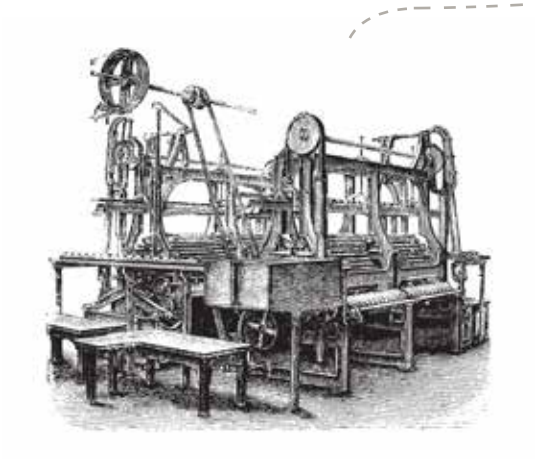
KOHINOOR MILLS LIMITED

ANNUAL REPORT 2026

www.kohinoormills.com

KOHINOOR SOCIAL MEDIA LINK TREE



OUR SIX DECADES OF EXPERIENCE ENSURES WE DELIVER PRODUCTS THAT REFLECT SUPERIOR QUALITY AND ETHICAL STANDARDS, FROM CONCEPT TO CREATION.

The Kohinoor Group is among the pioneers of Pakistan's textile industry. Over the years, Kohinoor Mills has grown into one of the nation's largest vertically integrated textile enterprises, recognized for its commitment to quality, innovation, and sustainability. Today, we continue to build on our legacy, providing quality and reliability to partners worldwide.

Sustainability and innovation are at the heart of everything we do. Our commitment to ethical practices drives us to create high-quality fabrics that not only meet industry standards but also support environmental stewardship and social responsibility.

As we grow, our focus remains on fostering a responsible future for fashion. Our innovative practices ensure that each product contributes to a greener and more ethical industry. At Kohinoor Mills, we craft textiles that benefit both the planet and its people.

OUR JOURNEY

1948

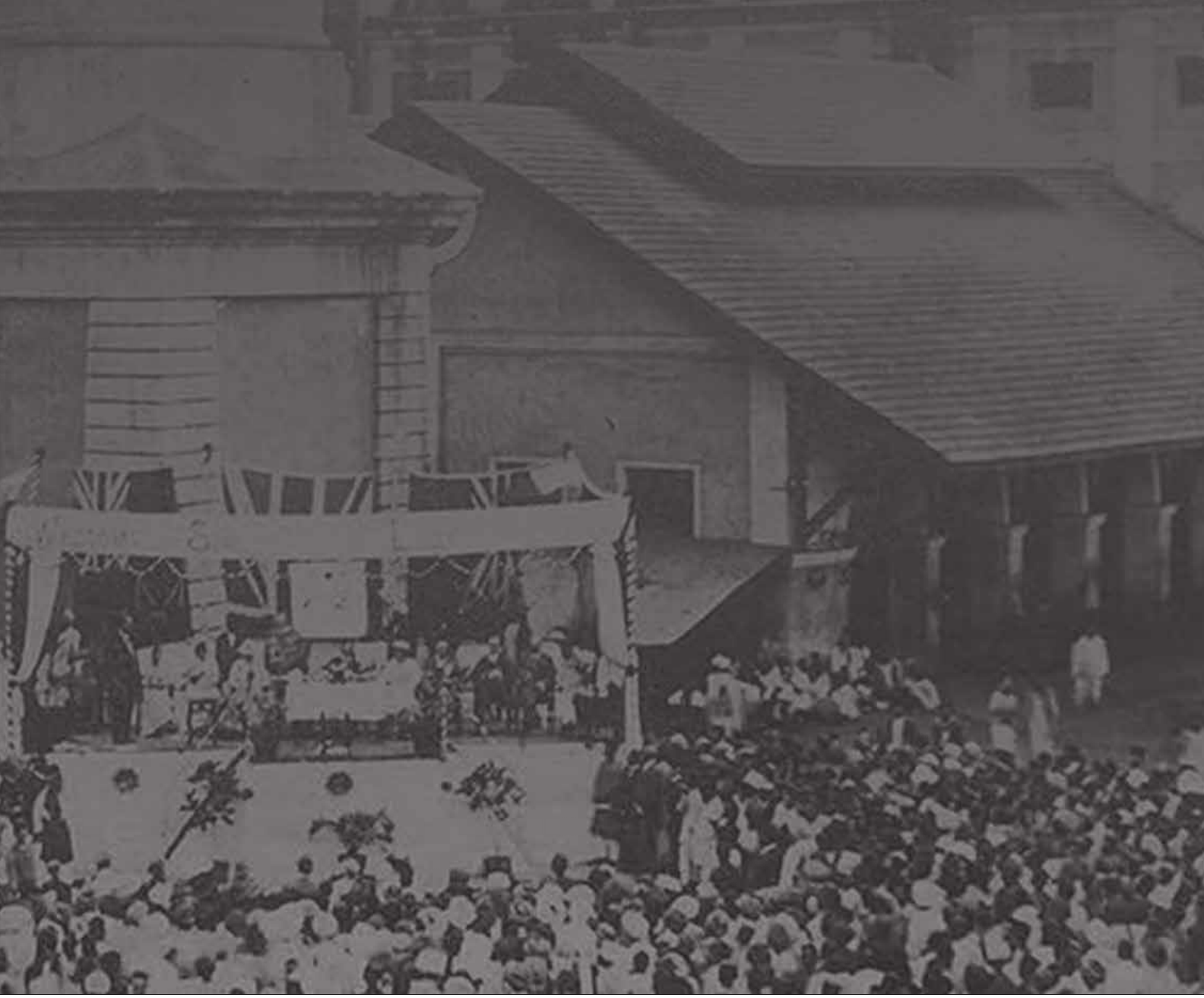
Kohinoor Group established.

