sales	(%)	5.7	(4.0)	7.5	9.4	9.6	(12.3)
Profit / (Loss) after tax to sales	(%)	4.4	(5.5)	6.4	8.2	8.3	(13.8)
Profit / (Loss) per share	(Rupees)	0.52	(0.50)	0.69	0.5	0.4	(0.6)

		YEAR ENDED JUNE 30,					
		2026	2025	2024	2023	2022	2021
Financial analysis							
Current Ratio	(times)	0.3	0.2	0.2	0.1	0.1	0.1
Debt to equity	(times)	(0.78)	(0.77)	(0.3)	(0.2)	(0.2)	(0.2)
Break up value per share	(Rupees)	(34.6)	(35.2)	(36.2)	(36.9)	(38.2)	(38.7)
Inventory turnover ratio	(times)	4.2	4.0	6.2	4.3	2.2	2.1
Debtors turnover ratio	(times)	14.3	9.8	12.0	7.8	10.2	12.8
Fixed assets turnover ratio	(times)	3.5	4.1	2.9	1.8	1.1	0.9
Total assets turnover	(times)	0.8	0.7	0.8	0.5	0.3	0.3

Amtex 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-2026.pdf

AMTEX
THE TEXTILE EXPERTS

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, 2026 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 December 31, 2025.

2. To receive and adopt the Audited Accounts of the Company for the year ended June 30, 2026 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 2026-27 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, 2026 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, 2027. 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, 2026

Muhammad Raza Farooq
Company Secretary

NOTES: -

1. The Share Transfer Books of the Company will remain closed from 20-10-2026 to 28-10-2026 (both days inclusive). Transfers received at Vision Consulting Ltd, 3-C Lawrance Road, LDA Flats Lahore at the close of the business on 19-10-2026 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 intend 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 2026 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-2026.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, 2026. b) E-voting facility will be available to eligible members from October 24, 2026, 9:00 am and shall close on October 26, 2026 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@amtextile.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, 2027, 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") has continued to discharge its responsibilities with due diligence and in the best interests of the shareholders of the Company. The Board has remained committed to ensuring that the affairs of the Company are managed effectively, efficiently, and transparently. The Board has exercised its powers and performed its duties in accordance with the requirements of the Companies Act, 2017 and the Listed Companies (Code of Corporate Governance) Regulations, as applicable.

The textile sector remains one of the most important contributors to Pakistan's economy, employment generation, and foreign exchange earnings. During the financial year 2026, the sector operated in a challenging and evolving business environment, characterized by fluctuations in international demand, exchange rate movements, inflationary pressures, financing costs, energy-related challenges, and increasing requirements relating to environmental, social, and governance standards.

During the year under review, despite very tight situations the Company's exports recorded significant improvement compared with the previous financial year. Going forward, there is a need for the textile industry to strengthen its competitiveness by focusing on value-added products, product diversification, operational efficiency, technological advancement, sustainability, and compliance-driven production. Exploring non-traditional markets, particularly in East Asia, Oceania, and other emerging markets, may provide opportunities for future growth. Participation in international trade exhibitions, strengthening customer relationships, improving product development capabilities, and building Pakistan's textile brand image will also remain important for enhancing the Company's presence in international markets.

The management is responsible for conducting the day-to-day business operations of the Company and for translating the strategic direction of the Board into practical actions. The Board has remained actively involved in the strategic planning process, enterprise risk management, policy formulation, financial planning, budgeting, and monitoring of the Company's performance.

All Directors, including the Independent Directors, have actively participated in Board deliberations and contributed to the decision-making process. The Board has continued to exercise effective oversight over management and has maintained particular focus on significant business, financial, operational, and compliance risks.

The Board remains committed to maintaining a sound internal control environment and ensuring that appropriate systems and procedures are in place to safeguard the Company's assets and stakeholders' interests. The Company has an independent Internal Audit function, and reports of the Internal Audit Department are presented to the Audit Committee on a quarterly basis for review and appropriate action.

Appreciation

On behalf of the Board, I would like to express my sincere appreciation to the management, employees, officers, and workers of the Company for their dedication, commitment, and continued efforts during the year. Their contribution remains essential to the Company's operations and future growth.

I would also like to extend my gratitude to our valued customers for their continued confidence, trust, and support. I acknowledge and appreciate the cooperation extended by our banks and other financial institutions, suppliers, business partners, and other stakeholders.

The Board remains confident that, through continued commitment, prudent management, operational efficiency, innovation, and a strong focus on quality and customer satisfaction, the Company will continue to navigate the challenges facing the textile industry and pursue sustainable growth and long-term value creation for its shareholders.

Nadeem Iftikhar
Chairman

Faisalabad
October 06, 2026

چیئرمین کی جائزہ رپورٹ

بورڈ آف ڈائریکٹرز ("بورڈ") نے کمپنی کے شیئر ہولڈرز کے بہترین مفاد میں پوری ذمہ داری اور مناسب احتیاط کے ساتھ اپنی ذمہ داریاں انجام دینے کا سلسلہ جاری رکھا ہے۔ بورڈ اس امر کو یقینی بنانے کے لیے پُرعزم رہا ہے کہ کمپنی کے امور مؤثر، باکفایت اور شفاف انداز میں چلائے جائیں۔ بورڈ نے کمپنیز ایکٹ، 2017 اور قابلِ اطلاق صورت میں لسٹڈ کمپنیز (کارپوریٹ گورننس کے ضابطہ) ریگولیشنز کے تقاضوں کے مطابق اپنے اختیارات استعمال کیے اور اپنی ذمہ داریاں انجام دیں۔

ٹیکسٹائل کا شعبہ پاکستان کی معیشت، روزگار کے مواقع پیدا کرنے اور زرمبادلہ کمانے میں اہم ترین کردار ادا کرنے والے شعبوں میں شامل ہے۔ مالی سال 2026 کے دوران اس شعبے کو ایک مشکل اور مسلسل تبدیل ہوتے ہوئے کاروباری ماحول کا سامنا رہا، جس میں بین الاقوامی طلب میں اتار چڑھاؤ، شرحِ مبادلہ میں تبدیلیاں، افراطِ زر کے دباؤ، مالیاتی اخراجات، توانائی سے متعلق مسائل، اور معیارات سے متعلق بڑھتے ہوئے تقاضے شامل ہیں۔

زیرِ جائزہ سال کے دوران، انتہائی مشکل حالات کے باوجود، کمپنی کی برآمدات میں گزشتہ مالی سال کے مقابلے میں نمایاں بہتری ریکارڈ کی گئی۔ مستقبل میں ٹیکسٹائل کی صنعت کو اپنی مسابقتی صلاحیت مضبوط بنانے کے لیے ویلیو ایڈڈ مصنوعات، مصنوعات میں تنوع، آپریشنل کارکردگی، ٹیکنالوجی میں جدت، پائیداری اور ضابطوں کی پابندی پر مبنی پیداوار پر توجہ مرکوز کرنے کی ضرورت ہے۔ غیر روایتی منڈیوں، بالخصوص مشرقی ایشیا، اوشیانا اور دیگر ابھرتی ہوئی منڈیوں کی تلاش مستقبل میں ترقی کے مواقع فراہم کر سکتی ہے۔ بین الاقوامی تجارتی نمائشوں میں شرکت، صارفین کے ساتھ تعلقات کو مزید مضبوط بنانا، مصنوعات کی تیاری اور ترقی کی صلاحیتوں میں بہتری، اور عالمی منڈیوں میں پاکستان کی ٹیکسٹائل مصنوعات کے برانڈ امیج کو مضبوط بنانا بھی کمپنی کی بین الاقوامی موجودگی بڑھانے کے لیے اہم رہے گا۔

کمپنی کے روزمرہ کاروباری امور کو چلانے اور بورڈ کی جانب سے متعین کردہ حکمتِ عملی کو عملی اقدامات میں تبدیل کرنے کی ذمہ ،داری انتظامیہ پر عائد ہوتی ہے۔ بورڈ اسٹریٹجک منصوبہ بندی کے عمل، انٹرپرائز رسک مینجمنٹ، پالیسی سازی، مالیاتی منصوبہ بندی بجٹ سازی اور کمپنی کی کارکردگی کی نگرانی میں فعال طور پر شامل رہا ہے۔

تمام ڈائریکٹرز، بشمول آزاد ڈائریکٹرز، نے بورڈ کے غور و خوض میں فعال طور پر حصہ لیا اور فیصلہ سازی کے عمل میں اپنا کردار ادا کیا۔ بورڈ نے انتظامیہ کی مؤثر نگرانی کا سلسلہ جاری رکھا اور اہم کاروباری، مالیاتی، آپریشنل اور ضابطہ جاتی خطرات پر خصوصی توجہ مرکوز رکھی۔

بورڈ ایک مضبوط اندرونی کنٹرول کے ماحول کو برقرار رکھنے اور اس امر کو یقینی بنانے کے لیے پُرعزم ہے کہ کمپنی کے اثاثوں اور اسٹیک ہولڈرز کے مفادات کے تحفظ کے لیے مناسب نظام اور طریقہ کار موجود ہوں۔ کمپنی میں ایک آزاد اندرونی آڈٹ کا شعبہ موجود ہے، اور اندرونی آڈٹ کے شعبے کی رپورٹس سہ ماہی بنیادوں پر جائزے اور مناسب کارروائی کے لیے آڈٹ کمیٹی کے سامنے پیش کی جاتی ہیں۔

اظہارِ تشکر

بورڈ کی جانب سے، میں کمپنی کی انتظامیہ، ملازمین، افسران اور کارکنان کا سال کے دوران ان کی محنت، لگن، عزم اور مسلسل کاوشوں پر تہہ دل سے شکریہ ادا کرنا چاہتا ہوں۔ ان کی خدمات کمپنی کے موجودہ آپریشنز اور مستقبل کی ترقی کے لیے نہایت اہم ہیں۔

میں اپنے قابلِ قدر صارفین کا بھی تہہ دل سے شکریہ ادا کرنا چاہتا ہوں کہ انہوں نے کمپنی پر اپنا اعتماد، بھروسہ اور تعاون برقرار رکھا۔ میں اپنے بینکوں اور دیگر مالیاتی اداروں، سپلائرز، کاروباری شراکت داروں اور دیگر اسٹیک ہولڈرز کی جانب سے فراہم کردہ تعاون کو بھی قدر کی نگاہ سے دیکھتا ہوں اور ان کا شکر گزار ہوں۔

بورڈ کو یقین ہے کہ مسلسل عزم، محتاط انتظامی حکمتِ عملی، آپریشنل کارکردگی، جدت، اور معیار اور صارفین کے اطمینان پر بھرپور توجہ کے ذریعے کمپنی ٹیکسٹائل کی صنعت کو درپیش چیلنجز کا سامنا کامیابی سے کرتی رہے گی اور اپنے شیئر ہولڈرز کے لیے پائیدار ترقی اور طویل مدتی قدر کے حصول کی جانب گامزن رہے گی۔

ندیم افتخار

فیصل آباد

اکتوبر06،2026

Directors' Report

In Compliance with section 227, of the Companies Act, 2017 the Directors pleased to present before you the annual report with audited financial statements and Auditors' Report there on for the year ended June 30, 2026.

Operating & Financial Results

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

	2026 RUPEES	2025 RUPEES
Revenue from contracts with customers	3,069,427,707	2,370,790,973
Cost of revenue	2,746,947,499	2,237,781,941
Gross profit	322,480,208	133,009,032
Distribution cost	113,789,635	104,034,186
Administrative expenses	123,013,565	111,815,189
Other expenses	3,640,392	3,462,940
	240,443,592	219,312,315
	82,036,616	(86,303,283)
Other income	234,962,763	148,969,551
Profit from operations	316,999,379	62,666,268
Finance cost	142,591,832	157,292,459
Profit / (loss) before minimum tax and taxation	174,407,547	(94,626,191)
Minimum tax	38,367,846	29,634,887
Profit / (loss) before taxation	136,039,701	(124,261,078)
Taxation	1,508,468	5,889,058
Profit / (loss) after taxation	134,531,233	(130,150,136)
Earnings per share - Basic and diluted	0.52	(0.50)

During financial year ended June 30, 2026, company earned gross profit of Rupees 322.480 million on sales of Rupees 3,069.428 million as compared to Rupees 133.009 million gross profits on sales of Rupees 2,370.791 million for the previous financial year. During the FY 2026 Company earned net profit after tax of Rupees 134.531 million as compared to net loss after tax of Rupees 130.150 million during the previous financial year. Despite political instability, poor economic conditions and

significantly increasing cost of doing business Company's sales has significantly increased in FY 2025-26 as compared to previous year.

Auditors' Observations

The Auditors, in their Independent Auditors' Report, have drawn attention to certain matters relating to the Company's ability to continue as a going concern, confirmation of certain loan balances, deferred interest, mark-up not accrued and ongoing litigation with Sui Northern Gas Pipelines Limited ("SNGPL"). The Directors' explanations in respect of these matters are set out below:

Going Concern

The Auditors have drawn attention to the Company's accumulated losses, liquidity position and other related matters which may cast significant doubt on the Company's ability to continue as a going concern.

The Directors acknowledge these circumstances and confirm that the management remains fully cognizant of the financial and liquidity challenges faced by the Company and is taking comprehensive measures to address these matters. Despite the challenging operating environment, including global economic uncertainties, elevated inflationary pressures, energy constraints and other industry-related challenges, the Company has continued its operations and maintained a consistent level of sales activity. The continuity of operations and the management's ongoing efforts to improve operating performance provide an important basis for the Company's plans to sustain its business activities.

As part of its financial restructuring strategy, the Company is also in the process of disposing of certain properties which are mortgaged/charged in favor of relevant banks. The proposed sale proceeds are intended to be utilized for settlement/reduction of the corresponding secured debt in accordance with the arrangements being negotiated with the relevant financial institutions. The Company is also pursuing debt restructuring/rescheduling arrangements with its lenders with the objective of reducing its financial burden, improving liquidity and resolving outstanding matters and litigation with the relevant banks.

The management continues to actively pursue measures for operational improvement, working-capital management, realization of non-core assets and restructuring of its financial obligations. Based on the measures undertaken and the management's assessment of the Company's future operations and available financial strategies, the Directors are of the view that the Company has viable plans to address its liquidity position and improve its financial condition.

Accordingly, while the matters highlighted by the Auditors represent material uncertainties that require careful management, the Directors remain confident that the measures being undertaken will contribute towards strengthening the Company's financial position and enabling it to continue its operations on a going-concern basis.

Non-Confirmation of Certain Bank Balances

The Auditors have also reported that confirmations of certain short-term and long-term loan balances were not received from a few banks and financial institutions.

The Directors clarify that the Company, through its management and auditors, made requests to the relevant banks and financial institutions for confirmation of their outstanding balances. The majority of the financial institutions responded to such requests and confirmed the respective balances, notwithstanding that certain matters are subject to ongoing litigation. However, confirmations from a few banks could not be obtained, primarily due to pending litigation and related disputes between the Company and those financial institutions.

The non-receipt of such confirmations should therefore be considered in the context of the ongoing legal and financial disputes. The Company continues to engage with the relevant financial institutions and is pursuing appropriate legal and financial measures for resolution of these matters.

Litigation with Sui Northern Gas Pipelines Limited (SNGPL)

The Auditors have further drawn attention to the litigation between the Company and SNGPL and the non-recognition of a provision in respect of the judgment/decree passed by the learned District Judge/Judge Gas Utility Court, Faisalabad.

The Directors explain that the Company has not recognized a provision in respect of the said judgment/decree as the Company has exercised its legal right to challenge the judgment before the superior courts and has filed an appeal before the Honorable Lahore High Court, Lahore. The matter is therefore subject to the outcome of the ongoing legal proceedings.

Subsequent to the relevant judicial proceedings, SNGPL has also revised the amount outstanding against the Company in accordance with the applicable judgments of the Honorable Supreme Court, whereby the Company has been treated as a co-generation consumer chargeable under the Industrial Tariff rather than the Captive Power Tariff. Consequently, the amount claimed by SNGPL has been significantly reduced during the year.

The Company has further requested SNGPL to withdraw/suspend the execution proceedings pending the final outcome of the litigation before the superior courts. In addition, the Company's legal

counsel has taken appropriate legal steps, including filing the requisite petition/review proceedings before the competent forum, in accordance with applicable law.

Based on the advice and assessment of the Company's legal counsel, the management believes that the Company has reasonable grounds in support of its legal position and expects a favorable outcome of the proceedings. Accordingly, no provision has been recognized in the financial statements in respect of the aforesaid judgment/decree, subject to the ultimate outcome of the pending litigation.The Directors will continue to closely monitor the above matters and will take all necessary financial, operational and legal measures in the best interests of the Company and its stakeholders.

Mark-up / Cost of Funds on Outstanding Financing

The Auditors, in their Independent Auditors' Report, have observed that mark-up expense has not been fully recognized in the financial statements in respect of certain outstanding financing arrangements.

The Directors explain that certain banks and financial institutions have instituted legal proceedings against the Company for recovery of their outstanding financing facilities and related mark-up/cost of funds. In view of the ongoing litigation and the uncertainty regarding the ultimate outcome of these proceedings, the Company has not recognized mark-up/cost of funds on the disputed outstanding amounts, as disclosed in the relevant notes to the financial statements.

Based on the legal advice obtained by the Company, the management's position is that, following the institution of recovery proceedings, the entitlement of the respective banks/financial institutions to any further cost of funds on the disputed amounts would be subject to the judgment and decree of the competent court. Accordingly, the liability, if any, in respect of such cost of funds would arise only to the extent awarded by the Court in the event the proceedings are ultimately decided against the Company.

Furthermore, the applicability and quantum of any such cost of funds would be dependent upon the terms of the eventual decree, if any, and the rate of cost of funds applicable under the relevant laws/regulations, including the rates prescribed by the State Bank of Pakistan, for the period from the institution of the proceedings until settlement/discharge of the decree.

Accordingly, based on the legal advice available to the Company and the present status of the litigation, the management considers that the amount of any additional mark-up/cost of funds, if ultimately payable, cannot presently be determined with reasonable certainty and has therefore not been recognized in the financial statements. The Company will continue to monitor the proceedings and will recognize/adjust any liability arising therefrom in the financial statements in accordance with the outcome of the litigation and applicable financial reporting requirements.

Market Review and Future Prospects

The textile industry remains a strategically important sector of Pakistan's economy and is expected to continue playing a pivotal role in the country's exports, employment generation and industrial activity. The outlook for the industry, however, remains closely linked to developments in international demand, energy costs, interest rates, exchange rate stability, availability of working capital, taxation measures and the overall macroeconomic environment.

The management of **Amtex Limited ("the Company")** remains focused on restoring and strengthening the Company's operating and financial position and believes that the Company's established presence in the textile sector provides a foundation for sustainable improvement. The Company operates in one of Pakistan's most important export-oriented industries and remains positioned to benefit from the long-term demand for textile and apparel products in international markets.

The Company's immediate priority is to strengthen its core textile operations through improved capacity utilization, tighter cost controls, efficient utilization of resources and enhanced working capital management. Management is particularly focused on maintaining production continuity, improving operating efficiencies and preserving the Company's established customer relationships. The Company's ability to maintain sales activity in a challenging economic environment demonstrates the underlying resilience of its business operations and provides a platform upon which management intends to build future growth.

Management recognizes that the Company's future performance will depend not only on market demand but also on its ability to address the financial constraints that have affected its operations. Accordingly, financial restructuring and reduction of the Company's debt burden remain key components of the Company's future strategy. The Company is actively engaged with its banks and financial institutions for restructuring/rescheduling of outstanding financial obligations with a view to improving cash-flow management, reducing financial costs and creating a more sustainable capital structure.

As part of this strategy, the Company is pursuing the realization of certain properties and other non-core assets. The proceeds from the proposed disposal of assets charged/mortgaged in favor of relevant financial institutions are intended to be utilized in accordance with the arrangements agreed or being negotiated with the respective charge holders, principally towards reduction and settlement of secured liabilities. Successful completion of these transactions is expected to contribute towards reducing the Company's financial leverage and easing liquidity pressures.

Operationally, the Company will continue to focus on cost efficiency, productivity improvement and optimization of its available manufacturing resources. The Company also intends to strengthen its export-oriented business by focusing on customers and markets where it can achieve sustainable margins and maintain long-term commercial relationships. Management will seek to improve the product mix and emphasize products offering better value addition and margins, while maintaining the quality, delivery standards and compliance requirements expected by international buyers.

At the same time, management remains conscious of the challenges confronting the Company. These include high energy costs, interest and financial charges, exchange-rate fluctuations, inflationary pressures, taxation and regulatory measures, volatility in cotton and other raw material prices, international competition and fluctuations in global textile demand. The Company will continue to monitor these factors closely and adjust its operating and marketing strategies accordingly.

The continued operation of the Company's textile business, its established industry presence, customer relationships and management's ongoing operational, financial and restructuring initiatives provide a basis for recovery and improvement. The Directors believe that, subject to successful implementation of the Company's restructuring plans and improvement in the prevailing economic and industry conditions, Amtex Limited has the potential to improve its operating performance, strengthen its financial position and create sustainable value for its shareholders and other stakeholders over the medium to long term.

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 recommended by the audit committee, the re-appointment of M/s Zahid Jamil & Company, Chartered Accountants, as auditors for the financial year ending June 30, 2027.

Internal Audit and Controls

The board has set up an independent audit function headed by a qualified person reporting to the audit committee. The scope of the internal auditing is within the Company is clearly defined and broadly involves review and evaluation of its internal control system. 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.

Adequacy of internal financial controls

The Company adheres to maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2017 for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that are operating effectively for ensuring the accuracy and completeness of the accounting records relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Related Parties

The transactions between the related parties were carried out on arm's length basis. The Company has complied with the applicable requirements and best practices relating to transfer pricing as contained in the Companies Act, 2017 and the Code. All related party transactions during the financial year ended June 30, 2026 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, 2026 is annexed with this report.

Corporate social Responsibility

The Company remains committed to its role as a responsible corporate citizen and recognizes the importance of contributing to the well-being of the communities in which it operates. Corporate Social Responsibility is embedded in the Company's values, with a focus on supporting initiatives that enhance social development, promote education and health, protect the environment, and uplift living standards. Through these efforts, the Company seeks to foster long-term, positive relationships with stakeholders and ensure that its growth is aligned with the broader interests of society and the environment.

Listed Companies (Code of Corporate Governance) Regulations, 2019

The Company has complied with the requirements of the Listed Companies (Code of Corporate Governance) Regulations, 2019 regarding number of directorships. The Board lays great emphasis on adding and practicing good Corporate Governance, with a view to achieving transparency in its operations and enhancing stakeholders' confidence.

Statement of Compliance with Code of Corporate Governance

The Company has fully complied with the requirements of the Listed Companies (Code of Corporate Governance) Regulations, 2019. A statement to this effect is annexed with this report.

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 has been adequately disclosed and explained.

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, 2026 except for those disclosed in financial statements.

11. All the directors on the Board are fully conversant with their duties and responsibilities as directors of corporate bodies. The directors were apprised of their duties and responsibilities through orientation courses.

Composition of Board

Total Number of Directors:

a) Male 6 (Six)

b) Female 1 (One)

Composition:

Category	Number	Names
Independent directors	2	Muhammad Asif Muhammad Mubeen
Non-executive directors	2	Nadeem Iftikhar Muhammad Ahsan
Executive directors	2	Shahzad Iftikhar Khurram Iftikhar
Female directors	1	Bushra Bibi

Meetings of the Board of Directors

During financial year 2025-26 attendance of directors in meetings of BOD is provided as under:

Name	Designation	No. of meetings
Khurram Iftikhar	CEO / Director	4
Shahzad Iftikhar	Director	4
Nadeem Iftikhar	Director	4
Suhail Maqsood Ahmad	Director	2
Muhammad Ahsan	Director	3
Gul Muhammad Naz	Director	2
Muhammad Asif	Director	2
Muhammad Mubeen	Director	2
Bushra Bibi	Director	3

Leave of absence was granted to the Directors who could not attend the Board meetings. By virtue of election of Directors held during the year and pursuant to requirements of the Companies Act, 2017 and Listed Companies (Code of Corporate Governance) Regulations, 2019 the above Board of Directors was re-constituted and the following committees were also re-constituted. 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.

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:

Muhammad Asif Chairman
(Independent Director)

Muhammad Ahsan Member
(Non-Executive Director)

Nadeem Iftikhar Member
(Non-Executive Director)

Meetings of Audit Committee were held during the year ended June 30, 2026 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:

Name		No. of meetings attended
Muhammad Mubeen (Independent Director)	Chairman	01
Muhammad Ahsan (Non-Executive Director)	Member	01
Shahzad Iftikhar (Executive Director)	Member	01

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 2025-26, please refer notes to the Financial Statements.

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. However, company encourage female participation in its work force.

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.

CHIEF EXECUTIVE

DIRECTOR

Khurram Iftikhar

Shahzad Iftikhar

Faisalabad
October 06, 2026

ڈائریکٹرز کی رپورٹ

کمپنیز ایکٹ، 2017 کی دفعہ 227 کی تعمیل میں، ڈائریکٹرز کو 30 جون 2026 کو ختم ہونے والے مالی سال کے لیے آڈٹ شدہ مالی گوشواروں اور ان پر آڈیٹرز کی رپورٹ کے ساتھ سالانہ رپورٹ آپ کے سامنے پیش کرتے ہوئے خوشی محسوس ہو رہی ہے۔

آپریٹنگ اور مالی نتائج

زیرِ جائزہ سال کے مالی نتائج، گزشتہ سال کے تقابلی اعداد و شمار کے ساتھ، ذیل میں پیش کیے گئے ہیں:

	2026 RUPEES	2025 RUPEES
Revenue from contracts with customers	3,069,427,707	2,370,790,973
Cost of revenue	2,746,947,499	2,237,781,941
Gross profit	322,480,208	133,009,032
Distribution cost	113,789,635	104,034,186
Administrative expenses	123,013,565	111,815,189
Other expenses	3,640,392	3,462,940
	240,443,592	219,312,315
	82,036,616	(86,303,283)
Other income	234,962,763	148,969,551
Profit from operations	316,999,379	62,666,268
Finance cost	142,591,832	157,292,459
Profit / (loss) before minimum tax and taxation	174,407,547	(94,626,191)
Minimum tax	38,367,846	29,634,887
Profit / (loss) before taxation	136,039,701	(124,261,078)
Taxation	1,508,468	5,889,058
Profit / (loss) after taxation	134,531,233	(130,150,136)
Earnings per share - Basic and diluted	0.52	(0.50)

مالی سال 30 جون 2026 کو اختتام پذیر کے دوران کمپنی نے 3,069.428 ملین روپے کی فروخت پر 322.480 ملین روپے کا مجموعی منافع حاصل کیا، جبکہ گزشتہ مالی سال کے دوران 2,370.791 ملین روپے کی فروخت پر مجموعی منافع 133.009 ملین روپے تھا۔ مالی سال 2026 کے دوران کمپنی نے ٹیکس کے بعد 134.531 ملین روپے کا خالص منافع حاصل کیا، جبکہ گزشتہ مالی سال کے دوران ٹیکس کے بعد 130.150 ملین روپے کا خالص خسارہ ہوا تھا۔

سیاسی عدم استحکام، نامساعد معاشی حالات اور کاروباری سرگرمیوں کی لاگت میں نمایاں اضافے کے باوجود، کمپنی کی فروخت میں مالی سال 2025-26 کے دوران گزشتہ سال کے مقابلے میں نمایاں اضافہ ہوا۔ مجموعی منافع اور خالص منافع میں بہتری کمپنی کی آپریشنل کارکردگی میں بہتری اور مشکل کاروباری ماحول میں کاروباری سرگرمیوں کو برقرار رکھنے کی انتظامیہ کی کوششوں کی عکاسی کرتی ہے۔

آڈیٹرز کے مشاہدات

آڈیٹرز نے اپنی آزادانہ آڈیٹرز رپورٹ میں بعض ایسے معاملات کی جانب توجہ دلائی ہے جن کا تعلق کمپنی کی کاروبار جاری رکھنے کی صلاحیت، بعض قرضوں کے بیلنسز کی تصدیق، ("SNGPL") مؤخر شدہ سود، بعض بقایا فنانسنگ پر مارک اَپ کے اخراجات کے مالیاتی بیانات میں مکمل طور پر تسلیم نہ کیے جانے، اور سوئی ناردرن گیس پائپ لائنز لمیٹڈ کے ساتھ جاری مقدمہ بازی سے ہے۔

ان معاملات کے حوالے سے ڈائریکٹرز کی وضاحتیں درج ذیل ہیں

(Going Concern) کاروبار جاری رکھنے کی صلاحیت

آڈیٹرز نے کمپنی کے جمع شدہ نقصانات، لیکویڈیٹی کی صورتحال اور دیگر متعلقہ معاملات کی جانب توجہ دلائی ہے، جو کمپنی کے کاروبار کو جاری رکھنے کی صلاحیت کے بارے میں اہم تشویش پیدا کر سکتے ہیں۔ ڈائریکٹرز ان حالات کا مکمل ادراک رکھتے ہیں اور اس امر کی تصدیق کرتے ہیں کہ انتظامیہ کمپنی کو درپیش مالی اور لیکویڈیٹی سے متعلق چیلنجز سے پوری طرح آگاہ ہے اور ان مسائل کے حل کے لیے جامع اقدامات کر رہی ہے۔ عالمی معاشی غیر یقینی صورتحال، افراطِ زر کے بلند دباؤ، توانائی سے متعلق مشکلات اور صنعت کو درپیش دیگر چیلنجز پر مشتمل مشکل کاروباری ماحول کے باوجود، کمپنی نے اپنی کاروباری سرگرمیاں جاری رکھی ہیں اور فروخت کی سرگرمیوں کی ایک مستقل سطح برقرار رکھی ہے۔ کاروباری سرگرمیوں کا تسلسل اور آپریشنل کارکردگی میں بہتری کے لیے انتظامیہ کی جاری کوششیں کمپنی کی کاروباری سرگرمیوں کو پائیدار بنیادوں پر جاری رکھنے کے منصوبوں کے لیے ایک اہم بنیاد فراہم کرتی ہیں۔

اپنی مالیاتی تنظیمِ نو کی حکمتِ عملی کے ایک حصے کے طور پر، کمپنی بعض ایسی جائیدادیں فروخت کرنے کے عمل میں بھی ہے جو متعلقہ بینکوں کے حق میں رہن / چارج شدہ ہیں۔ کی ادائیگی یا ان میں کمی کے لیے استعمال کی جائے گی، جو متعلقہ مالیاتی اداروں کے ساتھ (Secured Debt) مجوزہ فروخت سے حاصل ہونے والی رقم متعلقہ محفوظ قرضوں طے شدہ یا زیرِ مذاکرات انتظامات کے مطابق ہو گی۔ کمپنی اپنے قرض دہندگان کے ساتھ قرضوں کی تنظیمِ نو / ری شیڈولنگ کے انتظامات کے لیے بھی کوشاں ہے، جس کا مقصد مالیاتی بوجھ میں کمی، لیکویڈیٹی کی صورتحال میں بہتری اور متعلقہ بینکوں کے ساتھ زیرِ التوا معاملات اور مقدمہ بازی کو حل کرنا ہے۔

انتظامیہ آپریشنل بہتری، ورکنگ کیپیٹل کے انتظام، غیر بنیادی اثاثوں کی فروخت (یا ان سے رقوم کی وصولی) اور مالیاتی ذمہ داریوں کی تنظیمِ نو کے اقدامات پر مسلسل اور فعال انداز میں کام کر رہی ہے۔ کیے گئے اقدامات اور کمپنی کے مستقبل کے آپریشنز و دستیاب مالیاتی حکمت عملیوں کے بارے میں انتظامیہ کے جائزے کی بنیاد پر، ڈائریکٹرز کا یہ ماننا ہے کہ کمپنی کے پاس اپنی لیکویڈیٹی (نقد رقوم کی دستیابی) کی صورتحال کو سنبھالنے اور مالیاتی حالت کو بہتر بنانے کے لیے قابلِ عمل منصوبے موجود ہیں۔
اس کے پیشِ نظر، اگرچہ آڈیٹرز کی جانب سے نشاندہی کردہ معاملات ایسی اہم غیر یقینی صورتحال کی عکاسی کرتے ہیں جن کے لیے محتاط انتظام کی ضرورت ہے، تاہم ڈائریکٹرز کو یقین ہے کہ کیے جانے والے اقدامات کمپنی کی مالی پوزیشن کو مستحکم کرنے اور اسے 'گوینگ کنسرن' (going-concern) کی بنیاد پر اپنے آپریشنز جاری رکھنے کے قابل بنانے میں معاون ثابت ہوں گے۔

بعض بینک بیلنسز کی تصدیق نہ ہونا

آڈیٹرز نے یہ بھی رپورٹ کیا ہے کہ بعض قلیل مدتی اور طویل مدتی قرضوں کے بیلنسز کی تصدیق چند بینکوں اور مالیاتی اداروں سے موصول نہیں ہوئی۔

ڈائریکٹرز وضاحت کرتے ہیں کہ کمپنی نے انتظامیہ اور آڈیٹرز کے ذریعے متعلقہ بینکوں اور مالیاتی اداروں سے ان کے بقایا بیلنسز کی تصدیق کے لیے درخواستیں کی تھیں۔ بیشتر مالیاتی اداروں نے ان درخواستوں کا جواب دیتے ہوئے متعلقہ بیلنسز کی تصدیق کی، اگرچہ بعض معاملات زیرِ سماعت مقدمات سے متعلق ہیں۔ تاہم، چند بینکوں سے تصدیقات بنیادی طور پر کمپنی اور ان مالیاتی اداروں کے درمیان جاری مقدمات اور متعلقہ تنازعات کے باعث حاصل نہیں کی جا سکیں۔

لہٰذا، ان تصدیقات کا موصول نہ ہونا جاری قانونی اور مالیاتی تنازعات کے تناظر میں دیکھا جانا چاہیے۔ کمپنی متعلقہ مالیاتی اداروں کے ساتھ مسلسل رابطے میں ہے اور ان معاملات کے حل کے لیے مناسب قانونی اور مالیاتی اقدامات کر رہی ہے۔

سوئی ناردرن گیس پائپ لائنز لمیٹڈ (SNGPL) کے ساتھ قانونی تنازعہ

آڈیٹرز نے کمپنی اور SNGPL کے درمیان قانونی تنازعے اور ڈسٹرکٹ جج / جج گیس یوٹیلیٹی کورٹ، فیصل آباد کے سنائے گئے فیصلے / ڈگری کے سلسلے میں کسی 'پروویژن' (مخصوص مالیاتی انتظام) کو ریکارڈ نہ کرنے کی جانب مزید توجہ دلائی ہے۔

ڈائریکٹرز وضاحت کرتے ہیں کہ کمپنی نے مذکورہ فیصلے / ڈگری کے سلسلے میں کوئی 'پروویژن' ریکارڈ نہیں کیا ہے کیونکہ کمپنی نے اعلیٰ عدالتوں میں فیصلے کو چیلنج کرنے کے اپنے قانونی حق کا استعمال کیا ہے اور معزز لاہور ہائی کورٹ، لاہور میں اپیل دائر کی ہے۔ لہٰذا، یہ معاملہ جاری قانونی کارروائی کے نتیجے سے مشروط ہے۔

متعلقہ عدالتی کارروائی کے بعد، SNGPL نے معزز سپریم کورٹ کے قابلِ اطلاق فیصلوں کی روشنی میں کمپنی کے ذمے واجب الادا رقم پر نظرِ ثانی کی ہے، جس کے تحت کمپنی کو 'کیپٹیو پاور ٹیرف' کے بجائے 'انڈسٹریل ٹیرف' کے تحت قابلِ ادائیگی 'کو-جنریشن کنزیومر' (مشترکہ توانائی پیدا کرنے والا صارف) کے طور پر شمار کیا گیا ہے۔ نتیجتاً، سال کے دوران SNGPL کی جانب سے طلب کردہ رقم میں نمایاں کمی واقع ہوئی ہے۔

کمپنی نے SNGPL سے یہ درخواست بھی کی ہے کہ اعلیٰ عدالتوں میں قانونی تنازعے کے حتمی نتیجے تک عمل درآمد کی کارروائی (execution proceedings) کو واپس لے لیا جائے یا معطل کر دیا جائے۔ مزید برآں، کمپنی کے قانونی مشیر نے قابلِ اطلاق قانون کے مطابق مناسب قانونی اقدامات کیے ہیں، جن میں مجاز فورم کے سامنے مطلوبہ درخواست / نظرِ ثانی کی کارروائی دائر کرنا شامل ہے۔

کمپنی کے قانونی مشیر کے مشورے اور جائزے کی بنیاد پر، انتظامیہ کا ماننا ہے کہ کمپنی کے پاس اپنے قانونی موقف کی تائید میں معقول بنیادیں موجود ہیں اور وہ کارروائی کے مثبت نتیجے کی توقع رکھتی ہے۔ اسی مناسبت سے، زیرِ التواء قانونی تنازعے کے حتمی نتیجے سے مشروط، مذکورہ فیصلے / ڈگری کے سلسلے میں مالیاتی گوشواروں میں کوئی 'پروویژن' ریکارڈ نہیں کیا گیا ہے۔ ڈائریکٹرز مذکورہ معاملات کی قریبی نگرانی جاری رکھیں گے اور کمپنی اور اس کے اسٹیک ہولڈرز کے بہترین مفاد میں تمام ضروری مالیاتی، آپریشنل اور قانونی اقدامات کریں گے۔

بقایا فنانسنگ پر مارک اَپ / فنڈز کی لاگت

ڈیٹرز نے اپنی 'آزادانہ آڈیٹرز کی رپورٹ' میں نشاندہی کی ہے کہ مالیاتی گوشواروں میں کچھ بقایا مالیاتی انتظامات ((financing arrangements کے سلسلے میں مارک اپ کے اخراجات کو مکمل طور پر ریکارڈ نہیں کیا گیا ہے۔