1990

KML established as 48 loom weaving facility.

1999

Weaving capacity is modernized and expanded.



2002

Kohinoor Dyeing is established.

2003

Kohinoor Genertek power plant is set up.

2025

Kohinoor Apparel is established.

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KOHINOOR MILLS

COMPANY OVERVIEW

Since its incorporation in 1987 as a small weaving mill, Kohinoor Mills has grown over the past 39 years into one of Pakistan's largest vertically integrated textile enterprises. Today, with a workforce of around 3,000 employees and an annual turnover of about PKR 30 billion, the company operates across four major businesses: Weaving, Dyeing & Finishing, Apparel, and Energy. Our 157-acre state-of-the-art facility near Lahore produces over 100 million meters of premium greige, white, and dyed fabrics, along with high-quality garments, supplied to leading fashion brands and retailers worldwide.

55M METERS

48M METERS

5M GARMENTS

20 MEGAWATTS

CORE VALUES

Adaptability
Evolving with industry and customer needs.

Compassion
Fairness and care in every decision.

Courage
Leading innovation with bold ideas.

Creativity
Weaving artistry into every thread.

Dependability
Trust and transparency at all levels.

Diversity
Celebrating inclusivity and unique perspectives.

Innovation
Pioneering sustainable textile solutions.

Loyalty
Commitment to customers, employees, and partners.

Respect
Integrity in treating people, cultures, and the environment.

Teamwork
Collaboration to drive success.

WHO WE ARE

We craft innovative textiles with an unwavering commitment to sustainability, ethics, and transparency.

OUR VISION

To lead the global textile industry with forward-thinking, adaptable, and responsible practices.

2025 VISION

"TO BECOME A FULLY VERTICAL, GREEN MANUFACTURER PRODUCING EVERY GARMENT WITH NET-ZERO EMISSIONS, REINFORCING OUR COMMITMENT TO BUILDING A SUSTAINABLE FUTURE FOR FASHION."

COMPANY INFORMATION

BOARD OF DIRECTORS

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

BANKERS / FINANCIAL INSTITUTIONS

Al Baraka Bank (Pakistan) Limited
Allied Bank Limited
Askari Bank Limited
Bank Alfalah Limited
Bank of China Limited
Faysal Bank Limited
Habib Bank Limited
Habib Metropolitan Bank Limited
MCB Bank Limited
MCB Islamic Bank Limited
Meezan Bank Limited
National Bank of Pakistan
Samba Bank Limited
Saudi Pak Industrial and Agricultural Investment Company Limited
The Bank of Punjab
United Bank Limited

REGISTERED OFFICE & MILLS

8 K.M. Manga Raiwind Road, District Kasur, Pakistan.
UAN: (92-42) 111-941-941
Cell Lines: (92-333) 4998801-6
Land Lines: (92-42) 36369340
Fax: (92-42) 36369340 Ext: 444
Email: info@kohinoormills.com
Website: www.kohinoormills.com

SHARES REGISTRAR

M/s. Hameed Majeed
Associates (Pvt.) Ltd
HM House, 7 Bank Square, Lahore.
Land Lines: (92-42) 37235081 & 82
Fax: (92-42) 37358817

COMMITTEES OF THE BOARD

Audit Committee

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

HR & Remuneration Committee

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

Chief Financial Officer
Mr. Kamran Shahid

Head of Internal Audit
Mr. Waheed Amainat Ali

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

Company Secretary
Mr. Muhammad Rizwan Khan

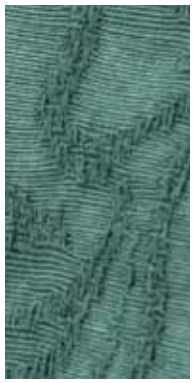
Auditors
Riaz Ahmad & Company
Chartered Accountants

OTHER CORPORATE INFORMATION

Kohinoor Mills Limited ("The Company") is registered in Pakistan with Securities and Exchange Commission of Pakistan. The Registration Number of the Company is 0017194 and is listed on Pakistan Stock Exchange Limited as a Public Limited Company. Shares of the Company are traded with the ticker symbol "KML" under Textile Composite Sector. The National Tax Number of the Company is 0658184-6. The financial statements are available on website of the Company i.e., www.kohinoormills.com.

COMPANY DIVISIONS

Weaving



Kohinoor Weaving (KW) is our flagship division. Established in 1990 as a 48-loom project, it has grown into a state-of-the-art facility with 272 high-speed air jet, rapier and jacquard looms. KW now produces over 55 million meters of grey fabric annually—part of which is consumed by our Dyeing division, while the rest is exported to the US, EU and Asia.

Dyeing & Finishing

Kohinoor Dyeing (KD) was founded in 2002 to strengthen our position in the apparel value chain. Today, KD is a leader in cotton stretch fabrics and casual wear for the fashion industry. KD produces 48 million meters of dyed, white, and printed fabric annually, which is exported to the US, EU, Asia and Australia.

Energy

Kohinoor Genertek (KG) was established in 2003 to address Pakistan's energy challenges and ensure uninterrupted power supply across our operations. As an independent power plant, KG has an installed capacity of approximately 20 megawatts of electricity and 30 tonnes per hour of steam. It operates on a mix of fuels—including gas, solar, and biomass—optimized for cost-efficiency and seasonal availability.

Apparel

Kohinoor Apparel (KA) commenced operations in 2025, completing our vertically integrated value chain. Designed to meet the demands of modern fashion retail, KA houses advanced stitching, washing and finishing lines to produce high-quality casual wear and performance garments. With building infrastructure of an annual capacity exceeding 5 million garments, KA draws on in-house fabrics from our Weaving and Dyeing divisions to deliver speed, consistency, and sustainability.