ڈائریکٹرز وضاحت کرتے ہیں کہ کچھ بینکوں اور مالیاتی اداروں نے اپنی بقایا مالیاتی سہولیات اور متعلقہ مارک اپ / فنڈز کی لاگت ((cost of funds کی وصولی کے لیے کمپنی کے خلاف قانونی کارروائی شروع کر رکھی ہے۔ جاری قانونی چارہ جوئی اور ان کارروائیوں کے حتمی نتیجے کے بارے میں غیر یقینی صورتحال کے پیشِ نظر، کمپنی نے متنازعہ بقایا رقوم پر مارک اپ / فنڈز کی لاگت کو ریکارڈ نہیں کیا ہے، جیسا کہ مالیاتی گوشواروں کے متعلقہ نوٹسز میں ظاہر کیا گیا ہے۔

کمپنی کی جانب سے حاصل کردہ قانونی مشورے کی بنیاد پر، انتظامیہ کا موقف یہ ہے کہ وصولی کی کارروائی شروع ہونے کے بعد، متنازعہ رقوم پر فنڈز کی مزید لاگت کے لیے متعلقہ بینکوں / مالیاتی اداروں کا استحقاق مجاز عدالت کے فیصلے اور حکم نامے ((decree سے مشروط ہو گا۔ لہٰذا، فنڈز کی ایسی لاگت کے سلسلے میں کوئی بھی ذمہ داری (اگر ہوئی تو) صرف اسی حد تک عائد ہو گی جس کا تعین عدالت کرے گی، بشرطیکہ کارروائی کا حتمی فیصلہ کمپنی کے خلاف ہو۔ مزید برآں، فنڈز کی ایسی کسی بھی لاگت کا اطلاق اور اس کی مقدار کا انحصار حتمی عدالتی حکم نامے کی شرائط اور متعلقہ قوانین / ضوابط (بشمول اسٹیٹ بینک آف پاکستان کی مقرر کردہ شرحوں) کے تحت لاگو ہونے والی شرح پر ہو گا؛ اور یہ اطلاق کارروائی کے آغاز سے لے کر حکم نامے پر عمل درآمد / ادائیگی تک کی مدت کے لیے ہو گا۔

اس کے مطابق، کمپنی کو دستیاب قانونی مشورے اور قانونی چارہ جوئی کی موجودہ صورتحال کی بنیاد پر، انتظامیہ کا ماننا ہے کہ کسی بھی اضافی مارک اپ / فنڈز کی لاگت کی رقم—اگر بالآخر ادا کرنی پڑی—کا تعین فی الحال مناسب یقین کے ساتھ نہیں کیا جا سکتا، اور اسی لیے اسے مالیاتی گوشواروں میں ریکارڈ نہیں کیا گیا ہے۔ کمپنی قانونی کارروائی کی نگرانی جاری رکھے گی اور اس کے نتیجے اور قابلِ اطلاق مالیاتی رپورٹنگ کے تقاضوں کے مطابق، اس سے پیدا ہونے والی کسی بھی ذمہ داری کو مالیاتی گوشواروں میں ریکارڈ یا ایڈجسٹ کرے گی۔

مارکیٹ کا جائزہ اور مستقبل کے امکانات

ٹیکسٹائل کی صنعت پاکستان کی معیشت کا ایک اسٹریٹجک لحاظ سے اہم شعبہ ہے اور توقع ہے کہ یہ ملک کی برآمدات، روزگار کی فراہمی اور صنعتی سرگرمیوں میں کلیدی کردار ادا کرتی رہے گی۔ تاہم، اس صنعت کا مستقبل کا منظرنامہ بین الاقوامی طلب میں تبدیلیوں، توانائی کی لاگت، شرح سود، زرِ مبادلہ کی شرح میں استحکام، ورکنگ کیپیٹل (کام کے لیے درکار سرمائے) کی دستیابی، ٹیکس کے اقدامات اور مجموعی میکرو اکنامک ماحول سے گہرا تعلق رکھتا ہے۔

ایمٹیکس لمیٹڈ ("کمپنی") کی انتظامیہ کمپنی کی آپریشنل اور مالیاتی پوزیشن کو بحال اور مستحکم کرنے پر توجہ مرکوز رکھے ہوئے ہے اور اس بات پر یقین رکھتی ہے کہ ٹیکسٹائل کے شعبے میں کمپنی کی قائم شدہ موجودگی پائیدار بہتری کے لیے ایک بنیاد فراہم کرتی ہے۔ کمپنی پاکستان کی اہم ترین برآمدی صنعتوں میں سے ایک میں کام کرتی ہے اور بین الاقوامی منڈیوں میں ٹیکسٹائل اور ملبوسات کی مصنوعات کی طویل مدتی طلب سے فائدہ اٹھانے کی پوزیشن میں ہے۔

کمپنی کی فوری ترجیح اپنی بنیادی ٹیکسٹائل کی سرگرمیوں کو بہتر صلاحیت کے استعمال، لاگت پر سخت کنٹرول، وسائل کے موثر استعمال اور ورکنگ کیپیٹل کے بہتر انتظام کے ذریعے مضبوط بنانا ہے۔ انتظامیہ خاص طور پر پیداوار کے تسلسل کو برقرار رکھنے، آپریشنل کارکردگی کو بہتر بنانے اور صارفین کے ساتھ کمپنی کے قائم شدہ تعلقات کو برقرار رکھنے پر توجہ مرکوز کیے ہوئے ہے۔ مشکل معاشی حالات میں بھی فروخت کی سرگرمیوں کو برقرار رکھنے کی کمپنی کی صلاحیت اس کے کاروباری آپریشنز کی بنیادی لچک اور مضبوطی کو ظاہر کرتی ہے اور ایک ایسا پلیٹ فارم مہیا کرتی ہے جس پر انتظامیہ مستقبل کی ترقی کی بنیاد رکھنا چاہتی ہے۔

انتظامیہ اس بات کو تسلیم کرتی ہے کہ کمپنی کی مستقبل کی کارکردگی کا انحصار نہ صرف مارکیٹ کی طلب پر ہو گا بلکہ ان مالیاتی رکاوٹوں سے نمٹنے کی صلاحیت پر بھی ہو گا جنہوں نے اس کے آپریشنز کو متاثر کیا ہے۔ لہٰذا، مالیاتی تنظیم نو (restructuring) اور کمپنی کے قرضوں کے بوجھ میں کمی کمپنی کی مستقبل کی حکمت عملی کے کلیدی اجزاء ہیں۔ کمپنی اپنے بینکوں اور مالیاتی اداروں کے ساتھ بقایا مالیاتی ذمہ داریوں کی تنظیم نو یا ادائیگی کے شیڈول میں تبدیلی (rescheduling) کے لیے فعال طور پر بات چیت کر رہی ہے، جس کا مقصد کیش فلو (نقد رقم کی آمد و رفت) کے انتظام کو بہتر بنانا، مالیاتی اخراجات کو کم کرنا اور زیادہ پائیدار سرمایہ جاتی ڈھانچہ تشکیل دینا ہے۔

اس حکمت عملی کے حصے کے طور پر، کمپنی کچھ جائیدادوں اور دیگر غیر بنیادی اثاثوں کی فروخت (realization) کے عمل کو آگے بڑھا رہی ہے۔ متعلقہ مالیاتی اداروں کے حق میں گروی رکھے گئے اثاثوں کی مجوزہ فروخت سے حاصل ہونے والی رقم کو ان اداروں کے ساتھ طے شدہ یا زیر مذاکرات معاہدوں کے مطابق استعمال کرنے کا ارادہ ہے، جس کا بنیادی مقصد محفوظ قرضوں (secured liabilities) میں کمی اور ان کی ادائیگی ہے۔ ان لین دین کی کامیاب تکمیل سے کمپنی کے مالیاتی لیورتج (قرضوں کے بوجھ) کو کم کرنے اور لیکویڈیٹی (نقد رقم کی دستیابی) کے دباؤ کو کم کرنے میں مدد ملنے کی توقع ہے۔

آپریشنل اعتبار سے، کمپنی لاگت میں کفایت، پیداواری صلاحیت میں بہتری اور دستیاب مینوفیکچرنگ وسائل کے بہترین استعمال پر توجہ مرکوز رکھے گی۔ کمپنی اپنے برآمدی کاروبار کو مضبوط بنانے کا بھی ارادہ رکھتی ہے، جس کے لیے ان صارفین اور منڈیوں پر توجہ دی جائے گی جہاں پائیدار منافع کا حصول اور طویل مدتی تجارتی تعلقات کا قیام ممکن ہو۔ انتظامیہ مصنوعات کے امتزاج (product mix) کو بہتر بنانے اور ایسی مصنوعات پر زور دینے کی کوشش کرے گی جو بہتر ویلیو ایڈیشن اور منافع فراہم کرتی ہوں، جبکہ بین الاقوامی خریداروں کی توقعات کے مطابق معیار، ترسیل کے معیارات اور تعمیلی تقاضوں کو بھی برقرار رکھا جائے گا۔

ساتھ ہی، انتظامیہ کمپنی کو درپیش چیلنجوں سے بھی پوری طرح آگاہ ہے۔ ان میں توانائی کی بلند لاگت، سود اور مالیاتی اخراجات، شرحِ مبادلہ میں اتار چڑھاؤ، مہنگائی کا دباؤ، ٹیکس اور ریگولیٹری اقدامات، کپاس اور دیگر خام مال کی قیمتوں میں عدم استحکام، بین الاقوامی مسابقت اور ٹیکسٹائل کی عالمی طلب میں اتار چڑھاؤ شامل ہیں۔ کمپنی ان عوامل کا بغور جائزہ لیتی رہے گی اور اسی مناسبت سے اپنی آپریشنل اور مارکیٹنگ کی حکمت عملیوں میں ردوبدل کرتی رہے گی۔

کمپنی کے ٹیکسٹائل کے کاروبار کا مسلسل جاری رہنا، صنعت میں اس کی مستحکم موجودگی، صارفین کے ساتھ تعلقات اور انتظامیہ کے جاری آپریشنل، مالیاتی اور تنظیم نو (restructuring) کے اقدامات بحالی اور بہتری کی بنیاد فراہم کرتے ہیں۔ ڈائریکٹرز کا ماننا ہے کہ اگر کمپنی کے تنظیم نو کے منصوبوں پر کامیابی سے عمل درآمد ہو اور موجودہ معاشی و صنعتی حالات میں بہتری آئے، تو ایمٹیکس لمیٹڈ (Amtex Limited) میں یہ صلاحیت موجود ہے کہ وہ اپنی آپریشنل کارکردگی کو بہتر بنائے، اپنی مالیاتی پوزیشن کو مستحکم کرے اور درمیانی سے طویل مدت میں اپنے شیئر ہولڈرز اور دیگر اسٹیک ہولڈرز کے لیے پائیدار قدر (value) تخلیق کرے۔

منافعِ حصص (Dividend)

کمپنی کی نقد بہاؤ (کیش فلو) کی تنگ صورتحال منافعِ حصص کی ادائیگی کی اجازت نہیں دیتی، لہٰذا ڈائریکٹرز نے اس سال کے لیے کسی بھی منافعِ حصص کی سفارش نہیں کی ہے

آڈیٹرز

موجودہ آڈیٹرز، **میسرز زاہد جمیل اینڈ کمپنی، چارٹرڈ اکاؤنٹنٹس**، اپنی مدتِ تقرری مکمل ہونے پر ریٹائر ہو رہے ہیں اور اہل ہونے کی بنا پر دوبارہ تقرری کے لیے خود کو پیش کرتے ہیں۔ آڈٹ کمیٹی کی سفارش پر بورڈ آف ڈائریکٹرز نے 30 جون 2027 کو اختتام پذیر ہونے والے مالی سال کے لیے میسرز زاہد جمیل اینڈ کمپنی، چارٹرڈ اکاؤنٹنٹس، کی بطور آڈیٹرز دوبارہ تقرری کی سفارش کی ہے۔

اندرونی آڈٹ اور کنٹرولز

بورڈ نے ایک آزاد اندرونی آڈٹ کا شعبہ قائم کیا ہے جس کی سربراہی ایک اہل فرد کر رہا ہے اور جو آڈٹ کمیٹی کو رپورٹ کرتا ہے۔ کمپنی میں اندرونی آڈٹ کے دائرۂ کار کی واضح طور پر وضاحت کی گئی ہے، جس میں بنیادی طور پر کمپنی کے اندرونی کنٹرول کے نظام کا جائزہ اور اس کی جانچ شامل ہے۔

بورڈ آف ڈائریکٹرز کی جانب سے کمپنی کی تمام سطحوں پر پورے سال ایک مؤثر اور مضبوط اندرونی کنٹرول نظام قائم اور نافذ رکھا گیا ہے۔ اندرونی کنٹرول کا نظام کمپنی کے مجموعی مقاصد کے حصول، قابلِ اعتماد مالیاتی رپورٹنگ اور قوانین، ضوابط اور پالیسیوں کی پابندی کو یقینی بنانے کے لیے تشکیل دیا گیا ہے۔

اندرونی مالیاتی کنٹرولز کی کفایت

کمپنی، کمپنیز ایکٹ 2017 کی دفعات کے مطابق مناسب اکاؤنٹنگ ریکارڈز برقرار رکھنے کی پابند ہے، تاکہ کمپنی کے اثاثوں کا تحفظ، فراڈ اور دیگر بے ضابطگیوں کی روک تھام اور ان کا سراغ لگانا یقینی بنایا جا سکے۔ کمپنی مناسب اکاؤنٹنگ پالیسیوں کے انتخاب اور ان کے اطلاق، معقول اور محتاط فیصلوں اور تخمینوں، اور مناسب اندرونی مالیاتی کنٹرولز کے مؤثر ڈیزائن، نفاذ اور دیکھ بھال کو یقینی بناتی ہے۔ یہ اندرونی مالیاتی کنٹرولز اس امر کو یقینی بنانے کے لیے مؤثر طور پر کام کرتے ہیں کہ اکاؤنٹنگ ریکارڈز درست اور مکمل ہوں اور ایسے مالیاتی بیانات کی تیاری اور پیشکش میں معاون ثابت ہوں جو کمپنی کی مالی حالت اور کارکردگی کی درست اور منصفانہ تصویر پیش کریں اور فراڈ یا غلطی کے باعث کسی اہم غلط بیانی سے پاک ہوں۔

(Related Parties) متعلقہ فریقین

متعلقہ فریقین کے مابین لین دین 'آرمز لینتھ' (arm's length) کی بنیاد پر کیے گئے۔ کمپنی نے 'کمپنیز ایکٹ 2017' اور 'کوڈ' (Code) میں موجود ٹرانسفر پرائسنگ سے متعلقہ تقاضوں اور بہترین طریقوں کی پاسداری کی ہے۔ 30 جون 2026 کو ختم ہونے والے مالی سال کے دوران متعلقہ فریقین کے ساتھ ہونے والے تمام لین دین کا جائزہ آڈٹ کمیٹی نے لیا اور بورڈ آف ڈائریکٹرز نے ان کی منظوری دی۔

(Pattern of Shareholding) حصص داری کا خاکہ

30 جون 2026 کو کمپنی کے حصص داروں کی مختلف کیٹیگریز کے ساتھ حصص داری کا خاکہ اس رپورٹ کے ساتھ منسلک ہے۔

(Corporate Social Responsibility) کارپوریٹ سماجی ذمہ داری

کمپنی ایک ذمہ دار کارپوریٹ ادارے کی حیثیت سے اپنے کردار کے لیے پُرعزم ہے اور ان معاشروں کی فلاح و بہبود میں کردار ادا کرنے کی اہمیت کو تسلیم کرتی ہے جہاں یہ کام کرتی ہے۔ کارپوریٹ سماجی ذمہ داری کمپنی کی اقدار کا حصہ ہے، جس میں ایسے اقدامات کی حمایت پر توجہ مرکوز کی جاتی ہے جو سماجی ترقی کو فروغ دیں، تعلیم اور صحت کے شعبوں کو بہتر بنائیں، ماحول کا تحفظ کریں اور معیارِ زندگی کو بلند کریں۔ ان کوششوں کے ذریعے کمپنی کا مقصد اپنے اسٹیک ہولڈرز کے ساتھ طویل مدتی اور مثبت تعلقات کو فروغ دینا اور اس امر کو یقینی بنانا ہے کہ کمپنی کی ترقی معاشرے اور ماحول کے وسیع تر مفادات سے ہم آہنگ ہو۔

لسٹڈ کمپنیز (کوڈ آف کارپوریٹ گورننس) ریگولیشنز، 2019

کمپنی نے ڈائریکٹرز کی تعداد سے متعلق لسٹڈ کمپنیز (کوڈ آف کارپوریٹ گورننس) ریگولیشنز، 2019 کے تقاضوں کی مکمل پابندی کی ہے۔ بورڈ کمپنی کے امور میں بہتر کارپوریٹ گورننس کے اصولوں کو اختیار کرنے اور ان پر عمل درآمد کو خصوصی اہمیت دیتا ہے، جس کا مقصد کمپنی کے آپریشنز میں شفافیت کو یقینی بنانا اور اسٹیک ہولڈرز کے اعتماد میں اضافہ کرنا ہے۔

کوڈ آف کارپوریٹ گورننس کی تعمیل کا بیان

کمپنی نے لسٹڈ کمپنیوں (کارپوریٹ گورننس کا ضابطہ) کے ضوابط، 2019 کے تقاضوں کی مکمل تعمیل کی ہے۔ اس سلسلے میں ایک بیان اس رپورٹ کے ساتھ منسلک ہے۔

کارپوریٹ اور مالیاتی رپورٹنگ کا فریم ورک

کوڈ آف کارپوریٹ گورننس کے تقاضوں کی تعمیل میں، کارپوریٹ اور مالیاتی رپورٹنگ کے فریم ورک سے متعلق درج ذیل بیانات پیش کیے جاتے ہیں

۔ کمپنی کی انتظامیہ کی جانب سے تیار کردہ مالیاتی بیانات، بمعہ ان سے متعلق نوٹس، کمپنی کے معاملات کی حالت، آپریشنز کے نتائج، نقدی کے بہاؤ اور ایکویٹی میں ہونے والی تبدیلیوں کی منصفانہ اور درست عکاسی کرتے ہیں۔

۔ کمپنی کے مناسب اور باقاعدہ اکاؤنٹس کی کتب برقرار رکھی گئی ہیں۔

۔ مالیاتی بیانات کی تیاری میں مناسب اکاؤنٹنگ پالیسیوں کا مستقل بنیادوں پر اطلاق کیا گیا ہے، جبکہ اکاؤنٹنگ تخمینے معقول اور محتاط فیصلوں کی بنیاد پر کیے گئے ہیں۔

۔ پاکستان میں قابلِ اطلاق بین الاقوامی اکاؤنٹنگ / فنانشل رپورٹنگ اسٹینڈرڈز کو مالیاتی بیانات کی تیاری میں اختیار کیا گیا ہے اور ان سے کوئی انحراف نہیں کیا گیا۔ اگر کسی مقام پر کوئی انحراف ہوا ہو تو اسے مالیاتی بیانات میں مناسب طور پر ظاہر اور اس کی وضاحت کی گئی ہے۔

۔ اندرونی کنٹرول کا نظام مؤثر اور مناسب انداز میں تشکیل دیا گیا ہے اور اسے مؤثر طور پر نافذ اور مانیٹر کیا گیا ہے

۔ اسٹاک ایکسچینج کی لسٹنگ ریگولیشنز میں بیان کردہ کارپوریٹ گورننس کے بہترین طریقہ کار سے کوئی اہم انحراف نہیں ہوا۔

کاروبار جاری رکھنے کی صلاحیت کے حوالے سے وضاحت علیحدہ طور پر پیش کی گئی ہے۔

۔ ٹیکسز اور لیویز سے متعلق معلومات اکاؤنٹس کے نوٹسز میں فراہم کی گئی ہیں۔

۔ گزشتہ چھ سال کے مالیاتی نمایاں اعداد و شمار اس رپورٹ کے ساتھ منسلک ہیں۔

30۔ جون 2026 تک ٹیکسز، ڈیوٹیز، لیویز اور دیگر چارجز کی مد میں کوئی قانونی واجبات بقایا نہیں ہیں، سوائے ان واجبات کے جو مالیاتی بیانات میں ظاہر کیے گئے ہیں۔

۔ بورڈ کے تمام ڈائریکٹرز کارپوریٹ اداروں کے ڈائریکٹرز کی حیثیت سے اپنی ذمہ داریوں اور فرائض سے مکمل طور پر آگاہ ہیں۔ ڈائریکٹرز کو اورینٹیشن کورسز کے ذریعے ان کے فرائض اور ذمہ داریوں سے آگاہ کیا گیا ہے۔

(Composition of Board) بورڈ کی تشکیل

:ڈائریکٹرز کی کل تعداد

(چھ) 6 **:مرد**

(ایک) 1 **:خواتین**

زمرہ وار تشکیل

نام	تعداد	زمرہ
محمد آصف، محمد مبین	2	(Independent Directors) آزاد ڈائریکٹرز
ندیم افتخار، محمد احسن	2	(Non-Executive Directors) غیر انتظامی ڈائریکٹرز
شہزاد افتخار، خرم افتخار	2	(Executive Directors) انتظامی ڈائریکٹرز
بشریٰ بی بی	1	خاتون ڈائریکٹر

بورڈ آف ڈائریکٹرز کے اجلاس

مالی سال 2025-26 کے دوران بورڈ آف ڈائریکٹرز کے اجلاسوں میں ڈائریکٹرز کی شرکت کی تفصیل درج ذیل ہے

اجلاسوں کی تعداد	عہدہ	نام
4	چیف ایگزیکٹو آفیسر / ڈائریکٹر	خرم افتخار
4	ڈائریکٹر	شہزاد افتخار

4	ڈائریکٹر	ندیم افتخار
2	ڈائریکٹر	سہیل مقصود احمد
3	ڈائریکٹر	محمد احسن
2	ڈائریکٹر	گل محمد ناز
2	ڈائریکٹر	محمد آصف
2	ڈائریکٹر	محمد مبین
3	ڈائریکٹر	بشریٰ بی بی

جو ڈائریکٹرز بورڈ کے اجلاسوں میں شرکت نہ کر سکے، انہیں رخصت / اجازتِ غیر حاضری دی گئی۔ سال کے دوران منعقد ہونے والے ڈائریکٹرز کے انتخابات اور **کمپنیز ایکٹ، 2017** اور **لسٹڈ کمپنیز (کوڈ آف کارپوریٹ گورننس) ریگولیشنز، 2019** کے تقاضوں کے مطابق مذکورہ بالا بورڈ آف ڈائریکٹرز کی دوبارہ تشکیل کی گئی اور درج ذیل کمیٹیوں کی بھی ، کمپنی سیکریٹری، ہیڈ آف انٹرنل آڈٹ، دیگر ایگزیکٹوز اور ان کے شریکِ حیات اور (CFO) از سرِ نو تشکیل کی گئی۔ سال کے دوران کمپنی کے ڈائریکٹرز، چیف فنانشل آفیسر نابالغ بچوں کی جانب سے کمپنی کے حصص میں کوئی لین دین نہیں کیا گیا۔

(Audit Committee) آڈٹ کمیٹی

: کمپنی میں آڈٹ کمیٹی قائم ہے اور **کوڈ آف کارپوریٹ گورننس** کے تقاضوں کے مطابق اس کے ارکان درج ذیل ہیں

چیئرمین — **محمد آصف**
(آزاد ڈائریکٹر)

رکن — **محمد احسن**
(غیر انتظامی ڈائریکٹر)

رکن — **ندیم افتخار**
(غیر انتظامی ڈائریکٹر)

جون 2026 کو اختتام پذیر ہونے والے سال کے دوران کوڈ آف کارپوریٹ گورننس کے تقاضوں کے مطابق آڈٹ کمیٹی کے اجلاس منعقد ہوئے، جن میں سہ ماہی اکاؤنٹس، سالانہ اکاؤنٹس اور دیگر متعلقہ معاملات کا جائزہ لیا گیا۔

ضرورت کے مطابق ان اجلاسوں میں چیف فنانشل آفیسر، ہیڈ آف انٹرنل آڈٹ اور بیرونی آڈیٹرز نے بھی شرکت کی۔

ہیومن ریسورس اینڈ ریمیونریشن کمیٹی

سال کے دوران ہیومن ریسورس اینڈ ریمیونریشن کمیٹی کا ایک اجلاس منعقد ہوا۔ کمیٹی کے ہر رکن کی اجلاس میں شرکت کی تفصیل درج ذیل ہے

شرکت کردہ اجلاس	حیثیت	نام
01	چیئرمین — آزاد ڈائریکٹر	محمد مبین
01	رکن — غیر انتظامی ڈائریکٹر	محمد احسن
01	رکن — انتظامی ڈائریکٹر	شہزاد افتخار

(Directors' Remuneration) ڈائریکٹرز کے مشاہرے

بورڈ آف ڈائریکٹرز نے کمپنی کے معاملات میں انتظامی اور غیر انتظامی ڈائریکٹرز کی ذمہ داریوں کو مد نظر رکھتے ہوئے ان کے مشاہرے کے تعین کے لیے ایک پالیسی وضع کی ہے۔ مشاہرہ ان کی ذمہ داری کی سطح اور پیشہ ورانہ مہارت کے مطابق مقرر کیا جاتا ہے۔ غیر انتظامی ڈائریکٹرز، بشمول آزاد ڈائریکٹرز، بورڈ اور اس کی کمیٹیوں کے اجلاسوں میں شرکت کے عوض صرف فیس کے حقدار ہیں۔ انتظامی اور غیر انتظامی ڈائریکٹرز کے مشاہرے کی منظوری بورڈ آف ڈائریکٹرز کی جانب سے ہیومن ریسورس اینڈ ریمیونریشن کمیٹی کی سفارش پر دی جاتی ہے۔ مالی سال 2025-26 کے دوران ڈائریکٹرز اور چیف ایگزیکٹو آفیسر کے مشاہرے سے متعلق معلومات کے لیے مالیاتی بیانات کے متعلقہ نوٹسز ملاحظہ کیے جائیں۔

(Gender Pay Gap Statement) صنفی اجرت کے فرق کا بیان

(سرکلر نمبر 10 آف 2024 کے تحت مطلوب SECP)

کمپنی میں صنفی اجرت کے فرق (Gender Pay Gap) سے متعلق معلومات درج ذیل ہیں

صنفی اجرت کے فرق سے متعلق اعداد و شمار:

i)	Mean Gender Pay Gap	Nil
ii)	Median Gender Pay Gap	Nil
iii)	Any Other Detail	Nil

اس وقت کمپنی کی افرادی قوت میں خواتین کا تناسب **صفر** ہے، جس کی بنیادی وجہ یہ ہے کہ ثقافتی اور سماجی عوامل بعض اوقات مردوں کی اکثریت والے کام کے ماحول میں خواتین کی شرکت کی حوصلہ شکنی کرتے ہیں۔ تاہم، کمپنی اپنی افرادی قوت میں خواتین کی شرکت کی حوصلہ افزائی کرتی ہے اور مستقبل میں مناسب مواقع پر خواتین کی شمولیت کو فروغ دینے کے لیے پُرعزم ہے۔

(Acknowledgment) اظہارِ تشکر

آپ کی کمپنی کے ڈائریکٹرز بینکوں، مالیاتی اداروں، ریگولیٹری اداروں اور معزز شیئر ہولڈرز کی جانب سے حاصل ہونے والے تعاون پر اپنی گہری تشکر و قدر دانی کا اظہار کرتے میں بھی اسی تعاون کی توقع رکھتے ہیں۔ ڈائریکٹرز کمپنی کے افسران، ملازمین اور کارکنان کی محنت، ثابت قدمی، لگن اور فرض شناسی کو بھی خراجِ تحسین پیش ہیں اور مستقبل کرتے ہیں۔ کمپنی کی موجودہ اور مستقبل کی کامیابی میں ان کی مسلسل محنت اور وابستگی قابلِ قدر ہے۔

شہزاد افتخار — خرم افتخار

ڈائریکٹر — چیف ایگزیکٹو آفیسر

فیصل آباد

06 اکتوبر، 2026

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

Name of Company Amtex Limited

Year ending June 30, 2026

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	Muhammad Asif Muhammad Mubeen
Non-executive directors	2	Nadeem Iftikhar Muhammad Ahsan
Executive directors	2	Shahzad Iftikhar Khurram Iftikhar
Female directors	1	Bushra Bibi

The number of Independent Directors is determined at 2.33, which has been rounded down to 2, as the fractional portion (0.33) is less than 0.5. This determination is based on seven elected Directors, including the CEO, who is considered a deemed Director. The fraction contrived in one-third number is not rounded up as the two elected independent Directors have requisite competencies, skills, knowledge and experience to discharge and execute their duties competently, as per applicable laws and regulations. As they fulfill the necessary requirements as per applicable laws and regulations, hence, appointment of a third independent Director is not warranted. As per Regulation 5 of the Regulations, the minority members as a class shall be facilitated by the Board to contest election of directors by proxy solicitation. No nomination was received to contest election as director representing minority shareholders.

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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 has arranged Directors' Orientation Program for all the members of the Board;

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;

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12. The Board has formed committees comprising of members given below:-

a) Audit Committee

Mr. Muhammad Asif	*Chairman*
Mr. Muhammad Ahsan	*Member*
Mr. Nadeem Iftikhar	*Member*

b) HR and Remuneration Committee

Mr. Muhammad Mubeen	*Chairman*
Mr. Muhammad Ahsan	*Member*
Mr. Shahzad Iftikhar	*Member*

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 = 6
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;

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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.	**Responsibilities of Board and its members** The Chairman of the Board is encouraged to take necessary steps for recording the entire proceedings of the general meeting(s) by audio and visual which shall be archived and made available to the Commission and PSX when required.	This change was included in last year. The Company will comply with the regulation in coming financial year.	10(7)
2.	**Role of the Board and its members to address sustainability Risks and Opportunities** 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	SECP introduced new regulation 10A in the Regulations on 12 June 2024. Currently, the management is assessing 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	10(A)

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	the Company's sustainability strategies, priorities and targets to create long term corporate value.	responsibilities to an existing Board Committee.	
3.	**Director's Training Program** 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, Two members of the board have the prescribed qualification and experience required for exemption from DTP. Two independent directors appointed during the year and remaining 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 in coming financial year.	19(1)
4.	**Director's Training Program For Female executive** 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)

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5.	**Director's Training Program For Head of Department** 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)
6.	**Nomination Committee** 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.	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.	29
7.	**Risk management committee** 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.	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.	30
8.	**Significant Policies** 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

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On behalf of the Board

Khurram Iftikhar
Chief Executive Officer

Shahzad Iftikhar
Director

Faisalabad
October 06, 2026

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, 2026,** 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 2026.

ZAHID JAMIL & CO
CHARTERED ACCOUNTANTS
Place: Peshawar
Date: October 06, 2026
UDIN: CR202610291I8AXvm4kn

Zahid Jamil & Co. PESHAWAR CHARTERED ACCOUNTANTS

41-D (Third Floor) Bhittani Plaza, 03-A Park Avenue, University Town Peshawar
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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, 2026, 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 then 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, 2026 and of the profit, 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 earned profit after taxation of Rs. 134.531 million during the year ended June 30, 2026 and as at that date the Company has accumulated losses of Rs. 12,105 million (2025: Rs. 12,245 million), negative equity of Rs. 8,118 million (2025: Rs. 8,585 million) and current liabilities exceeded its current assets by Rs. 4,435 million (2025: Rs. 7,537 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 against export debtors. Moreover, the Company is defendant / petitioner in various law suits as mentioned in Note 29 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 16.2, 21.1.11, 22 and 27.5 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 mark-up on long-term financing instead of accruing it amounting to Rs. 1,687 million (2025: Rs. 1,615 million) till reporting date. Mark-up expense has not been fully charged in these financial statements on long-term financing, short-term borrowings and lease liabilities due to pending litigations with various banks. Had the mark-up been fully charged, net profit / (loss) for the year would have been decreased / increased by Rs. 773.611 million (2025: Rs 870.726 million), mark-up payable and accumulated losses would have been increased by Rs. 10,743 million (2025: Rs. 9,969 million).

(c) The Company had litigations with Sui Northern Gas Pipelines Limited amounting to Rs. 299.080 million (2025: Rs. 543.138 million) as mentioned in Note 29.1.9 and 29.1.10 to these financial statements which were decreed against the Company on September 30, 2024 in the honorable court of District Judge / Judge Gas Utility Court Faisalabad, for which no provision has been recorded in the financial statements. Had the

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provision charged, profit after taxation for the year would have been converted into loss after taxation of Rs. 164.549 million (2025: Rs. 673.288 million), negative equity would have been increased to Rs. 8,417 million (2025: Rs. 9,128 million) and current liabilities to Rs. 6,338 million (2025: 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 *Auditor's 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 (the Code) 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
Property, plant and equipment As referred in Note 5 to the accompanying financial statements, property, plant and equipment (PPE) constitutes 21.67% of the total assets of the Company as at 30 June 2026. We considered this a key audit matter due to addition of assets which leads to increase in PPE by 6.64%, 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. For further information a property, plant and equipment, refer to the following: - 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.	To address the risk for material error in property, plant and equipment, our audit procedures included, but not limited to: - We examined the documentation supporting management's decisions regarding the disposal of land e.g. sale agreement and other supporting documentation; - We 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; and We assessed the adequacy of disclosures in the financial statements in accordance with the applicable financial reporting framework.
Valuation of investment property As referred in Note 6 to the accompanying financial statements. 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. We identified the valuation of investment properties as a key audit matter as it covers 37.21% of total assets of	Our audit procedures included, but not limited to: - We obtained valuation reports and evaluated the qualification, experience and competence of the external property valuer engaged by management and held discussions with the external property valuer, without the presence of management, to understand their valuation methods and the assumptions applied;

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Company.	- We compared the fair values determined by the external valuer with relevant external market data; - We tested the mathematical accuracy of the revaluation calculation; - We obtained rental agreements signed between the Company and lessees; and We assessed the adequacy of disclosures related to investment properties in Note 6 to the financial statements.
Inventory existence and valuation Inventory as at June 30, 2026 amounted to Rs. 965.553 million, breakup of which is as follows: - Stores and spare parts of Rs. 279.330 million - Stock-in-trade of Rs. 686.223 million As referred in Note 8 and 9 to the accompanying financial statements, the inventories comprise stores and spare parts and stock-in-trade constitutes 24.10% of total assets of the Company as at 30 June 2026. 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. The Company has specific procedures for identifying risk for obsolescence and measuring inventories at the lower of cost or net realizable value.	To address the risk for material error on inventories our audit procedures included but not limited to: - We 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; - We assessed the compliance of Company's accounting policies for inventories with applicable accounting standards; - We assessed the inventory valuation processes and practices. On major locations we tested the effectiveness of the key controls; - We assessed management's analysis with respect of slow moving and obsolete stock; - We compared, on a sample basis, specific purchases and directly attributable costs with underlying supporting documents; - We checked, on sample basis, the accumulation of costs at different stages of production to ascertain the valuation of finished goods; - We compared, on a sample basis, the net realizable value with the cost of finished goods to assess whether any adjustments were required to inventory values in accordance with applicable accounting standards; and 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.
Recoverability of trade debts As referred in Note 10 to the financial statements. The gross trade debts as at June 30, 2026 are Rs. 7,203.885 million and net trade debts of the Company as at June 30, 2026 are Rs. 161.805 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. 7,042.080 million as expected credit loss against trade	Our audit procedures included, but not limited to: - We reviewed the procedures employed by the Company for the estimation of recoverability of trade debts and for the determination of required ECL; - We reviewed the judgments, assumptions, historical credit loss and forward-looking factors exercised by the management for the development of ECL model;

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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.	- We obtained aging reports and, on sample basis checked the correctness of these reports; - We zssessed the adequacy of ECL provision by performing recalculation on sample basis; and - We assessed the adequacy of disclosures made in the financial statements according to the requirements of the IFRS Accounting Standards.
Revenue recognition The Company recognized revenue from contracts with customers of Rs. 3,069.428 million for the year ended 30 June 2026. We identified recognition of revenue as a key audit matter because revenue from contracts with customers is one of the key performance indicators of the Company and gives rise to an inherent risk that revenue could be subject to misstatement to meet expectations or targets. For further information, refer to the following: - Material accounting policy information, Revenue recognition Note 4.18 to the financial statements. - Revenue from Contracts with Customers Note 30 to the financial statements.	Our audit procedures included, but not limited to: - We obtained an understanding of the process relating to the recognition of revenue and tested the design, implementation and operating effectiveness of key internal controls over the 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 other relevant underlying documentation to assess if the related revenue was recorded in the appropriate accounting period; - Performed audit procedures to analyze variation in the prices and quantities sold during the year; - We assessed whether the accounting policies for revenue recognition comply with the requirements of IFRS 15 'Revenue from Contracts with Customers'; and - We also considered the appropriateness of disclosures in the financial statements.

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 the Companies Act, 2017

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(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.

Auditor's 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 auditor's 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 auditor's 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.

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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 paragraphs (a), (b) and (c) 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 year 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 auditor's report is Syed Ali Hasnain Shah.