FINANCIAL HIGHLIGHTS 2026

Turnover

RUPEES IN BILLION

25.60 PKR

Gross Profit

RUPEES IN BILLION

3.49 PKR

Gross Profit Ratio

13.63 %

Profit Before Tax

RUPEES IN MILLION

150.20 PKR

Profit After Tax

RUPEES IN MILLION

5.52 PKR

Net Profit Ratio

0.02 %

Earning Per Share

Basic And Diluted

0.01 PKR

Shareholders' Total Equity

RUPEES IN MILLION

10,428

Market Capitalization

RUPEES IN MILLION

5,585

Kohinoor Mills

BOARD OF DIRECTORS

Aamir Fayyaz Sheikh
Chief Executive

Mr. Aamir Fayyaz Sheikh, a Pakistani entrepreneur and philanthropist, has led Kohinoor Group since 1987, transforming it into one of Pakistan's largest textile enterprises. An Economics graduate from the University of Texas, he has championed the industry as Chairman of APTMA, contributing to Pakistan's EU GSP+ status and export incentive package, and has represented the country at international forums. He also chaired the Punjab Social Security Health Management Company and was exempted by SECP from the Director's Training Programme in recognition of his expertise.

Rashid Ahmed
Chairman

Mr. Rashid Ahmed is a retired investment and development banker with over 40 years of leadership as Group Chief, CEO, and board member across major corporations in banking, telecommunications, fertilizer, cement, textiles, and finance. He currently chairs a corporate board, serves on key committees, is a LUMS Board Governor, and has taught at leading universities. Recognized by the SECP for his expertise, he was exempted from the Director's Training Programme. He holds an MBA from IBA, Karachi, and a Master's in Economics from the University of the Punjab.

Imrat Aamir Fayyaz
Director

Ms. Imrat Aamir Fayyaz, a Cambridge graduate with Bachelor's and Master's degrees in Engineering, began her career in Pakistan's infrastructure sector with expertise in business development, acquisitions, debt structuring, private equity, and financial modelling. After earning the Chartered Financial Analyst designation in 2019, she joined Kohinoor Mills as Managing Director of the Kohinoor Genertek Division and Central Functions, where she plays a key role in the company's growth. A Certified Director from LUMS, she also enjoys travelling and exploring new cultures.

Ismail Aamir Fayyaz
Director

Mr. Ismail Aamir Fayyaz, son of Mr. Aamir Fayyaz Sheikh, joined Kohinoor in 2016 after studying Physics and Philosophy at McGill University, Canada. With ten years of experience in sales and marketing, he now serves as Managing Director of the Dyeing & Apparel Divisions, where he has led major verticalization initiatives, including laying the foundation for the Apparel Division as the next chapter in Kohinoor's value chain. A Chartered Financial Analyst and Certified Director, he is also passionate about learning new languages.

Mr. Taimur Afzal
Director

Mr. Taimur Afzal began his career as Financial Controller at GTE Sylvania, USA, and brings over 40 years of leadership experience in Pakistan's leasing and banking sectors. Known for his strong negotiation and problem-solving skills, he holds a Master's in Finance from Clark Atlanta University and completed the Advanced Management Program at Harvard. He has served as Chairman of the Pakistan Mortgage Bankers Association, Chairman of the Leasing Association of Pakistan, Representative to the Asian Leasing Association in Tokyo, and Director at the Islamabad Stock Exchange. Mr. Taimur holds Directors Certification from LUMS and is included in Pakistan Institute of Corporate Governance databank for Independent directors.

Matiuddin Siddiqui
Director - NIT Nominee

Mr. Matiuddin Siddiqui is serving the board of directors' of Kohinoor Mills Limited as a nominee director of National Investment Trust Limited (NITL) - the largest and oldest asset management company in Pakistan. Mr. Matiuddin holds Masters degree in commerce from University of Karachi and is a Certified Director from Institute of Cost and Management Accountants of Pakistan. He upholds over three decades of professional experience in the field of Accountancy and Finance and is serving NITL as a Head of Accounts.

Hajra Arham
Director

Mrs. Hajra Arham, a fellow member of ICAP with over 25 years of experience, has held advisory and board roles across public and private sectors, working on projects funded by the Government of Pakistan, World Bank, ADB, DFID, and JICA. Her expertise spans IT, water, power and energy, and industries from textiles and sugar to finance and development authorities. She currently serves as an Independent Director and Audit Committee member of the Company. She is also serving as director on the board of Lalpir Power Limited, part of the Nishat Group.

OUR PRODUCTS

WESTERN

Our western Collection consists Of high-quality Bottom wear, Jackets, shirts, and Dresses, Combining style and Comfort to elevate Modern wardrobes.

ETHNIC

Our Ethnic collection features light, airy fabrics adorned with intricate embroidery, perfect for local fashion that combines elegance and tradition.

WORKWEAR

Our Workwear collection offers resilient function, designed for uniforms, ensuring durability and practicality in demanding work environments.

UPHOLSTERY

Our Upholstery collection provides soft durable fabrics, ideal for creating stylish and timeless additions to any space.

TECHNICAL

Our Technical textiles feature engineered fire resistance, water repellency and UV protection, designed to meet specialized needs with superior performance,

OUR CUSTOMERS

carhartt
Wrangler
TOMMY HILFIGER
Lee
DOCKERS
HUGO BOSS
Bershka
celio
BANANA REPUBLIC
target
ZARA
JACK&JONES
AMERICAN EAGLE
MANGO
Dillard's
The Style of Your Life.
C&A
DECATHLON
NEXT
GUESS
H&M
JULES
LC WAIKIKI
Levi's
LANDS' END

SUSTAINABILITY

83% Total energy generated via renewable sources.

30% Waste water is reused in our processes.

100% Waste diverted from landfills.

WATER

Water Treatment & Recycling
All wastewater is treated; 30% is reused via reverse osmosis.

Rainwater Harvesting
500 m³ of filtered rainwater stored for groundwater recharge.