Zahid Jamil & Co. PESHAWAR CHARTERED ACCOUNTANTS

ZAHID JAMIL & CO
CHARTERED ACCOUNTANTS

Place: Peshawar
Date: October 06, 2026
UDIN: AR202610291CUlm9e0SY

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AMTEX LIMITED
STATEMENT OF FINANCIAL POSITION
AS AT JUNE 30, 2026

	NOTE	2026 RUPEES	2025 RUPEES
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	5	868,434,986	579,150,040
Investment property- at fair value	6	1,491,067,492	1,313,891,907
Long-term deposits	7	8,756,602	10,087,882
		2,368,259,080	1,903,129,829
CURRENT ASSETS			
Stores and spare parts	8	279,329,959	228,848,622
Stock-in-trade	9	686,223,258	619,410,945
Trade debts	10	161,805,205	266,422,605
Advances	11	35,944,582	31,738,387
Short-term deposits	12	4,799,126	4,799,126
Other receivables	13	15,905,896	111,304,820
Prepaid levy and advance income tax - net	14	80,558,959	57,059,301
Sales tax receivable	15	220,349,536	225,365,338
Cash and bank balances	16	119,671,858	92,005,217
		1,604,588,379	1,636,954,361
Non-current asset classified as held for sale	17	34,247,100	-
TOTAL ASSETS		**4,007,094,559**	**3,540,084,190**
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorized share capital 260,000,000 (2025: 260,000,000) ordinary shares of Rs.10/- each		**2,600,000,000**	**2,600,000,000**
Issued, subscribed and paid-up share capital	18	2,594,301,340	2,594,301,340
Reserves			
Capital reserves			
Merger reserve	19	98,039,330	98,039,330
Share premium	19	183,000,000	183,000,000
Surplus on revaluation of property, plant and equipment	19	861,632,604	535,130,147
		1,142,671,934	816,169,477
Revenue reserve			
General reserve	19	250,000,000	250,000,000
Accumulated loss		(12,105,267,034)	(12,245,287,348)
TOTAL EQUITY		**(8,118,293,760)**	**(8,584,816,531)**
NON-CURRENT LIABILITIES			
Redeemable capital	20	-	-
Long-term financing	21	4,343,828,989	1,293,913,957
Lease liabilities	22	-	-
Deferred liabilities	23	1,742,192,211	1,657,039,319
		6,086,021,200	**2,950,953,276**
CURRENT LIABILITIES			
Trade and other payables	24	411,491,524	508,503,398
Contract liabilities - unsecured	25	359,081,215	294,967,495
Interest / mark-up payable	26	2,596,250,534	2,596,250,534
Short-term borrowings	27	1,800,505,495	5,043,819,233
Current portion of non-current liabilities	28	872,038,351	730,406,785
		6,039,367,119	**9,173,947,445**
CONTINGENCIES AND COMMITMENTS	29	-	-
TOTAL EQUITY AND LIABILITIES		**4,007,094,559**	**3,540,084,190**

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

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

AMTEX LIMITED
STATEMENT OF PROFIT OR LOSS
FOR THE YEAR ENDED JUNE 30, 2026

	NOTE	2026 RUPEES	2025 RUPEES
Revenue from contracts with customers	30	3,069,427,707	2,370,790,973
Cost of revenue	31	2,746,947,499	2,237,781,941
Gross profit		322,480,208	133,009,032
Distribution cost	32	113,789,635	104,034,186
Administrative expenses	33	123,013,565	111,815,189
Other expenses	34	3,640,392	3,462,940
		240,443,592	219,312,315
		82,036,616	(86,303,283)
Other income	35	234,962,763	148,969,551
Profit from operations		316,999,379	62,666,268
Finance cost	36	142,591,832	157,292,459
Profit / (loss) before minimum tax and taxation		174,407,547	(94,626,191)
Minimum tax	37	38,367,846	29,634,887
Profit / (loss) before taxation		136,039,701	(124,261,078)
Taxation	37	1,508,468	5,889,058
Profit / (loss) after taxation		134,531,233	(130,150,136)
Earnings per share - Basic and diluted		0.52	(0.50)

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

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

AMTEX LIMITED
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED JUNE 30, 2026

	NOTE	2026 RUPEES	2025 RUPEES
Profit / (loss) after taxation		134,531,233	(130,150,136)
Other comprehensive income			
Items that will not be reclassified subsequently to statement of profit or loss:			
Remeasurement arising on defined benefit obligation	23.1.4	(3,273,641)	2,107,217
Surplus on revaluation of property, plant and equipment	19.3	335,265,179	-
		331,991,538	2,107,217
Items that may be reclassified to statement of profit or loss in subsquent periods		-	-
Other comprehensive income for the year		331,991,538	2,107,217
Total comprehensive income / (loss) for the year		466,522,771	(128,042,919)

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

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

AMTEX LIMITED
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2026

	NOTE	2026 RUPEES	2025 RUPEES
a) CASH FLOWS FROM OPERATING ACTIVITIES			
Profit / (loss) before minimum tax and taxation		174,407,547	(94,626,191)
Adjustments for non-cash / non-operating items:			
Depreciation of property, plant and equipment	5.1.2	43,007,339	40,311,528
Provision for staff retirement gratuity	23.1.3.	12,362,994	9,443,449
Debit balance written off	33.3	1,331,280	9,374,497
Unrealised gain on investment property carried at fair value	35	(177,175,585)	(43,426,140)
Provision of workers' welfare fund	24.1.	3,559,338	-
Gain on disposal of property, plant and equipment	35	(6,749,702)	(41,400,455)
(Reversal) / provision for expected credit losses - net		(6,066,223)	3,462,940
Gain on recognition on loan at fair value	35	(33,994,669)	(44,653,724)
Finance cost	36	142,591,832	157,292,459
Operating cash flows before working capital changes		153,274,151	(4,221,637)
Changes in working capital:			
(Increase) / decrease in current assets			
Stores, spare parts and loose tools		(50,481,337)	(12,172,120)
Stock-in-trade		(66,812,313)	(120,498,936)
Trade debts		110,683,623	(51,953,056)
Advances		(4,206,195)	9,354,006
Short-term deposits		-	1,149,000
Other receivables		95,398,924	(87,370,629)
Sales tax receivable		5,015,802	33,126,262
Increase / (decrease) in current liabilities			
Trade and other payables		(93,444,108)	17,701,433
Contract liabilities - unsecured		64,113,720	132,504,282
		60,268,116	(78,159,758)
Cash generated from / (used in) operations		213,542,267	(82,381,395)
Income tax and minimum tax paid		(63,375,972)	(53,481,968)
Finance cost paid		(47,227,242)	(155,576,077)
Workers' profit participation fund paid	24.2	(7,134,663)	-
Staff retirement gratuity paid	23.1.2.	(2,368,512)	(3,500,680)
Net cash generated from / (used in) operating activities		93,435,878	(294,940,120)
b) CASH FLOWS FROM INVESTING ACTIVITIES			
Capital expenditure on property, plant and equipment		(57,665,364)	(32,623,092)
Proceeds from disposal of property, plant and equipment		33,140,860	428,898,955
Net cash (used in) / generated from investing activities		(24,524,504)	396,275,863
c) CASH FLOWS FROM FINANCING ACTIVITIES			
Long-term financing - net		(40,244,733)	(127,582,549)
Lease liabilities	22	(1,000,000)	-
Net cash used in financing activities		(41,244,733)	(127,582,549)
Net increase / (decrease) in cash and cash equivalents (a+b+c)		27,666,641	(26,246,806)
Cash and cash equivalents at the beginning of the year		92,005,217	118,252,023
Cash and cash equivalents at the end of the year	16	119,671,858	92,005,217

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

Chief Executive Officer

Director

Chief Financial Officer

AMTEX LIMITED
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED JUNE 30, 2026

	Issued, subscribed and paid-up capital	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		
	Rupees							
Balance as at July 01, 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 loss 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	-
Balance as on 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)
Profit for the year	-	-	-	-	-	-	134,531,233	134,531,233
Other comprehensive income / (loss) for the year	-	-	-	335,265,179	335,265,179	-	(3,273,641)	331,991,538
Total comprehensive income for the year	-	-	-	335,265,179	335,265,179	-	131,257,592	466,522,771
Transfer to accumulated loss in respect of:								
-Incremental depreciation for the year	-	-	-	(8,762,722)	(8,762,722)	-	8,762,722	-
Balance as on June 30, 2026	2,594,301,340	98,039,330	183,000,000	861,632,604	1,142,671,934	250,000,000	(12,105,267,034)	(8,118,293,760)

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

Chief Executive Officer

Director

Chief Financial Officer

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 earned profit before minimum tax and taxation amounting to Rs. 174,407,547 (2025: suffered loss before minimum tax and taxation of Rs. 94,626,191) during the year and its sales have also increased (2025: decreased) during the year 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 accounting and reporting standards as applicable in Pakistan. The accounting and reporting standards applicable in Pakistan comprise of:

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

Where the provisions of, directives and notifications issued under the Companies Act, 2017 differ from the IFRS, Accounting Standards the provisions of, directives and notifications 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. Accounting convention

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

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 judgements were exercised in application of accounting policies are as follows:

Determining the useful lives, residual values and depreciation method of property, plant and equipment – Note 4.1
Financial instruments - fair value - Note 4.17.
Fair value of investment property - Note 4.3.
Inventories - Note 4.6 and Note 4.7.
Allowance for expected credit losses – Note 4.8.
Obligation of defined benefit obligation - Note 4.10.
Provisions - Note 4.13.
Contingencies - Note 4.21.
Taxation and levy - Note 4.14
Revenue from contracts with customers involving sale of goods - Note 4.18

3. Changes in accounting standards and interpretations

3.1. Standards and amendments to published approved standards that are effective in current year and are relevant to the Company

Following standards and amendments to published approved standards is mandatory for the Company's accounting periods beginning on or after 01 July 2025:

Amendments to IAS 21 'The Effects of Changes in Foreign Exchange Rates' – Lack of Exchangeability

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

3.2. Amendments to published approved accounting standards that are effective in current year but not relevant to the Company

There are amendments to published standards that are mandatory for accounting periods beginning on or after 01 July 2025 but are considered not to be relevant or do not have any significant impact on the Company's financial statements and are therefore not detailed in these financial statements.

3.3. Standard, amendments and improvements to published approved accounting standards that are not yet effective but relevant to the Company

Following standard, amendments and improvements to accounting standard have been published and are mandatory for the Company's accounting periods beginning on or after 01 July 2026 or later periods:

	Effective from accounting period beginning on or after:
- IFRS 18 - 'Presentation and Disclosures in Financial Statements'	January 1, 2027
-Amendments to IFRS 9 'Financial Instruments' and 'IFRS 7 'Financial instruments: Disclosures'- Classification and measurement of financial instruments	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. As per the current scenario, the Company will fall in Phase-III of the criteria as per the order from Securities and Exchange Commission of Pakistan (SECP) dated 31 December 2024. Therefore the effective date of these two sustainability standards for the Company is for annual reporting periods beginning on or after 01 July 2027.	July 1, 2027
-Amendments to IFRS 9 'Financial Instruments' and IFRS 7 'Financial instruments: Disclosures' - Contract Referencing Nature-dependent Electricity.	January 1, 2026
The International Accounting Standards Board (IASB) has published 'Annual Improvements to IFRS Accounting Standards — Volume 11'. It contains amendments to following five standards as result of the IASB's annual improvements project:	January 1, 2026

• 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.

3.4. Standards and amendments to approved published standards that are not yet effective and not considered relevant to the Company

There are other standards and amendments to published standards that are mandatory for accounting periods beginning on or after 01 July 2026 but are considered not to be relevant or do not have any significant impact on the Company's financial statements and are therefore not detailed in these 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 and depreciation

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 capitalized.

Depreciation is charged to income applying the reducing balance method at the rates specified in Note 5 in these financial statements. 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 the asset is available for use and up to the date preceding the day in which asset is disposed off. 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

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.

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.

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 and spare parts

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 (ECL).
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 flows, cash and cash equivalents consist of cash in hand, balances with banks on current accounts 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. Staff retirement gratuity

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. The Company's obligation under they scheme is determine through actuarial valuation to cover the period of service completed by employees using Projected Unit Credit Method. The method involves assumptions about discount rates, future salary increases and mortality rates. 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 amounts payable are recorded initially at fair value which is normally the transaction cost and subsequently measured at amortized cost using the effective interest method.

4.12. Borrowings

Financing and 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. Taxation and levy

Current

Provision for current tax is based on the taxable income for the year determined in accordance with the prevailing law for taxation of income. The charge for current tax is calculated using prevailing tax rates or tax rates expected to apply to the profit for the year, if enacted. Final taxes levied under the Income Tax Ordinance, 2001 and any excess over the amount designated as provision for current tax are charged as levy in statement of profit or loss.

The charge for current tax and levy also includes adjustments, where considered necessary, to provision for tax and levy made in previous years arising from assessments framed during the year for such years.

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 liabilities are generally recognized for all taxable temporary differences and deferred tax assets to the extent that it is probable that taxable profits will be available against which the deductible temporary differences, unused tax losses and tax credits can be utilized.

Deferred tax is calculated at the rates that are expected to apply to the period when the differences reverse based on tax rates that have been enacted or substantively enacted by the reporting date. Deferred tax is charged or credited in the statement of profit or loss, except to the extent that it relates to items recognized in other comprehensive income or directly in equity. In this case, the tax is also recognized in other comprehensive income or directly in equity, respectively.

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. Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated into Pak Rupees at exchange rates prevailing at the date of transaction. Non-monetary assets and liabilities denominated in foreign currency that are stated at fair value are translated into Pak Rupees at exchange rates prevailing at the date when fair values are determined.

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 creator 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 rendered 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. Contingent liabilities are not recognized, only disclosed, unless the possibility of a future outflow of resources is considered remote. In the event that the outflow of resources associated with contingent liability is assessed as probable and if the size of the outflow can be reliably estimated, a provision is recognized.

4.22. Contingent assets

Contingent assets are disclosed when the Company has possible asset that arises from past events and 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. Contingent assets are not recognised until their realisation become certain.

4.23. Share capital

Ordinary shares are classified as share capital 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.

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. Recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). Non-financial assets that suffered an impairment are reviewed for possible reversal of the impairment at each reporting date. 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 except for impairment loss on revalued assets, which is adjusted against the related revaluation surplus to the extent that the impairment loss does not exceed the surplus on revaluation of that asset.

4.25. Non-current assets held for sale

Non-current assets are classified as assets held for sale when their carrying amount is to be recovered principally through a sale transaction and a sale is considered highly probable. These are stated at the lower of carrying amount and fair value less costs to sell.

	NOTE	2026 RUPEES	2025 RUPEES
5 Property, plant and equipment			
Operating fixed assets	**5.1**	868,434,986	579,150,040

5.1 Operating fixed assets

	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, 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	16,151,428	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**	**2,769,698**	**17,035,347**	**958,186,468**	**16,150,508**	**974,336,976**
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	2,769,698	17,035,347	958,186,468	16,150,508	974,336,976
Additions	-	-	23,008,147	-	-	-	-	9,614,945	32,623,092	-	32,623,092
Disposals:											
Cost / revalued amount	387,498,500	-	-	-	-	-	-	-	387,498,500	-	387,498,500
Accumulated depreciation	-	-	-	-	-	-	-	-	-	-	-
	387,498,500	-	-	-	-	-	-	-	387,498,500	-	387,498,500
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
Closing net book value	**182,875,000**	**93,494,655**	**195,294,901**	**48,114,482**	**757,303**	**18,642,593**	**2,492,728**	**22,942,921**	**564,614,583**	**14,535,457**	**579,150,040**
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	16,428,398	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**	**2,492,728**	**22,942,921**	**564,614,583**	**14,535,457**	**579,150,040**
Year ended June 30, 2026											
Opening net book value	182,875,000	93,494,655	195,294,901	48,114,482	757,303	18,642,593	2,492,728	22,942,921	564,614,583	14,535,457	579,150,040
Additions	-	-	16,981,920	-	-	-	30,400	40,653,044	57,665,364	-	57,665,364
Transfer to non-current asset held for sale											
Cost / revalued amount	32,274,000	8,931,500	-	-	-	-	-	-	41,205,500	-	41,205,500
Accumulated depreciation	-	(1,248,458)	-	-	-	-	-	-	(1,248,458)	-	(1,248,458)
	32,274,000	7,683,042	-	-	-	-	-	-	39,957,042		39,957,042
Disposals:											
Cost	-	-	-	-	-	-	-	37,065,730	37,065,730	-	37,065,730
Accumulated depreciation	-	-	-	-	-	-	-	(10,674,572)	(10,674,572)	-	(10,674,572)
	-	-	-	-	-	-	-	26,391,158	26,391,158	-	26,391,158
Depreciation charge	-	6,628,708	23,762,085	5,030,123	137,695	1,864,259	250,622	3,865,116	41,538,608	1,468,731	43,007,339
Revaluation surplus	187,374,000	70,896,888	73,592,427	6,797,833	1,280,666	-	-	-	339,941,814	1,033,307	340,975,121
Closing net book value	**337,975,000**	**150,079,793**	**262,107,163**	**49,882,192**	**1,900,274**	**16,778,334**	**2,272,506**	**33,339,691**	**854,334,953**	**14,100,033**	**868,434,986**
At June 30, 2026											
Cost	337,975,000	150,112,000	275,797,315	52,500,000	2,000,000	28,013,521	18,951,526	95,947,919	961,297,281	14,840,000	976,137,281
Accumulated depreciation	-	32,207	13,690,152	2,617,808	99,726	11,235,187	16,679,020	62,608,228	106,962,328	739,967	107,702,295
Net book value	**337,975,000**	**150,079,793**	**262,107,163**	**49,882,192**	**1,900,274**	**16,778,334**	**2,272,506**	**33,339,691**	**854,334,953**	**14,100,033**	**868,434,986**
Depreciation rate per annum (%)	-	5-10	10	10	10	10	10	20		10	

5.1.1 Particulars of immovable properties (Land & Buildings) in the anme 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

	Note	2026 Rupees	2025 Rupees
5.1.2 Depreciation for the year has been allocated as under:			
Cost of revenue	**31.1.**	42,147,192	39,505,307
Administrative expenses	**33.**	860,147	806,221
		43,007,339	40,311,528

5.1.3 The Company had revalued its freehold land, building on freehold land, plant and machinery, electric installations and factory equipment. Revaluation of freehold land on market value basis and building on freehold land, plant and machinery, electric installations, and factory equipment on depreciated replacement values basis. The revaluation of plant and machinery, electric installations and factory equipment carried out on 31 December, 2025 and the revaluation of freehold land and building on freehold land was carried out on June 30, 2026 by an independent valuer. Previously revaluation of all revalued asset are carried out on June 30, 2023, January 01, 2020, June 30, 2017, December 31, 2012, June 30, 2009 and June 03, 2004.

5.1.4 Forced sales value (FSV) of plant and machinery, electric installations and factory equipment was Rs. 242.407 million, Rs. 44.625 million and 1.700 million respectively as at December 31, 2025. FSV of freehold land and buildings on freehold land as on June 30, 2026 was Rs. 287.279 million and Rs. 127.595 million respectively.

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	Qty	Cost A	Accumulated Depreciation B	Net book value C=A-B	Sale proceeds D	Gain E=D-C	Particulars of buyer	Mode of disposal
Vehicles	**Nos.**	----------Rupees----------						
Kia Sorento PUD-CW	1	8,773,505	5,688,081	3,085,424	5,050,000	1,964,576	Mr. Muhammad Farooq , Faisalabad	Negotiation
Kia Sportage AWD-CB	1	5,602,330	3,793,177	1,809,153	6,100,000	4,290,847	Mr. Usman Farooq , Faisalabad	Negotiation
Haval CC6470AH3EGPHEV	1	13,074,950	709,271	12,365,679	12,800,000	434,321	Mr. Naeem ul Hassan Shah , Faisalabad	Negotiation
MG HS MCE PHEV	1	9,614,945	484,043	9,130,902	9,190,860	59,958	Mr. Abdul Haq , Faisalabad	Negotiation
		37,065,730	**10,674,572**	**26,391,158**	**33,140,860**	**6,749,702**		

5.1.6 Had there been no revaluation, the related figures of freehold land, building on freehold land, plant and machinery, electric installations and factory equipment as at June 30, 2026 would have been as follows:

	2026		
	Cost	Accumulated depreciation	Written down value
	----------Rupees----------		
Company owned			
Freehold land	35,271,072	-	35,271,072
Building on freehold land	175,058,488	144,459,018	30,599,470
Plant and machinery	1,824,812,246	1,632,627,970	192,184,276
Electric installations	62,320,535	25,201,510	37,119,025
Factory equipment	3,693,513	3,492,678	200,835
Leasehold			
Plant and machinery	133,214,356	120,096,106	13,118,250
	2,234,370,210	1,925,877,282	308,492,928

	2025		
	Cost	Accumulated depreciation	Written down value
	----------Rupees----------		
Company owned			
Freehold land	36,308,572	-	36,308,572
Building on freehold land	175,155,608	141,781,803	33,373,805
Plant and machinery	1,807,830,326	1,616,318,730	191,511,596
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
	2,218,522,910	1,901,377,886	317,145,024

	Note	2026 Rupees	2025 Rupees
6. Investment property - at fair value			
Land	**6.1**	911,242,500	746,351,000
Building	**6.2**	579,824,992	567,540,907
		1,491,067,492	1,313,891,907
6.1 Land			
Carrying amount as at July 1,		746,351,000	668,244,500
Add: fair value gain during the year	**6.3**	164,891,500	78,106,500
Carrying amount as on June 30,		911,242,500	746,351,000
6.2 Building			
Carrying amount as at July 1,		567,540,907	602,221,267
Add / (less): fair value gain / (loss) during the year	**6.3**	12,284,085	(34,680,360)
Carrying amount as on June 30,		579,824,992	567,540,907
6.3 Fair value gain / (loss) arised during the year:			
Land	**6.1**	164,891,500	78,106,500
Building	**6.2**	12,284,085	(34,680,360)
	35	177,175,585	43,426,140

6.4. The fair value of freehold land and buildings thereon 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 has been determined on June 30, 2026 by an independent valuer.

6.5. Investment property with a carrying amount of Rs. 1,021.10 million (2025: Rs. 1,021.10 million) are subject to first charge against loan of Rs. 742.722 million (2025: Rs. 849.722 million) from United Bank Limited, Rs. 134.583 million (2025: Rs. 142.083 million) from Bank Islami Pakistan Limited and Rs. 302.068 million (2025: Rs. 317.068 million) from Askari Bank Limited.

6.6. FSV of investment property as on reporting date is Rupees 1,267 million.

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

	Note	2026 Rupees	2025 Rupees
7. Long term deposits			
Against utilities		8,756,602	10,087,882
8. Stores and spare parts			
Stores	**8.1.**	276,934,301	228,566,812
Spare parts		2,395,658	281,810
		279,329,959	228,848,622

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

	Note	2026 Rupees	2025 Rupees
9. Stock-in-trade			
Raw material		581,417,312	514,094,156
Work-in-process		19,540,181	18,216,998
Finished goods		84,500,140	86,101,288
Waste		765,625	998,503
	9.1.	686,223,258	619,410,945

9.1. Stock-in-trade amounting to Rs. 155.121 million (2025: 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.

	Note	2026 Rupees	2025 Rupees
10. Trade debts			
Considered good:			
Unsecured			
Foreign		64,536,078	159,683,074
Local	**10.1**	97,350,181	112,886,808
		161,886,259	272,569,882
Considered doubtful			
Unsecured			
Foreign		7,041,998,879	7,041,998,879
		7,203,885,138	7,314,568,761
Less: provision for expected credit losses	**10.2**	(7,042,079,933)	(7,048,146,156)
		161,805,205	266,422,605

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

Cotton Passion (Pvt.) Limited	22,554,994	77,802,176

The balance is past due but not impaired. The ageing analysis is as under:

Upto 1 month	-	-
Within 1 to 6 months	15,922,692	77,802,176
6 months to 1 year	6,632,302	-
	22,554,994	77,802,176

10.1.1. The maximum aggregate amount of receivable due from related party at the end of any month during the year was Rs. 99.323 million (2025: Rs. 77.802 million).

	Note	2026 Rupees	2025 Rupees
10.2. Provision for expected credit losses			
Balance as at July 01,		7,048,146,156	7,044,683,216
Add: recognized during the year	**34**	81,054	3,462,940
Less: reversal of expected credit losses during the year	**35**	(6,147,277)	-
Balance as on June 30,		7,042,079,933	7,048,146,156

10.2.1 The provision for expected credit losses related to export debtors, considered doubtful, is in relation to the contingency mentioned in the note 29.1.17 to these financial statements.

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

Jurisdiction		
USA	41,904,181	85,457,652
Canada	3,915,537	-
Italy	-	14,104,199
UK	15,471,792	55,627,995
France	-	4,493,228
Pakistan	97,269,127	106,739,531
Scotland	3,244,568	-
	161,805,205	266,422,605

10.4. Revenue from the sale of goods is recognized at the time of delivery, while payment is generally due within 25 to 30 days from delivery in case of local sales, and 60 to 90 days in case of export sales.

	Note	2026 Rupees	2025 Rupees
11. Advances			
Considered good:			
Advances to suppliers / service providers		35,944,582	31,738,387
12. Short-term deposits			
Lease deposits		4,799,126	4,799,126
13. Other receivables			
Considered good:			
Export rebate	**13.1.**	15,905,896	21,069,820
Receivable from related party	**13.2.**	-	90,235,000
		15,905,896	111,304,820
13.1. Movement of export rebate			
Balance as at July 01,		21,069,820	23,934,191
Add: recognized during the year	**30.**	12,037,742	8,315,008
Less: received during the year		(17,201,666)	(11,179,379)
Balance as on June 30,		15,905,896	21,069,820

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:

Upto 1 month	-	-
Within 1 to 6 months	-	90,235,000
	-	90,235,000

13.3. The maximum aggregate amount of receivable due from related party at the end of any month during the year was Rs. 90.235 million (2025: Rs. 128.735 million).

	Note	2026 Rupees	2025 Rupees
14. Prepaid levy and advance income tax - net			
Prepaid levy - net			
Prepaid levy (minimum tax)		30,198,497	29,634,887
Less: levy payable		(30,198,497)	(29,634,887)
		-	-
Advance income tax - net			
Advance income tax		88,728,308	61,244,867
Less: provision for taxation		(8,169,349)	(4,185,566)
		80,558,959	57,059,301
		80,558,959	57,059,301
15. Sales tax refundable		220,349,536	225,365,338
16. Cash and bank balances			
Cash in hand		53,520,684	64,961,969
Cash at banks:			
On current accounts (including $1,420.11 (2025: $4,327.52))		66,126,239	27,020,091
On saving account	**16.1.**	24,935	23,157
		66,151,174	27,043,248
		119,671,858	92,005,217

16.1. Profit on saving account was at prevailing market rate (2025: at prevailing market rate.)

16.2. Information / records were not made available by the banking companies to confirm the year end balances amounting to Rs. 5.399 million (2025: Rs. 0.069 million) out of total outstanding amount due to pending litigation.

17. Non-current asset classified as held for sale

Reconciliation of non-current asset held for sale under IFRS-5 'Non Current Asset held for sale and Discontinued Operations' are summarized here under:

	Note	2026 Rupees	2025 Rupees
Book value of assets transferred from property, plant and equipment during the year:			
Freehold land		32,274,000	-
Building on freehold land		7,683,042	-
		39,957,042	-
Less: decrease in the book value of assets transferred as held for sale	19.3	(5,709,942)	-
		34,247,100	-

17.1. After the approval of Board of Directors (BOD) of the Company in their resolution passed on June 8, 2026, operating fixed assets as described above located at P-224 Yarn Market, Tikka Street, Montgomery Bazar, Faisalabad, Punjab has been classified as held for sale at 08 June, 2026. However keeping in view he provisions of IFRS 5, The book value of these assets was decreased to lower of carrying amount or fair value amounting to Rs. 34.247 million. The difference of Rs. 5.709 million was reversed through related available surplus. Remaining surplus on freehold land and buildings is of Rs. 33.179 million. This transaction will be completed in financial next year. Moreover payments have been received from the buyer regarding this transaction as disclosed in Note 24 to these financial statements.

18. Issued, subscribed and paid up capital

2026	2025		2026 Rupees	2025 Rupees
---------No. of shares--------				
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
259,430,134	259,430,134		2,594,301,340	2,594,301,340

18.1. 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	2026 Rupees	2025 Rupees
19. Reserves			
Capital reserves			
Merger reserve	19.1.	98,039,330	98,039,330
Share premium	19.2.	183,000,000	183,000,000
Surplus on revaluation of property, plant and equipment	19.3.	861,632,604	535,130,147
		1,142,671,934	816,169,477
Revenue reserves			
General reserve	19.4.	250,000,000	250,000,000
		1,392,671,934	1,066,169,477

19.1. 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.

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

	Note	2026 Rupees	2025 Rupees
19.3. Surplus on revaluation of property, plant and equipment			
Balance as at July 01,		535,130,147	923,546,882
Add:			
Surplus on revaluation of property, plant and equipment	5.1	340,975,121	-
Reversal of surplus on revaluation	17	(5,709,942)	-
		335,265,179	-
Less:			
Transferred to accumulated loss in respect of incremental depreciation charged during the year		(8,762,722)	(5,040,135)
Surplus related to disposal of property, plant and equipment		-	(383,376,600)
		326,502,457	(388,416,735)
Balance as on June 30,		861,632,604	535,130,147

19.3.1 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.

19.4. 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	2026 Rupees	2025 Rupees
20. Redeemable capital			
Secured			
Sukuk certificates	**20.1. & 20.2.**	-	-

20.1. 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 21.1.1 to these financial statements.

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 (2025: Nil).

20.2. 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	2026 Rupees	2025 Rupees
21. Long term financing			
From banking companies and financial institutions	**21.1.**	4,014,658,932	1,054,373,411
Due to related party - unsecured	**21.2.**	329,170,057	239,540,546
		4,343,828,989	1,293,913,957
21.1. From banking companies and financial institutions-secured			
Under mark up arrangements			
Demand finance	**21.1.1**	1,163,765,941	1,320,765,941
Long term finances under SBP	**21.1.1**	19,807,250	19,176,163
Morabaha finance	**21.1.1**	9,594,052	9,594,052
Morabaha finance II	**21.1.1**	104,000,000	104,000,000
Not subject to markup			
Demand finance	**21.1.1**	3,536,203,932	276,917,932
		4,833,371,175	1,730,454,088
Less: current portion shown under current liabilities			
Installments overdue	**21.1.10**	(510,837,243)	(337,105,215)
Payable within one year		(307,875,000)	(338,975,462)
	28.	(818,712,243)	(676,080,677)
		4,014,658,932	1,054,373,411

21.1.1 Terms of finances are as under:

Nature of finance	Note	2026 Rupees	2025 Rupees	Number of installments	Payment rests	Commencement date	Ending date	Mark up rate
Under mark up arrangements:								
Demand finance								
United Bank Limited - DFI	**21.1.2 & 21.1.11**	742,722,110	849,722,110	39	Quarterly	Aug 31, 2023	Aug 31, 2030	5.69% p.a.
Soneri Bank Limited - DFI	**21.1.3 & 21.1.11**	118,975,462	153,975,462	2	Annually	Dec 31, 2024	Dec 31, 2025	6% p.a.
Askari Bank Limited - DF	**21.1.4 & 21.1.11**	302,068,369	317,068,369	11	Semi annually	Dec 31, 2023	Dec 31, 2028	5.45% p.a.
		1,163,765,941	1,320,765,941					
Long term finances under State Bank of Pakistan Scheme								
Faysal Bank Limited - II	**21.1.8**	4,875,000	4,243,913	4	Monthly	Jun 15, 2026	Sep 15, 2026	-
Pak Kawait - III	**21.1.11**	14,932,250	14,932,250	18	Quarterly	Mar 31, 2007	Mar 31, 2012	SBP rate +3.65% p.a
		19,807,250	19,176,163					
First National Bank Modaraba								
Morabaha finance	**21.1.11**	9,594,052	9,594,052	8	Quarterly	Aug 27, 2019	Aug 27, 2021	11.00% p.a
Al Baraka Islamic Bank Limited Morabaha finance II	**21.1.5 & 21.1.11**	104,000,000	104,000,000	36	Quarterly	Dec 31, 2013	Dec 31, 2022	1 year kibor-3% with cap at 7 % p.a.
Not subject to mark up:								
Demand finances								
Soneri Bank Limited - DFII	**21.1.6 & 21.1.11**	134,835,000	134,835,000	8	Quarterly	Jun 30, 2023	Jun 30, 2023	-
BankIslamic Pakistan Limited - DF	**21.1.7 & 21.1.11**	134,582,932	142,082,932	27	Quarterly	Jul 31, 2025	Oct 31, 2031	-
The Bank of Punjab	**21.1.9**	3,266,786,000	-	40	Quarterly	Jun 30, 2026	Mar 31, 2036	-
		3,536,203,932	276,917,932					
		4,833,371,175	1,730,454,088					

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 (2025: 5.45% to 6.00% per annum).

21.1.2 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 (AKVPL) in November 2023 according to which Company has paid an amount of Rs. 110 million as down payment and balance principal that includes Demand finance Rs. 967.124 million, export finance Rs. 109.725 million and LG encashment Rs. 30.872 million along with IRIS cost of Rs. 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 Rs. 28.899 million each commencing from December 2030 to September 2032. Further Mark-up 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. The fair value adjustment in accordance with the requirements of IFRS 9 ' Financial Instruments' arising in respect of restructuring of loan is not considered material and hence not recognised. Till reporting date an amount of Rs. 370 million has paid other than down payment.

21.1.3 The Company has entered in to restructuring and rescheduling agreement with Soneri Bank Limited for 4th 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. The fair value adjustment in accordance with the requirements of IFRS 9 ' Financial Instruments' arising in respect of restructuring of loan is not considered material and hence not recognised.According to restructuring letter bank also agreed to waive off residual principal liability of Rs. 53.975 million, markup DF II of Rs. 33.216 million, COF from 26.06.2012 till 31.12.2025 Rs. 393.199 million and legal charges of Rs. 1.474 million.
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.

21.1.4 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 Rs. 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%. The fair value adjustment in accordance with the requirements of IFRS 9 ' Financial Instruments' arising in respect of restructuring of loan is not considered material and hence not recognised.Till the reporting date the Company has paid amount of Rs. 52.5 million.

21.1.5 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 Baraka Islamic Bank Limited. Further total Mark up till date mentioned amounting to Rs. 84.291 million 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. The fair value adjustment in accordance with the requirements of IFRS 9 ' Financial Instruments' arising in respect of restructuring of loan is not considered material and hence not recognised. 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 directors of the Company.

21.1.6 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.

21.1.7 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 Rs. 147.083 million, export refinance amounting to rupees 122.684 and markup amounting to rupees 24.399 million Note 26 and Note 27 to these financial statements.The fair value adjustment in accordance with the requirements of IFRS 9 ' Financial Instruments' arising in respect of restructuring of loan is not considered material and hence not recognised. 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.

21.1.8 The Company entered into a restructuring and rescheduling agreement with Faysal Bank Limited on 10 June 2026 for the final settlement of amounting to Rs. 6.500 million. Under the terms of the settlement agreement, the Company paid a down payment of Rs. 1.625 million upon execution of the agreement, with the remaining balance of Rs. 4.875 million payable in three equal instalments of Rs. 1.625 million each. The fair value adjustment in accordance with the requirements of IFRS 9 ' Financial Instruments' arising in respect of restructuring of loan is not considered material and hence not recognised. Upon recovery of the agreed settlement amount of Rs. 6.500 million, the remaining legal claim of Rs. 4.007 million recorded in the Bank's records, together with any future accruals up to the date of receipt of the settlement amount, will be written off / waived by the Bank.

21.1.9 The Company entered into a restructuring and rescheduling agreement with The Bank of Punjab on 12 June 2026 for the out-of-court settlement of short-term borrowings amounting to a gross balance of Rs. 3,266.786 million, against the amount accounted for as disclosed in Note 27 to these financial statements. Under the terms of the settlement agreement, the outstanding balance is repayable over a period of ten years through 40 quarterly instalments commencing on 30 June 2026 and ending on 31 March 2036. The fair value adjustment in accordance with the requirements of IFRS 9 ' Financial Instruments' arising in respect of restructuring of loan is not considered material and hence not recognised. The related markup will be waived at the tail end of the repayment period, subject to the Company complying with the terms of the agreement and not being in default.

21.1.10 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.

21.1.11 Information / records were not made available by the banking companies to confirm the year end balances amounting to Rs. 1,561.710 million (2025: Rs. 1,730.454 million) out of total outstanding amount due to pending litigation.

21.1.12 As per terms of agreement with a bank, the recommendation, declaration and payment of dividend is subject to prior written approval of the bank.

21.2. Due to related party - unsecured:

	Note	2026 Rupees	2025 Rupees
Opening balance		239,540,546	143,776,819
Add: received during the year - net		109,500,000	132,000,000
Fair value adjustment during the year	**36**	14,124,180	8,417,451
Less: gain on recognition of loan at fair value	**35**	(33,994,669)	(44,653,724)
Closing balance		329,170,057	239,540,546

21.2.1. 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 and Bank Islami Pakistan Limited on behalf of the Company under the triparte agreement dated November 15, 2023 and letter dated June 2, 2025 respectively. The fair value adjustment in accordenec with requirements of IFRS 9 "Financial Instruments' arising in respect of payable to AKVPL has been recognised. The rent receivable from AKVPL is adjusted from the amount due to related party against the investment property during the year.

21.3 Reconciliation of liabilities arising from long term financing activities

	2026			2025		
	Long term financing	Due to related party	Total	Long term financing	Due to related party	Total
	----------Rupees----------					
Balance as at July 01,	1,730,454,088	239,540,546	1,969,994,634	1,851,371,156	143776819	1,995,147,975
Add: Obtained / transferred from short-term borrowings during the year - net	3,269,042,087	109,500,000	3,378,542,087	147,082,932	132,000,000	279,082,932
Less: Repaid / transferred / adjustment made during the year	(166,125,000)	(19,870,489)	(185,995,489)	(268,000,000)	(36,236,273)	(304,236,273)
Balance as on June 30,	4,833,371,175	329,170,057	5,162,541,232	1,730,454,088	239,540,546	1,969,994,634

22. Lease liabilities

	Note	2026 Rupees	2025 Rupees
Opening balance		54,326,108	54,326,108
Less: paid / adjusted during the year		(1,000,000)	-
		53,326,108	54,326,108
Less: current portion - installments overdue	**28.**	(53,326,108)	(54,326,108)
		-	-

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 whole amount is overdue. 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. During the year payment of Rs. 1 million made detail is mentioned in note 29.1.3 to these financial statements.