Efficient Use
Optimized processes and metering reduce water consumption.

CARBON

SBTi
In 2023, Kohinoor Mills
committed to science-based carbon reduction.

Waste Heat
35% of thermal energy is from waste heat recovery.

Carbon-Neutral Energy
80% of thermal energy is carbon-neutral, using waste heat and biomass.

WASTE

Waste Diversion
500 chemical drums reused yearly, avoiding incineration.

Material Reuse
Paper and packaging reused between mills to cut waste.

Local Support
Leftover fabric sold to local traders and factories.

MATERIAL

Recycled Materials
Using recycled cotton and polyester to reduce impact.

Innovation
Adopting sustainable textiles like Ciclofiber, Repreve, and Trutemp 365.

Transparency
Tracing and clearly communicating material origins.

SHOW - ROOM IN A BOX

OUR APP

FABRIK

01 Download & open the app.

02 Browse categories.

03 Pick your style.

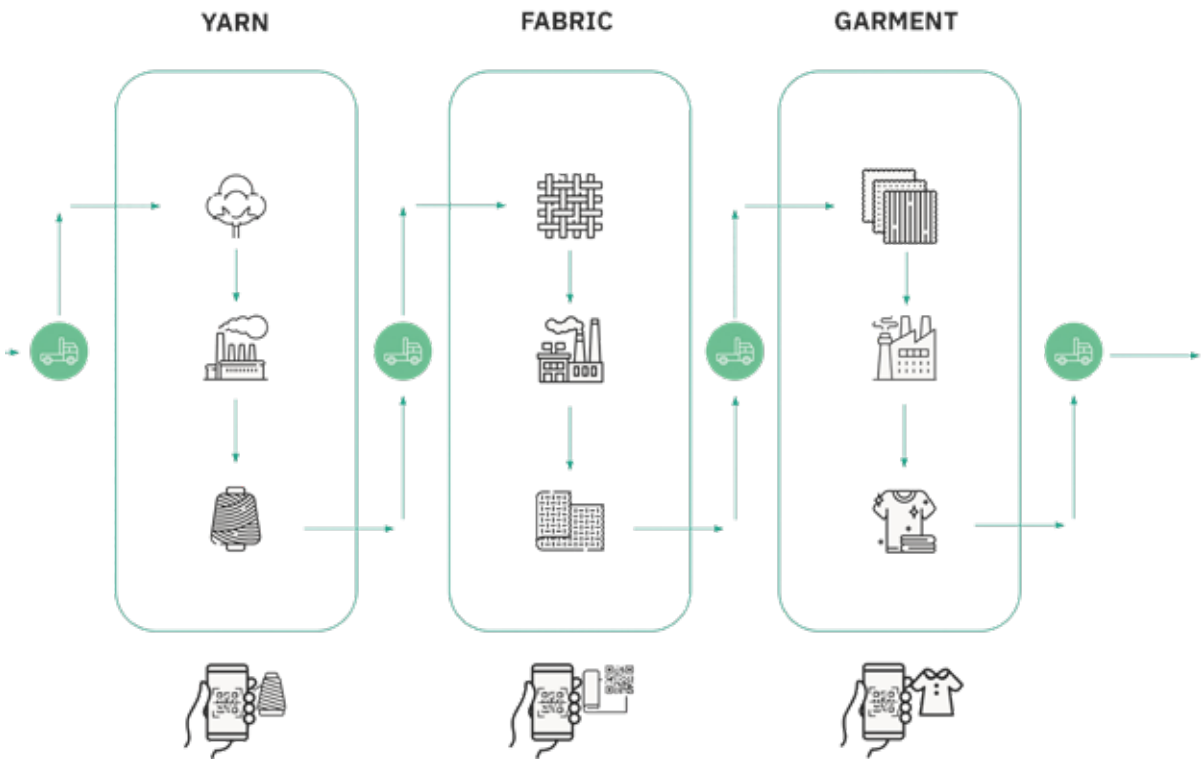
04 Choose and place the sample order.

A curated library of 800+ fabrics, condensed into a digitally enabled box—offering seamless product selection and instant access to our expert support team, all at your fingertips.

GET IT ON Google Play

Download on the App Store

TRACEABILITY



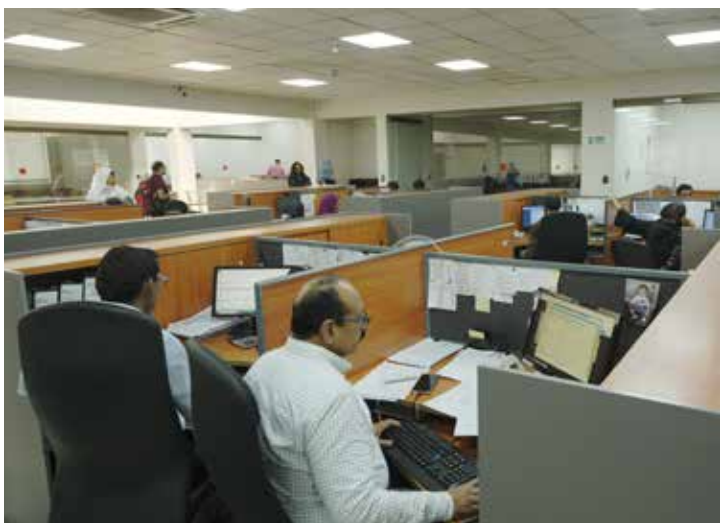
TRACK

We introduce end-to-end traceability across the entire supply chain— from cotton sourcing to finished fabric. Every step is visible, verifiable, and transparent.

COMPANY CULTURE

At Kohinoor Mills, we pride ourselves on fostering a collaborative and inclusive workplace culture. We believe that a diverse team brings varied perspectives, leading to innovative solutions and a better working environment. Our core values and benefits include:

- Integrity
- Innovation
- Teamwork
- Competitive Compensation
- Professional Growth
- Cutting-Edge Technology



RESPONSIBILITY

Investing in the people and communities that have driven our success is core to our values.

EDUCATION

Our commitment to education goes beyond our business. By supporting local schools and educational initiatives, we've helped provide quality education to over 1,300 children across 3 different campuses in Pakistan. Investing in these programs empowers future generations to build brighter futures and drive meaningful change.

1,335
Students

86
Teachers

98%
Operational Capacity

97%
Graduation Rate

The Citizens Foundation

Empowerment Through Education
CARE FOUNDATION

NTU
Innovate and Lead

HEALTHCARE

We actively support healthcare initiatives, improving access to medical services within our community and across the country. By donating to various hospitals and medical institutions, we help provide critical care to those in need, ensuring better health outcomes for all.

2,305
Medical Staff

246,837
Medical Emergency Patient Turnover Staff

598
Beds

586,255
Free Medicines Provided

GENDER PAY GAP STATEMENT UNDER SECP'S CIRCULAR 10 OF 2024

Following is the Gender Pay Gap calculated for the year ended June 30, 2026

(1) Mean Gender Pay Gap: (18.83)%

(2) Median Gender Pay Gap: 1.10%

The above percentage reflects the gender pay gap of relevant male versus female employees across the organization.

AAMIR FAYYAZ SHEIKH
CHIEF EXECUTIVE

Date: September 28, 2026

CODE OF CONDUCT AND ETHICAL PRINCIPLES

Introduction to the Code

This code has been formulated to ensure that directors and employees of the Company operate within acceptable standards of conduct and sound business principles which strive for development and growth. The Company takes pride in adherence to its principles and continues to serve its customers, stakeholders and society.

Contents

This code identifies the acceptable standards under following headings:

- Core values
- Business culture
- Responsibilities

Core values

The credibility, goodwill and repute earned over the years can be maintained through continued conviction in our corporate values of honesty, justice, integrity, and respect. The Company strongly believes in democratic leadership style with fair, transparent, ethical and high professional standards of conduct in all areas of business activities.

Business culture

Operations	The Company shall formulate and monitor its objectives, strategies and overall business plan of the organization. The Company shall be continuously involved in the research and development of new products while improving quality of existing products using highest level of quality control measures at every stage of its operations. Creativity and innovation must prevail at all levels of hierarchy to achieve organizational excellence.
Abidance of Law	It is Company's prime object to comply with all applicable laws and regulations and to co-operate with all governmental and regulatory bodies.
Corporate Reporting	The Company maintains effective, transparent and secure financial reporting and internal control systems so as to ensure reliable performance measurement and compliance with local regulations and international accounting standards as applicable. The Company strictly adheres to the principles of good corporate governance and is committed to high standards of corporate governance. The Company regularly updates and upgrades manufacturing and reporting systems so as to keep abreast with technological advancements and achieve economies of production.
Integrity and Confidentiality	The Company believes in uprightness and expects it to be a fundamental responsibility of employees to act in Company's best interest while holding confidential information and neither to solicit internal information from others nor to disclose Company's figures, data or any material information to any unauthorized person/body. Inside information about the Company, its customers, vendors, employees shall not be used for their own gain or for that of others directly or indirectly

Insider Trading	No director neither any employee of the company or his/her spouse will transact directly or indirectly in the shares of the Company during the closed period prior to the announcement of financial results. Directors and employees categorized as executives according to the requirement of applicable Laws, Rules And Regulations are bound to inform the company secretary immediately about transactions performed by them and their spouse other than during the closed period.
Whistleblowing Policy	The Company is committed to high standards of ethical, moral and legal business conduct and open communication. In line with these commitments the company placed whistleblowing policy on company website namely www.kohinoormills.com and on its intranet namely KNET to provide an avenue for its employees to raise their concerns and get assurance that they will be protected from reprisals or victimizations for whistleblowing matters such as unlawful activity, activities not in line with the company's policy including code of conduct.
Harassment policy	The Company has also placed a Harassment Policy on company website namely www.kohinoormills.com and on its intranet for information of all employees. Rules and procedures of this policy provide protection to women against harassment at their workplace according to "Protection against Harassment of Women at Workplace Act, 2010".

Responsibilities

Shareholders	The Company believes in maximizing shareholders value by providing consistent growth and fair return on their investment according to the financial position of the Company.
Customers	The Company considers it imperative to maintain cordial relationship with the customers as integral to its growth and development of business and is committed to provide high quality products and services that conform to highest international standards.
Employees	The Company is an equal opportunity employer at all levels with respect to issues such as colour, race, gender, age, any disability, ethnicity and religious beliefs and its promotional policies are free of any discrimination. The Company ensures that employees work towards achievement of corporate objectives, individually and collectively as a team and conduct themselves at work and in society as respectable employees and good citizens. The Company believes in continuous development and training of its employees. The Company has set high standards of performance and recognizes employee's contribution towards its growth and reward them based on their performance. The Company believes development, growth and recognition result in motivated employees. All employees of the Company are part of Kohinoor family and the families of all members are also part and parcel of Kohinoor family. The Company believes that the sense of belonging to Kohinoor fulfils an essential need of its employees and the organization and as such will always be nurtured
Environment and Social Responsibility	Protecting the environment in which we live is an important element. The Company uses all means to ensure a clean, safe, and healthy and pollution free environment not only for its workers and employees but also for the well being of all people who live in and around any of the production and manufacturing facilities. The Company will always employ such technology as may be beneficial in maintaining a healthy and hygienic working environment. It also believes in community development without political affiliations with any person or group of persons and contributes part of its resources for a better environment with an unprejudiced approach.

WHISTLEBLOWER POLICY

This policy is formulated to encourage employees to feel confident in raising concerns regarding any malpractice, embezzlement, forgery or any wrongful conduct adversely affecting the goodwill of the company. This policy also prohibits managerial officials from taking any adverse personal action against those employees who have identified the wrong doing.