Reconciliation of lease liabilities is given below:

	2026			2025		
	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	72,945,214	19,619,106	53,326,108	73,945,214	19,619,106	54,326,108
Due within one year	-	-	-	-	-	-
Due after one year but Not later than five years	-	-	-	-	-	-
	72,945,214	19,619,106	53,326,108	73,945,214	19,619,106	54,326,108

	Note	2026 Rupees	2025 Rupees
23. Deferred liabilities			
Deferred mark-up on:			
Demand finance	**21.1.2.-21.1.4.**	1,602,454,274	1,530,569,505
Morabaha finance	**21.1.5.**	84,290,601	84,290,601
		1,686,744,875	1,614,860,106
Staff retirement gratuity	**23.1.**	55,447,336	42,179,213
		1,742,192,211	1,657,039,319

23.1. Staff retirement gratuity

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, 2026 using the "Projected Unit Credit Method".

	Note	2026 Rupees	2025 Rupees
23.1.1. Statement of financial position reconciliation as at June 30,			
Present value of defined benefit obligation		55,447,336	42,179,213
23.1.2. Movement in net liability recognised			
Opening balance as at July 01,		42,179,213	38,343,661
Expenses recognised in statement of profit and loss	**23.1.3.**	12,362,994	9,443,449
Benefits paid during the year		(2,368,512)	(3,500,680)
Remeasurements recognized in other comprehensive income	**23.1.4.**	3,273,641	(2,107,217)
Closing balance as on June 30,		55,447,336	42,179,213
23.1.3. Expenses recognised in statement of profit and loss			
Current service cost		7,167,022	5,741,034
Interest cost		5,195,972	3,702,415
		12,362,994	9,443,449
23.1.3.1. Provision for the year has been allocated as follows:			
Cost of revenue	**31.1**	9,643,135	7,365,890
Administrative expense	**33.**	2,719,859	2,077,559
		12,362,994	9,443,449
23.1.4. Remeasurements recognized in other comprehensive income			
Remeasurements arising on obligation		3,273,641	(2,107,217)
23.1.5. Principal actuarial assumptions			
Discount rate used (per annum)		11.75%	11.75%
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

23.1.6. Year end sensitivity analysis of the defined benefit obligation is as follows:

	Change in assumptions		Increase in assumptions	Decrease in assumptions
	Increase	Decrease		
Discount rate	12.75%	10.75%	53,258,073	57,757,361
Salary increase rate	11%	9%	57,773,397	53,204,337

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.

23.1.7. Expected maturity profile

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

Year	Amount Rupees
2027	1,136,670
2028	1,081,223
2029	998,052
2030	964,784
2031	914,881
2032 to 2036	4,213,998
2037 onward	46,137,728

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

Description		2026	2025	2024	2023	2022
As at June 30,			`			
Present value of defined benefits obligation	Rupees	55,447,336	42,179,213	38,343,661	27,998,744	22,474,942
Experience adjustment on obligation	Rate	6%	4%	3%	2%	3%

23.1.9. The expected expense to be charged to the statement of profit or loss for the year ending June 30, 2027 is Rs. 15,654,671/-.

23.1.10. The Company faces the following risks on account of defined obligation plan:

Final salary risk (linked to inflation risk)

The risk that the final salary at the time of cessation of service is greater than what we assumed. Since the benefit is calculated on the final salary (which will closely reflect inflation and other macroeconomic factors), the benefit amount increases as salary increases.

Demographic risks

Mortality risk - The risk that the actual mortality experience is different than the assumed mortality. This effect is more pronounced in schemes where the age and service distribution is on the higher side

Withdrawal risk - The risk of actual withdrawals experience is different from assumed withdrawal probability. The significance of the withdrawal risk varies with the age, service and the entitled benefits of the beneficiary.

		Note	2026 Rupees	2025 Rupees
24.	**Trade and other payables**			
	Creditors		194,045,819	267,088,131
	LC payable		143,688,402	188,694,346
	Accrued liabilities		26,254,548	30,786,763
	Other payable		-	5,863,637
	Advance against sale of non-current asset held for sale		35,000,000	-
	Workers' welfare fund	**24.1.**	12,502,755	8,943,417
	Workers' profit participation fund	**24.2.**	-	7,127,104
			411,491,524	508,503,398
24.1.	**Workers' welfare fund**			
	Balance as at July 01,		8,943,417	8,943,417
	Add: provision for the year		3,559,338	-
	Balance as on June 30,		12,502,755	8,943,417
24.2.	**Workers' profit participation fund**			
	Balance as at July 01,		7,127,104	6,568,759
	Add: interest charged during the year	**24.2.1**	7,559	558,345
			7,134,663	7,127,104
	Less: payment made during the year		(7,134,663)	-
	Balance as on June 30,		-	7,127,104

24.2.1. 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.

		Note	2026 Rupees	2025 Rupees
25.	**Contract liabilities - unsecured**			
	Foreign		359,081,215	285,870,398
	Local		-	9,097,097
			359,081,215	294,967,495

25.1. Revenue aggregating to Rs. 144,370,565/- (2025: Rs. 97,443,170/-) has been recognized for preceding year advances from customers.

26.	**Interest / mark-up 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 **21.1.8**	2,387,860,052	2,387,860,052
		2,596,250,534	2,596,250,534

		Note	2026 Rupees	2025 Rupees
27.	**Short-term borrowings**			
	Secured			
	From banking companies and financial institutions			
	Under mark-up arrangements	**27.2.**		
	Export finances	**21.1.8**	3,577,156,732	3,699,840,694
	Running finance		185,231,590	185,231,590
	Morabaha finances	**27.3.**	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	**27.4.**	271,405,000	271,405,000
			5,043,819,233	5,166,503,195
	Less: rescheduled and transferred to long-term financing			
	Export finances		2,663,962,077	122,683,962
	Cash finances		49,616,860	-
	Forced demand finance		529,734,801	-
			3,243,313,738	122,683,962
			1,800,505,495	5,043,819,233

27.1. The aggregate unavailed short-term borrowing facilities available to the Company is Rs. Nil at the reporting date. (2025: Rs. Nil).

27.2. 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 21.1.1), 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 21.1.1), 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 (2025: Nil).

27.3. 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 21.1.5.

27.4. Total amount of demand finance was Rs. 367.722 million. The securities are disclosed in Note 21.1.1 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.

27.5. Information / records were not made available by the banking companies to confirm the year end balances amounting to Rs. 1,800.505 million (2025: Rs.1,800.505 million) due to pending litigation.

27.6. Reconciliation of liabilities arising from short-term borrowings

	Short-term borrowings	
	2026 Rupees	**2025 Rupees**
Balance as at July 01,	5,043,819,233	5,166,503,195
Add: obtained / transferred during the year	-	-
Less: repaid / transferred to long-term financing during the year	(3,243,313,738)	(122,683,962)
Balance as on June 30,	1,800,505,495	5,043,819,233

		Note	2026 Rupees	2025 Rupees
28.	**Current portion of non-current liabilities**			
	Long-term financing	**21.1.**	818,712,243	676,080,677
	Lease liabilities	**22.**	53,326,108	54,326,108
			872,038,351	730,406,785

29. Contingencies and commitments

29.1. Contingencies

29.1.1. M/S Bank Islami (Formerly KASB Bank Limited merged in to Bank Islami) instituted a suit for recovery of Rs. 149.803 million 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 and the case has been adjourned sine die.

29.1.2. M/S Zephyr Textiles Limited has filed a suit for recovery of Rs. 2.917 million 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.

29.1.3. M/S. Pak Kuwait Investment Company Private Limited has instituted suit under Financial Institutions (Recovery of Finances) Ordinance, 2001 for recovery of Rs. 97.904 million 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. Further through an interim order Banking Court Karachi ordered that rent of Land & Building of Amtex Property (rented out) will be paid by tenant with the Nazir of Court till further order. Furthermore, after the interim order two rental aggregating to Rs.1 million paid by tenant afterwards in May 2026 Banking Court Karachi has transferred the case in Banking Court, Faisalabad and nullify the previous interim order.

29.1.4. Bank Islami Pakistan Limited (As trustee of Sukuk issued by the Company) 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. 660.474 million. The Company has duly filed its petition for leave to defend in the said matter and the same is pending adjudication.

29.1.5. M/S National Bank of Pakistan (Islamic Banking Division) has instituted a suit for recovery of Rs. 106.924 million 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.

29.1.6. M/S National Bank of Pakistan has instituted a suit for recovery of Rs. 1,487.664 million 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.

29.1.7. M/S Faysal Bank Limited has instituted a suit for recovery of Rs. 6.062 million 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. Execution of decree is pending till date. The Company entered in to settlement agreement with bank and agrees to pay decreed amount in installments.

29.1.8. The Bank of Punjab instituted a suit for recovery of Rs. 6,373.121 million 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. During financial year under review the Company entered in to settlement agreement with bank and payment of outstanding decretal principal amount will be paid by the company in step-up quarterly installments.

29.1.9. Sui Northern Gas Pipelines Ltd had filed a suit against the Company's Spinning Division situated at 30 KM Sheikhupura Road Faisalabad, in the Court of District Judge / Judge Gas Utility Court, Faisalabad for recovery of Rs. 57.713 million (2025: Rs. 57.713 million). 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.

29.1.10. 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. 485.425 million. The case has been decreed in favor of plaintiff, however, the Company has filed appeal before Honorable Lahore High Court, Lahore against the Judgement. Further, SNGPL revised the outstanding bill of Processing Division in compliance with Supreme Court Judgements treating Amtex as a co-generation consumer chargeable under Industrial Tariff instead of Captive Power Tariff. Consequently, in May 2026, SNGPL issued a revised bill of Rs. 241.367 million. The Company has requested SNGPL for withdrawal of execution pending the final outcome of the litigation before the superior courts.

29.1.11. 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.

29.1.12. 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.

29.1.13. 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 million 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 with FNBM, however due to overall economic situation, the Company could not adhere to terms of settlement. The Company has approached FNBM for rescheduling of the liability.

29.1.14. 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 million, Rendition of account and cancellation of documents. Same is pending adjudication.

29.1.15. M/S Albaraka Bank Pakistan Limited has instituted a suit for recovery of Rs. 929.222 million 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. The Company has approached the bank for settlement of the liability.

29.1.16. The Soneri Bank Limited has instituted a suit for recovery of Rs. 674.939 million 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 selling its assets and entire proceeds were paid to the bank towards outstanding principal liability. As at reporting date the Company have outstanding liability amounting to Rs. 253.810 million (2025: Rs. 288.810 million).

29.1.17. The Company has filed writ petition in the Honorable Islamabad High Court against Securities and Exchange Commission of Pakistan (SECP) and Federation of Pakistan, in the case of appointment of inspectors for investigation of affairs of the Company by the SECP. The Honorable Islamabad High Court has granted stay in the matter. Moreover, in another case SECP appointed inspectors for investigation regarding publication of Prospects during process of Initial public offering. Said investigation was also stayed by Honorable Islamabad High Court. In current year, the writ was dismissed by the Court and inspectors started to investigate the matters related to publication of prospectus. Company is fully co-operating with the inspectors in said investigation.

29.1.18. 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 Rs. 2.402 million and prayed to set-aside the demand. The adjudicating officer rejected the complaint and allowed the respondent for recovery of disputed amount. However, the Company filed appeal before the Honorable Lahore High Court, Lahore in which the Honorable Court granted the stay order and same is pending adjudication.

29.2. Financial impact, if any, of the above (Note 29.1.1 - Note 29.1.18) has not been acknowledged in these financial statements because of pending litigations.

29.3. Commitments

There was no known commitment of the Company as at reporting date (2025: Nil).

	Note	2026 Rupees	2025 Rupees
30. Revenue from contracts with customers			
Export sales - Made ups / garments	**30.1.**	2,523,628,001	1,915,719,825
Local sales	**30.2.**	533,761,964	446,756,140
Add: Export rebate	**13.1.**	12,037,742	8,315,008
		3,069,427,707	2,370,790,973

30.1. Exchange loss due to currency rate fluctuation amounting to Rs. 9,282,854/- (2025: exchange loss Rs. 517,548/-) has been included in direct export sales.

30.2. Local sales

Services to exporter	467,156,203	331,434,985
Yarn	61,766,746	-
Made ups	54,524,002	50,654,161
Cloth	12,325,440	109,943,403
Waste and left over	34,066,727	35,139,703
	629,839,118	527,172,252
Less: Sales tax	(96,077,154)	(80,416,112)
	533,761,964	446,756,140

30.3. The Company's revenue from external customers by geographical locations is detailed below:

	Note	2026 Rupees	2025 Rupees
Geographic information:			
Pakistan		533,761,964	446,756,140
Germany		162,476,107	-
Canada		21,606,037	-
UK		1,433,946,404	1,273,524,165
USA		772,430,670	526,218,600
Italy		1,333,627	17,354,077
Denmark		8,797,868	-
Hong Kong		-	1,233,624
Spain		16,642,791	24,938,539
France		53,012,949	61,904,601
Czech Republic		-	18,861,227
Greece		778,844	-
Poland		45,132,575	-
Sweden		1,096,105	-
Scotland		18,411,767	-
		3,069,427,707	2,370,790,973

31. Cost of revenue

Cost of goods manufactured	**31.1.**	2,745,113,473	2,231,259,276
Finished goods			
Opening stock		87,099,791	93,622,456
Closing stock		(85,265,765)	(87,099,791)
		1,834,026	6,522,665
		2,746,947,499	2,237,781,941

31.1. Cost of goods manufactured

Raw material consumed	**31.1.1.**	1,588,786,816	1,254,375,360
Salaries, wages and benefits		179,841,413	121,131,817
Staff retirement benefits	**23.1.3.1**	9,643,135	7,365,890
Stores and spares		4,335,744	3,583,895
Dyes and chemicals		313,613,964	275,748,229
Packing material		271,198,864	239,412,259
Conversion processing and stitching charges		291,785,250	257,691,528
Repairs and maintenance		5,468,065	3,220,699
Fuel and power		36,060,438	25,575,965
Depreciation	**5.1.2**	42,147,192	39,505,307
Other		3,555,775	2,754,877
		2,746,436,656	2,230,365,826
Work-in-process			
Opening stock		18,216,998	19,110,448
Closing stock		(19,540,181)	(18,216,998)
		(1,323,183)	893,450
		2,745,113,473	2,231,259,276

31.1.1. Raw material consumed

Opening stock	514,094,156	386,179,106
Purchases including direct expenses	1,656,109,972	1,382,290,410
	2,170,204,128	1,768,469,516
Closing stock	(581,417,312)	(514,094,156)
	1,588,786,816	1,254,375,360

32. Distribution cost

Outward freight and handling	69,139,470	77,128,056
Clearing and forwarding	32,632,938	18,761,697
Export development surcharge	2,837,793	5,134,257
Lab testing, sampling charges and sales promotion	9,179,434	3,010,176
	113,789,635	104,034,186

	Note	2026 Rupees	2025 Rupees
33. Administrative expenses			
Directors' remuneration		15,000,000	15,000,000
Salaries and benefits		56,716,858	36,970,536
Staff retirement benefits	**23.1.3.1**	2,719,859	2,077,559
Utilities		3,875,292	2,353,769
Postage and telecommunication		994,852	2,846,228
Repair and maintenance		2,090,659	2,740,760
Traveling and conveyance		12,116,025	11,472,555
Printing and stationery		1,670,005	1,536,471
Entertainment		9,242,547	7,516,405
Fees and subscriptions		4,945,330	3,100,417
Legal and professional		3,404,798	8,371,134
Rent, rate and taxes		857,931	422,784
Sales tax penalty	**33.1**	2,250,000	2,752,404
Debit balance written off		1,331,280	9,374,497
Auditor's remuneration	**33.2**	2,900,000	2,600,000
Depreciation	**5.1.2**	860,147	806,221
Other		2,037,982	1,873,449
		123,013,565	111,815,189

33.1. Sales tax penalty represents penalty paid by the Company for the tax period July 2024 to June 2025 (2025: May 2024) charged by FBR through Order- in-Original No. 422/2026 (2025: order no AK0920240625).

33.2. Auditor's remuneration			
Audit fee		2,200,000	2,000,000
Half yearly review		700,000	600,000
		2,900,000	2,600,000

34. Other expenses			
Workers' welfare fund		3,559,338	-
Provision for expected credit losses		81,054	3,462,940
		3,640,392	3,462,940

35. Other income			
Income from financial assets:			
Net exchange gain		3,734,493	12,589,232
Reversal of expected credit losses	**10.2.**	6,147,277	-
Profit on saving account and deposit		219,037	-
Income from non-financial assets:			
Gain on disposal of property, plant and equipment	**5.1.5**	6,749,702	41,400,455
Rental income	**35.1.**	6,942,000	6,900,000
Gain on remeasurement of investment properties - net	**6.3**	177,175,585	43,426,140
Gain on recognition of loan at fair value		33,994,669	44,653,724
		234,962,763	148,969,551

35.1. It includes rental income from related parties as follows:

Abwa Knowledge Village (Pvt.) Limited	6,000,000	6,000,000
Cotton Passion (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	180,000
Qatan Linens	42,000	-
	6,942,000	6,900,000

	Note	2026 Rupees	2025 Rupees
36. Finance cost			
Interest / mark-up on:			
Long-term financing		71,884,769	83,326,647
Short term borrowings			
Fair value adjustment during the year	**21.2.**	14,124,180	8,417,451
Interest on workers' profit participation fund		7,559	558,345
Bank charges and commission	`	56,575,324	64,990,016
		142,591,832	157,292,459
37. Levy and taxation			
Levy	**37.1.**	38,367,846	29,634,887
Taxation			
-Prior year		1,508,468	5,889,058

37.1. This represents minimum taxes paid under the Income Tax Ordinance 2001, representing levy in terms of requirements of IFRIC 21/IAS 37.

37.2. The relationship between tax expenses and accounting profit has not been presented in these financial statements for current and prior year as the Company's taxation includes tax based on minimum taxation of the Income Tax Ordinance, 2001.

37.3. 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 profit of the Company would have been increased by Rs 437.404 million other comprehensive income would have been decreased by Rs. 96.278 million and the non current assets would have been increased by Rs.1,822.929 million.

37.4. Total minimum tax available for carry forward under section 113 of the Income Tax Ordinance, 2001 as at 30 June 2026 is of Rs. 68.003 million (2025: 29.635 million). The minimum tax would expire as follows:

Accounting year to which the minimum tax relates	Amount of minimum tax	Accounting year in which minimum tax will expire
	Rupees	
2026	38,367,846	2028
2025	29,634,887	2028
	68,002,733	

38. Earning per share - Basic and diluted

Profit / (loss) after taxation attributable to ordinary shares	(Rupees)	134,531,233	(130,150,136)
Weighted average number of ordinary shares outstanding during the year	(Number)	259,430,134	259,430,134
Earning per share - Basic and diluted	(Rupees)	0.52	(0.50)

38.1. There is no dilutive effect on basic earnings per share for the year ended 30 June 2026 and year ended 30 June 2025 respectively as the Company has no potential ordinary shares as on 30 June 2026 and 30 June 2025.