Policy covering issues /complaints which are in large public interest not specified to the individuals. Issues / Complaints that count as whistleblowing are:

- A criminal offense i.e. Fraud or Financial indiscipline etc.
- Damaging assets of the Company.
- Health & Safety in danger due to operational risk.
- Risk or actual damage to the Environment
- Failure to comply with an obligation set out in local applicable laws
- A miscarriage of justice, incumbent is breaking rules/regulations/procedures etc.
- Someone covering up wrongdoing

The Chief Executive Officer is overall responsible for ensuring implementation of this policy. In the first instance he may delegates this responsibility to the Head of HR/Administration.

No person entitled to protection shall be subjected to retaliation, intimidation, harassment, or other adverse action for reporting information in accordance with this Policy. Any person entitled to protection who believes that he or she is the subject of any form of retaliation for such participation should immediately report the same as a violation in accordance with this Policy.

An employee of the Company who discloses in good faith any unethical & improper practices or alleged wrongful conduct to Head of HR / Administration or and in exceptional cases to the Chief Executive Officer in writing.

Reports should be factual rather than speculative and contain as much specific information as possible to help proper investigation.

Identity of the whistleblower will be kept confidential.

The Head of HR/Administration will collect full details/evidences of the complaint to conduct appropriately and expeditiously preliminary. inquiry; the report shall be forwarded to the CEO if required. CEO will review the preliminary inquiry report and may appoint Officer or Committee of Senior Officials to investigate the matter if deemed appropriate. Committee shall have right to outline detailed procedure for an investigation.

The Officer or Committee, as the case may be, shall have right to call for any information/document and examination of any employee of the Company or other person(s), as they may deem appropriate for the purpose of conducting investigation.

A report shall be prepared after completion of investigation and submitted to the CEO for remedies which may inter-alia include:

a) To takes disciplinary action, impose penalty / punishment as per law, order recovery when any alleged unethical & improper practice or wrongful conduct of any employee is proved.

b) Recommend termination or suspension of any contract or arrangement or transaction vitiated by such unethical & improper practice or wrongful conduct.

c) Order for compensation for lost wages, remuneration or any other benefits, etc.

The decision of the CEO shall be final and binding.

Where it is possible and deemed appropriate, corrective action may be communicated to the whistleblower.

Head of HR/Administration shall maintain a log of all reported concerns and complaints, preliminary/ investigation report along with corrective action and submit quarterly to the HR & R Committee for review if required by them.

If a whistleblower believes that company has treated him unfairly, he may decide to take up the issue / complaint at appropriate legal forum.

ANTI HARASSMENT POLICY

The purpose of this procedure is to form a system of instructions and assign responsibilities of the Inquiry Committee in order to protect women against harassment at their workplace according to the "Protection against Harassment of Women at the Workplace Act, 2010".

a) "Harassment" means any unwelcome sexual advance, request for sexual favors or other verbal or written communication or physical conduct of a sexual nature or sexually demeaning attitudes, causing interference with work performance or creating an intimidating, hostile or offensive work environment, or the attempt to punish the complainant for refusal to comply to such a request or is made a condition for employment.

b) "Competent Authority" means the Chief Executive Officer or Chief Operating Officer for the purposes of this Act.

The inquiry committee shall follow the regulations while conducting the complaints relating to Harassment and to undertake the following measures for implementation of this act. An inquiry committee shall be constituted to enquire complaints under this policy. It shall have at least three members out of which at least one of them must be a female.

The committee will immediately address the complaints of sexual harassment as per law, as and when received, Adaptation of code of conduct prescribed by law, ensuring the justice is done swiftly and retaliation against the complaints is curbed.

Informing and educating the employees to make them more aware of the provisions of the act and to encourage a professional and dignified work environment for the women.

An Inquiry Committee consists of three members of whom at least one member shell be a woman. The Inquiry Committee comprises of members of HR Head, Department Head of Complaint & Accused. Head of Internal Audit will be member of inquiry committee if complaint and accused are from same department.

The Inquiry Committee, within three days of a receipt of a written complaint, shall communicate to the accused the charges and allegations made against him, the formal written receipt of which is given, require the accused within seven days from the day the charge is communicated to him to submit a written defense and on his failure to do so without reasonable cause, the Committee shall proceed ex-parte, Enquire into the charge and may examine such oral or documentary evidence in support of the charge or in defense of the accused as the Committee may consider necessary and each party shall be entitled to cross-examine the witnesses against him, All proceedings must be treated as highly confidential.

CENSURE MINOR

Withholding, for a specific period, promotion or increment and recovery of the compensation payable to the complainant from pay or any other source of the accused;

CENSURE MAJOR

Reduction to a lower post or designation, compulsory retirement, removal from service, dismissal from service, payment of a fine. A part of the fine can be used as compensation for the complainant. In case of the owner, the fine shall be payable to the complainant.

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the 39th Annual General Meeting (the meeting) of Kohinoor Mills Limited (the Company) will be held on Wednesday, October 28, 2026 at 2:45 p.m. at 8 Kilometer, Manga Raiwind Road, District Kasur, to transact the following business:

Ordinary Business:

1. To receive, consider and adopt the Annual Audited Financial Statements of the Company for the year ended June 30, 2026, together with the Chairman's Review, Directors' and Auditors' Reports thereon.

2. To appoint auditors for the year ending June 30, 2027 and fix their remuneration.

3. To transact any other business of the Company with permission of the Chair.

By Order of the Board

(MUHAMMAD RIZWAN KHAN)
COMPANY SECRETARY

Kasur:
Wednesday, October 7, 2026

NOTES

1 Closure of Share Transfer Books

The share transfer books of the Company for ordinary shares will remain closed from October 22, 2026 to October 28, 2026 (both days inclusive). Physical transfers and deposit requests under Central Depository System received at the close of business hours on October 21, 2026, by the Company's Shares Registrar M/s. Hameed Majeed Associates (Pvt.) Ltd, HM House, 7 Bank Square, Lahore, will be considered in time to determine voting rights of the shareholders for attending the meeting.