39. Remuneration of Chief Executive Officer, Director and Executives

The aggregate amount charged in the financial statements in respect of remuneration including certain benefits to Chief Executive Officer, directors and executives of the Company are given below:

	2026				2025			
	Chief Executive Officer	Director	Executives	Total	Chief Executive Officer	Director	Executives	Total
	----------Rupees----------							
Remuneration	5,226,000	4,824,000	16,552,978	26,602,978	5,226,000	4,824,000	17,987,256	28,037,256
House rent allowance	2,106,000	1,944,000	5,911,775	9,961,775	2,106,000	1,944,000	6,424,017	10,474,017
Utility allowance	468,000	432,000	1,182,358	2,082,358	468,000	432,000	1,284,807	2,184,807
	7,800,000	7,200,000	23,647,111	38,647,111	7,800,000	7,200,000	25,696,080	40,696,080
Number of persons	1	1	17		1	1	16	

39.1 Chief Executive Officer and directors are provided with the Company's maintained vehicles, free medical facilities and residential telephone facilities for both business and personal use.

39.2 Executives are provided with the Company's maintained vehicles in accordance with the Company's policy.

39.3 No meeting fee paid to any director of the Company in respect of directors' meeting fee (2025: Nil).

39.4 No remuneration was paid to non-executive directors of the Company.

	Unit	2026	2025
		(FIGURES IN THOUSAND)	
40. INSTALLED CAPACITY AND ACTUAL PRODUCTION			
Dyeing and finishing			
Production capacity for 3 shifts per day for 1095 shifts (2025: 1095 shifts)	Mt.	43,159	43,159
Actual production for Nil shifts per day (2025: Nil)		-	-
Coating & Flocking			
Production capacity for 3 shifts per day for 1095 shifts (2025: 1095 shifts)	Mt.	960	960
Actual production of 3 shifts (2025: 3 shifts) per day	Mt.	825	719

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.

Reason for low production

Actual production is planned to meet the demand from customers.

	2026	2025
41. NUMBER OF EMPLOYEES		
Number of employees as at June 30,	48	59
Number of factory employees as at June 30,	186	221
Average number of employees during the year	52	62
Average number of factory employees during the year	201	215

42. 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 three major customers (2025: one major customer) of the Company representing revenue of Rs. 1,127.544 million (2025: Rs. 253.774 million).

43. FINANCIAL RISK MANAGEMENT

43.1. 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 non-derivative 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), Euro (EUR), Canadian Dollar (CAD) and GBP. 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:

	2026	**2025**
Cash at banks - USD	1,420.11	4,327.52
Trade debts - USD	206,351.16	563,057.00
Trade debts - CAD	20,039.60	-
Trade debts - GBP	8,817.24	-
Trade and other payables - USD	515,844.20	665,354.00
Trade and other payables - EUR	6,175.73	-
Net exposure - USD	(308,072.93)	(97,969.48)
Net exposure - CAD	20,039.60	-
Net exposure - GBP	8,817.24	-
Net exposure - EUR	(6,175.73)	-

Following significant exchange rates were applied during the year:	**2026**	**2025**
Average rate USD	281.55	279.03
Reporting date rate USD	278.55	284.10
Average rate CAD	203.29	-
Reporting date rate CAD	195.39	-
Average rate GBP	379.80	-
Reporting date rate GBP	367.98	-
Average rate EUR	325.175	-
Reporting date rate EUR	317.52	-

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 profit after taxation for the year would have been Rs. 3.950 million lower / higher (2025: loss after taxation would have Rs. 1.392 million higher / lower) 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 the year 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 cashflow 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:

	2026 RUPEES	2025 RUPEES
Fixed rate instruments:		
Financial liabilities:		
Long-term financing	1,163,765,941	1,290,765,941

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:

	2026 RUPEES	2025 RUPEES
Deposits	13,555,728	14,887,008
Trade debts	161,805,205	266,422,605
Other receivables	-	90,235,000
Bank balances	66,151,174	27,043,248
	241,512,107	398,587,861

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			2026	2025
	SHORT TERM	LONG TERM	AGENCY	--------- Rupees --------	
Allied Bank Limited	A1+	AAA	PACRA	10,497	10,497
Askari Bank Limited	A1+	AAA	PACRA	20,912	20,912
Bank Alfalah Limited	A1+	AAA	PACRA	9,182,381	6,330,944
Bank Al Habib Limited	A1+	AAA	PACRA	220,112	220,112
The Bank of Punjab	A1+	AAA	PACRA	2,590,978	2,590,978
Habib Bank Limited	A-1+	AAA	VIS	44,070,196	9,856,121
MCB Bank Limited	A1+	AAA	PACRA	30,595	29,595
Meezan Bank Limited	A-1+	AAA	VIS	3,098,486	2,052,379
National Bank of Pakistan	A1+	AAA	PACRA	2,768,616	2,814,430
United Bank Limited	A-1+	AAA	VIS	30,062	28,283
Soneri Bank Limited	A1+	AA	PACRA	3,021,078	3,047,633
Bank Makramah Limited	A-2	A-	VIS	1,238	6,614
The Bank of Khyber	A-1	AA-	VIS	1,105,300	27,950
Al Baraka Bank (Pakistan) Limited	A-1	AA-	VIS	723	6,800
TOTAL				66,151,174	27,043,248

Due to the Company's long standing business relationships with these counter parties and after giving due consideration to their strong financial standing, management does not expect non-performance by these counter parties on their obligations to the Company. Accordingly, the credit risk is minimal.

Trade Debts

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 and where considered necessary, advance payments are obtained from certain parties. Export sales to major customers are secured through letters of credit. 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.

Based on the past experience and deliberations management has recognized expected credit losses in respect of trade debts as given in Note 10.2 to these financial statements.

At reporting date, the ageing of trade debts and provision for doubtful debts were as follows:

	GROSS AMOUNT		EXPECTED CREDIT LOSSES	
	2026	2025	2026	2025
	----------Rupees----------		----------Rupees----------	
Not past due	7,708,066	12,708,066	-	-
Upto 1 month	66,509,770	151,107,449	-	-
1 to 6 months	57,762,372	16,480,237	-	-
6 months to 1 year	7,270,003	8,324,677	-	-
More than 1 year	7,042,079,933	7,048,146,156	7,042,079,933	7,048,146,156
	7,181,330,144	7,236,766,585	7,042,079,933	7,048,146,156

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

In addition to above, financial assets includes other receivables, management has assessed that there is no impairment loss in respect of these financial assets of the Company and these are recoverable in full.

(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 unveiled credit facility available to the Company. However as at 30 June 2026, the Company had Rupees 119.672 million (2025: Rupees 92.005 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 2026 and 2025 are as follows:

	2026					
	Carrying amounts	Contractual cash flows	Six months or less	Six to twelve months	One to five years	Above five years
	----------Rupees----------					
Financial liabilities:						
Long term financing	5,162,541,232	5,243,083,057	745,929,000	108,051,000	1,018,147,000	3,370,956,057
Lease Liabilities	53,326,108	53,326,108	53,326,108	-	-	-
Trade and other payables	363,988,769	363,988,769	363,988,769	-	-	-
Short term borrowings	1,800,505,495	1,800,505,495	1,800,505,495	-	-	-
Interest / markup payable	2,596,250,534	3,162,251,236	3,162,251,236	-	-	-
	9,976,612,138	**10,623,154,665**	**6,126,000,608**	**108,051,000**	**1,018,147,000**	**3,370,956,057**

	2025					
	Carrying amounts	Contractual cash flows	Six months or less	Six to twelve months	One 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	492,432,877	492,432,877	492,432,877	-	-	-
Short term borrowings	5,043,819,233	5,043,819,233	5,043,819,233	-	-	-
Interest / markup payable	2,596,250,534	2,596,250,534	2,596,250,534			
	10,156,823,386	**10,163,379,386**	**8,462,228,386**	**248,005,000**	**899,608,000**	**553,538,000**

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.

The carrying amount of long term financing, lease finance, and short term borrowings as at 30 June, 2026 included overdue installments of principal amount of Rs. 510.837 million (2025: 337.105 million), 53.326 million (2025: 54.326 million) and 1,800.505 million (2025: 5,043.819 million) respectively.

43.2. FINANCIAL INSTRUMENT BY CATEGORY

	2026			2025		
	At amortized cost	At FVTPL	Total	At amortized cost	At FVTPL	Total
	----------RUPEES----------					
Assets as per statement of financial position						
Deposits	13,555,728	-	13,555,728	14,887,008	-	14,887,008
Trade debts	161,805,205	-	161,805,205	266,422,605	-	266,422,605
Other receivables	-	-	-	90,235,000	-	90,235,000
Cash and bank balances	119,671,858	-	119,671,858	92,005,217	-	92,005,217
	295,032,791	-	295,032,791	463,549,830	-	463,549,830

	2026	2025
	At amortized cost	
Liabilities as per statement of financial position	----------RUPEES----------	
Long term financing	5,162,541,232	1,969,994,634
Lease liabilities	53,326,108	54,326,108
Trade and other payables	363,988,769	492,432,877
Interest / markup payable	2,596,250,534	2,596,250,534
Short term borrowings	1,800,505,495	5,043,819,233
	9,976,612,138	10,156,823,386

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

	2026			2025		
	Financial assets	Other than financial assets	Total	Financial assets	Other than financial assets	Total
	----------RUPEES----------					
Assets as per statement of financial position						
Deposits	13,555,728	-	13,555,728	14,887,008	-	14,887,008
Trade debts	161,805,205	-	161,805,205	266,422,605	-	266,422,605
Other receivables	-	-	-	90,235,000	-	90,235,000
Cash and bank balances	119,671,858	-	119,671,858	92,005,217	-	92,005,217
	295,032,791	-	295,032,791	463,549,830	-	463,549,830

	2026			2025		
	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	5,162,541,232	-	5,162,541,232	1,969,994,634	-	1,969,994,634
Lease liabilities	53,326,108	-	53,326,108	54,326,108	-	54,326,108
Trade and other payables	363,988,769	47,502,755	411,491,524	492,432,877	16,070,521	508,503,398
Interest / mark-up payable	2,596,250,534	-	2,596,250,534	2,596,250,534	-	2,596,250,534
Short-term borrowings	1,800,505,495	-	1,800,505,495	5,043,819,233	-	5,043,819,233
	9,976,612,138	47,502,755	10,024,114,893	10,156,823,386	16,070,521	10,172,893,907

43.3. 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.

44. 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:

	2026			
	Level 1	Level 2	Level 3	Total
	----------Rupees----------			
Operating fixed assets				
Freehold				
Land	-	337,975,000	-	337,975,000
Building	-	150,079,793	-	150,079,793
Plant and machinery		262,107,163	-	262,107,163
Electric installation	-	49,882,192	-	49,882,192
Factory equipment	-	1,900,274	-	1,900,274
		801,944,422		801,944,422
Right-of-use assets				
Plant and machinery	-	14,100,033	-	14,100,033
	-	816,044,455	-	816,044,455
Investment property - at fair value				
Land	-	911,242,500	-	911,242,500
Building	-	579,824,992	-	579,824,992
		1,491,067,492		1,491,067,492
	-	2,307,111,947	-	2,307,111,947

Details of the Company's revalued assets and information about fair value hierarchy as at June 30, 2025 are as follows:

	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
		520,536,341		520,536,341
Right-of-use assets				
Plant and machinery	-	14,535,457	-	14,535,457
	-	535,071,798	-	535,071,798
Investment property - at fair value				
Land	-	746,351,000	-	746,351,000
Building	-	567,540,907	-	567,540,907
	-	1,313,891,907	-	1,313,891,907
	-	1,848,963,705	-	1,848,963,705

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. Gulf Consultants. 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).

45. 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, 2026 and 2025 were as follows:

	Note	2026 Rupees	2025 Rupees
Total debt	21, 27 & 28.	7,016,372,835	7,068,139,975
Total equity		(8,118,293,760)	(8,584,816,531)
Total capital employed		(1,101,920,925)	(1,516,676,556)
Gearing ratio		-86%	-82%

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

46. 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	2026 Rupees	2025 Rupees
Associated undertakings				
Cotton Passion (Pvt.) Limited	Close family member	Sales	84,335,818	133,140,670
		Rental income	180,000	180,000
		Sale of land	-	181,735,000
Abwa Knowledge Village (Pvt.) Limited	Close family member	Loan obtained	114,500,000	138,000,000
		Rental income	6,000,000	6,000,000
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.) Limted	Common directorship	Rental income	180,000	180,000
Qatan Linens	Close family member	Rental income	42,000	-

46.1 Detail of compensation to key management personnel comprising of Chief Executive Officer, director and executives of the Company is disclosed in Note 39.

47. Non Adjusting Event after the reporting period.

There are no significant activities since June 30, 2026 causing any adjustment or disclosure in the financial statements.

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

Description	NOTE	2026 Rupees	2025 Rupees
Revenue earned from shariah compliant business	30	3,069,427,707	2,370,790,973
Shariah compliant bank balances		3,100,369	2,076,613
Exchange gain earned from actual currency		3,734,493	12,589,232
Interest on mark-up accrued on any conventional loan or advance			
Mark up on long term loan		71,884,769	83,326,647
Financing (long term, short term) obtained as per islamic mode			
Long term financing		248,176,984	255,676,984
Short term borrowing		327,001,675	327,001,675
Contract liabilities	25	359,081,215	294,967,495

Source and detailed breakup of other income including other or miscellaneous portion of other income into shariah-compliant and non-compliant income:

Shariah compliant			
Unrealized exchange gain	35	3,734,493	12,589,232
Gain on disposal of property, plant and equipment	35	6,749,702	41,400,455
Rental income	35	6,942,000	6,900,000
Unrealised gain on investment property carried at fair value - net	35	177,175,585	43,426,140
Reversal of expected credit losses	35	6,147,277	-
Gain on recognition of loan at fair value	35	33,994,669	44,653,724
Non- Shariah compliant			
Profit on saving account and deposit	35	219,037	-

Relationship with shariah compliant financial institutions including banks

Name	Relationship
Meezan Bank Limited	Bank balance
NBP Islamic Bank	Bank balance, Short-term borrowings
BankIslami Pakistan Limited	Bank balance, Long-term financing
Bank Mukramah Limited	Bank balance
Al Baraka Bank (Pakistan) Limited	Long-term financing
First National Bank Morabaha	Long-term financing

49. **GENERAL**

49.1. **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		2025
	From	To	Rupees
Provision for expected credit loses	Administrative expenses	Other expense	3,462,940

49.2. **DATE OF AUTHORISATION FOR ISSUE**

These financial statements were authorised for issue on October 06, 2026 by the Board of Directors of the Company.

Chief Executive Officer

Director

Chief Financial Officer

Pattern of Shareholding

As on June 30, 2026

Number of Shareholders	Shareholding From		To	Total Number of Shares Held	Percentage of Total Capital
470	1	-	100	13,726	0.01
366	101	-	500	124,896	0.05
409	501	-	1000	346,625	0.13
783	1001	-	5000	2,296,515	0.89
311	5001	-	10000	2,530,605	0.98
128	10001	-	15000	1,662,269	0.64
94	15001	-	20000	1,751,903	0.68
81	20001	-	25000	1,917,805	0.74
43	25001	-	30000	1,244,429	0.48
32	30001	-	35000	1,052,215	0.41
32	35001	-	40000	1,229,505	0.47
21	40001	-	45000	895,924	0.35
52	45001	-	50000	2,574,840	0.99
12	50001	-	55000	628,382	0.24
10	55001	-	60000	587,445	0.23
11	60001	-	65000	693,019	0.27
5	65001	-	70000	342,255	0.13
9	70001	-	75000	659,081	0.25
9	75001	-	80000	700,900	0.27
8	80001	-	85000	662,449	0.26
8	85001	-	90000	712,000	0.27
8	90001	-	95000	746,945	0.29
45	95001	-	100000	4,493,746	1.73
5	100001	-	105000	515,943	0.20
5	105001	-	110000	544,196	0.21
2	110001	-	115000	229,004	0.09
3	115001	-	120000	357,385	0.14
5	120001	-	125000	616,119	0.24
1	125001	-	130000	130,000	0.05
4	130001	-	135000	534,581	0.21
3	135001	-	140000	416,300	0.16
1	140001	-	145000	144,500	0.06
10	145001	-	150000	1,496,870	0.58
2	150001	-	155000	304,899	0.12
3	155001	-	160000	475,160	0.18
3	160001	-	165000	489,331	0.19
4	165001	-	170000	668,756	0.26
1	170001	-	175000	175,000	0.07
2	175001	-	180000	360,000	0.14
3	180001	-	185000	551,000	0.21
2	185001	-	190000	377,061	0.15
7	195001	-	200000	1,395,994	0.54

Number of Shareholders	Shareholding From		To	Total Number of Shares Held	Percentage of Total Capital
1	200001	-	205000	204,500	0.08
3	205001	-	210000	621,476	0.24
1	215001	-	220000	220,000	0.08
2	230001	-	235000	464,733	0.18
1	240001	-	245000	240,627	0.09
2	245001	-	250000	500,000	0.19
1	250001	-	255000	251,607	0.10
1	255001	-	260000	260,000	0.10
2	260001	-	265000	527,134	0.20
1	265001	-	270000	269,905	0.10
2	275001	-	280000	557,746	0.21
2	280001	-	285000	566,000	0.22
1	295001	-	300000	300,000	0.12
1	300001	-	305000	304,906	0.12
1	345001	-	350000	350,000	0.13
1	350001	-	355000	350,523	0.14
1	360001	-	365000	363,523	0.14
1	385001	-	390000	389,121	0.15
1	395001	-	400000	400,000	0.15
1	400001	-	405000	401,079	0.15
1	430001	-	435000	433,491	0.17
1	435001	-	440000	435,500	0.17
1	490001	-	495000	495,000	0.19
1	495001	-	500000	500,000	0.19
1	575001	-	580000	579,431	0.22
1	625001	-	630000	625,532	0.24
2	700001	-	705000	1,407,389	0.54
1	810001	-	815000	814,900	0.31
1	875001	-	880000	875,078	0.34
1	905001	-	910000	905,924	0.35
1	990001	-	995000	994,611	0.38
1	995001	-	1000000	1,000,000	0.39
1	1295001	-	1300000	1,300,000	0.50
1	1495001	-	1500000	1,500,000	0.58
1	1695001	-	1700000	1,700,000	0.66
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
3,061				**259,430,134**	**100.00**

Categories of Shareholding

Categories of Members	No. of Shareholders	No. of Shares Held	Percentage
Directors, Chief Executive Officer, and their spouse and minor children	7	154,944,348	59.72
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	3030	56,790,088	21.89
Foreign		-	
Joint stock companies	20	1,215,582	0.47
Others (Government Institution)	1	22,555,000	8.69
Total (Excluding Shareholders holding 10% or more)	**3061**	**259,430,134**	

Pattern of Shareholding
As at June 30, 2026
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. Muhammad Asif		1	100	0.00
Mr. Muhammad Ahsan		1	650	0.00
Mr. Muhammad Mubeen		1	100	0.00
Mrs. Bushra Bibi		1	150	0.00
Executives			-	-
Public Sector Companies & Corporations				
Joint Stock companies		20	1,215,582	0.47
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, 2026 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_____2026

Please affixe Revenue Stamp Rs.5

Signed by the said member

in presence of_____

Signature(s) of Member(s)

Witness 1

Signature of witness_____

Name _____

Address _____

CNIC #_____

Witness 2

Signature of witness_____

Name_____

Address_____

CNIC # _____

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

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AMTEX

PAKISTAN OFFICE

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