2 Participation / Proxies

A member eligible to attend, speak and vote at this meeting may appoint another member of the Company as a proxy to attend, speak and vote instead of him/her. Proxy holders and CDC beneficial owners must bring with them their valid Computerized National Identity Cards (CNIC)/Passports in original to prove his/her identity. In case of Proxy, CDC beneficial owners and Proxy Holders must enclose duly notarized copies of their valid CNIC/Passports with the Proxy Form.

In case of a 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 meeting. In case of Proxy, the corporate entity shall also submit the documents required for the meeting along with the Proxy Form to the Company.

Proxies, in order to be effective must be received at the Company's Registered Office not later than 48 hours before the time for holding of the meeting and should be duly stamped, signed and witnessed. A member shall not be entitled to appoint more than one proxy.

3 Video Conference Facility

Pursuant to the provisions of Section 134 of the Companies Act, 2017, Shareholders individually or collectively holding 10% or more of the total paid up share capital of the company residing in geographical location to participate in the meeting may demand the facility of video link to participate in the meeting. The request for video link facility shall be received by the Share Registrar at their address at least 7 days before the date of meeting on the standard form available on the website of the Company.

The members and their proxies can also attend the meeting via video link using their smart phone/tablets. Members and their proxies are requested to register themselves by providing the following information along with valid copy of CNIC (both sides) /passports, attested copy of the Board Resolution/Power of Attorney (in case of corporate shareholder) through email at cskml@kohinoormills.com by October 27, 2026:

Name of Member/ Proxy holder	Folio No./CDC Account No.	Cell No./ WhatsApp No.	CNIC No.	Email I.D.	No. of Shares held

4 Prohibition of Grant of Gifts to Shareholders

Under Section 185 of the Companies Act, 2017, the Company will not distribute gifts in any form to its members / proxy holders at this meeting.

5 Audited Financial Statements and Notice of Meeting

The notice of meeting containing the QR enabled code and the weblink address to view and download the Annual Report including annual audited financial statements, is being dispatched to the members as per requirements of the Companies Act, 2017, on their registered addresses and e-mailed to the shareholders who have provided their valid email IDs to the Share Registrar of the Company. Further, the notice of meeting has also been posted on the Company's website: www.kohinoormills.com and published in daily newspapers in respective English and Urdu languages having nationwide circulation.

The Members, who desire for receiving the AGM Notice containing annual audited financial statements/ Annual Report through e-mail, are requested to update their e-mail IDs. The Annual Report for the year ended June 30, 2026 is available on website of the Company. However, hard copy of Annual Report will be provided free of cost on written request of the shareholder on Standard Request Form available on the Company's website: www.kohinoormills.om.

The audited financial statements for the year ended June 30, 2026, together with reports can also be downloaded/viewed from the following QR code and weblink:

https://kohinoormills.com/wp-content/uploads/2026/09/KML-4th-Quarter-2026.pdf

6 Unclaimed Dividend and Conversion of Physical Shares

Shareholders who could not collect their dividend / physical shares are requested to contact Shares Registrar of the Company to collect / enquire about their unclaimed dividends / physical shares, if any.

As per Section 72 of the Companies Act, 2017, members of the Company, in their best interest, are requested once again to convert their physical shares into book-entry form at the earliest possible.

7 Shareholders Personal Information

Shareholders who have not yet submitted a copy of his/her valid CNIC are requested once again to submit a copy of their valid CNIC and dividend mandate i.e., name, folio number, bank account number (IBAN), title of account, complete mailing address of the bank, branch address, branch code, email and contact numbers. Corporate entities are required to send valid and legible copies of their National Tax number (NTN) or NTN certificate(s) and must quote the name of the company and respective folio numbers thereon while sending the copies to the Shares Registrar of the Company.

Shareholders are requested to notify immediately for change in their mailing address, if any, to our Shares Registrar at the earliest. CDC beneficial owners maintaining their shares in electronic form should get their addresses updated with their respective participants or CDC Investor Account Services.

8 Company's Shares Registrar

For any query/information, shareholders may contact the Shares Registrar at The Manager, M/s. Hameed Majeed Associates (Pvt) Limited, HM House, 7 Bank Square, Lahore, Contact Numbers (Land Line): (00-92-42) 37235081 and 82.

CHAIRMAN'S REVIEW REPORT

I am pleased to present the report on the overall performance of the Board and effectiveness of its role in achieving the Company's strategic business objectives as well as ensuring overall compliance of the Companies Act, 2017 and Listed Companies (Code of Corporate Governance) Regulations, 2019. The Board performed its duties with honesty and diligence in the best interest of the Company. I as Chairman of the Board, ensured that the board meetings are held in a congenial atmosphere focusing on achieving the goals.

During the year under review, your company faced many operational challenges like elevated input and energy costs amid geopolitical disruptions, freight conditions, changing international trade polices, lingering supply constraints and tighter global financial conditions. The Management of your company is putting its best efforts to maintain its profitability and market share. Moreover, Government positive action towards textile reforms in prevailing situation will play a vital role.

The composition of the Board of Directors reflects mix of varied backgrounds and rich experiences in the fields of business, finance, banking and human resource. It represents an excellent balance of executive and non-executive directors including independent directors, having strong financial and analytical abilities, core competencies and industry knowledge to lead the company.

During the year, Board of Directors focused on the future strategies and on setting the financial and operational targets. The Board regularly tracked the progress against the budgeted targets. The Subcommittees of the Board also performed their functions as per their terms of reference during the year under review. The Board carried out reviews of its effectiveness and performance during the year which have been satisfactory.

As stated above, Board considered all aspects of Company's activities including performance of individual Directors, Board Committees and I am happy to report that your Board of Directors continue to function effectively and is focused on priorities for the Company's business.

RASHID AHMED
CHAIRMAN

Kasur:
September 28, 2026

DIRECTORS' REPORT

The Directors of the company are pleased to present the Annual Report, together with the audited financial statements and Auditors' Report for the year ended June 30, 2026.

Global Economic Overview:

Global economic growth remained resilient in 2025 despite continued geopolitical tensions and uncertainty surrounding international trade policies. According to the IMF's July 2026 World Economic Outlook Update, global growth is expected to moderate to 3.0% in 2026 before improving to 3.4% in 2027. Advanced economies are projected to grow by 1.7% in 2026, including 2.3% growth in the United States and 0.9% in the Euro area, while emerging market and developing economies are expected to grow by 3.8%. Global trade growth is also expected to slow from 5.0% in 2025 to 3.5% in 2026 amid geopolitical disruptions, changing trade policies and ongoing adjustments in global supply chains.

Global inflationary pressures increased during 2026, mainly due to higher energy and food prices. The IMF estimates headline inflation at 4.1% in 2025 and projects it to rise to 4.7% in 2026 before easing to 3.9% in 2027. The outlook remains subject to risks from geopolitical developments, commodity-price volatility, trade fragmentation, supply-chain disruption and tighter global financial conditions.

Pakistan Economic Overview:

Pakistan's economy continued its recovery during FY-26, with real GDP provisionally estimated to have grown by 3.70%, compared with revised growth of 3.18% in FY-25. The size of the economy increased to approximately Rs. 126.9 trillion, equivalent to USD 452.1 billion, while per-capita income rose to USD 1,901. The improvement was supported by stronger industrial activity, continued growth in the services sector and ongoing macroeconomic stabilization measures. Continued engagement with international financial institutions and progress under the IMF program also supported external financing and overall economic confidence during the year.

Inflation remained relatively moderate during most of FY-26 but picked up towards the end of the year, mainly due to higher energy prices and renewed cost pressures. Average CPI inflation for the year stood at 7.05%, compared with 4.49% in FY-25, while year-on-year inflation increased to 11.07% in June 2026 from 3.23% in June 2025. The rise in inflation towards the close of the year, particularly from energy and other external cost pressures, remained an important factor for monetary policy and overall business costs.

Pakistan's external position remained broadly manageable during FY-26, although the current account moved into a modest deficit of around USD 0.30 billion compared with a revised surplus of USD 1.84 billion in FY-25. Workers' remittances remained a major source of support, increasing to USD 41.59 billion from USD 38.30 billion in the preceding year. Exports of goods declined by 4.71% to USD 30.82 billion, while imports increased by 9.00% to USD 64.47 billion, widening the trade deficit to USD 33.65 billion from USD 26.80 billion in FY-25.

Textile Industry Overview

Pakistan's textile export receipts increased by 1.85% during FY-26 to USD 17.59 billion, compared with USD 17.27 billion in FY-25. Performance across individual product categories remained mixed. Readymade garments increased by 5.49% to USD 4.18 billion, knitwear by 4.12% to USD 4.69 billion and cotton yarn by 5.95% to USD 0.73 billion. On the other hand, cotton cloth declined by 7.03% to USD 1.70 billion and towels by 6.06% to USD 0.99 billion, while bedwear recorded modest growth of 1.91% to USD 3.14 billion. The overall trend continues to highlight the growing importance of value-added products in Pakistan's textile export mix.

International textile and apparel markets remained highly competitive during FY-26, with buyers continuing to emphasize price competitiveness, shorter lead times, inventory discipline and supply-chain resilience. At the same time, compliance requirements relating to traceability, chemicals, wastewater management, environmental standards and responsible sourcing continued to influence purchasing decisions. These trends increasingly favor manufacturers capable of offering integrated production, reliable execution, strong compliance systems and higher-value products rather than competing primarily on price.

Monetary conditions remained much more supportive than in earlier years, although renewed inflationary pressures and geopolitical uncertainty prompted the State Bank of Pakistan to keep the policy rate at 11.5% at the end of FY-26. The textile sector, however, continued to face pressure from high energy costs, imported raw materials and chemicals, volatile freight rates and working-capital requirements. Going forward, the sector's competitiveness will depend on continued improvements in productivity, better energy efficiency, access to affordable financing and a stable and predictable policy environment.

Pakistan's foreign exchange position strengthened further during FY-26. The State Bank of Pakistan's foreign exchange reserves increased to approximately USD 18.47 billion by July 3, 2026, while the country's total liquid foreign exchange reserves stood at around USD 23.99 billion. The exchange rate also remained relatively stable during the year, closing at approximately Rs. 278.55 per US dollar on June 30, 2026, compared with Rs. 283.60 at the end of FY-25. The improvement in reserves and stability of the exchange rate provided greater support to the external position at a time of continued uncertainty in global commodity and financial markets.

Looking ahead, the textile sector's performance will depend increasingly on market and product diversification, value addition, cost competitiveness and supply-chain resilience. The geopolitical environment has highlighted the risks associated with concentration in particular markets and trade routes. Continued investment in compliance, sustainability, production efficiency, renewable energy, digital planning and customer diversification will therefore remain important for maintaining market access and protecting margins in an increasingly competitive global sourcing environment.

Operating & Financial Results:

During the year under review, the Company recorded revenue of Rs. 25.59 billion, compared with Rs. 27.14 billion in FY-25, while gross profit stood at Rs. 3.49 billion, compared with Rs. 3.61 billion in the preceding year. Despite the reduction in turnover, the gross profit margin improved modestly to approximately 13.6% from 13.3%, reflecting continued focus on product mix, operating efficiencies and cost management in a challenging business environment.

Finance cost remained broadly stable at Rs. 1.11 billion compared with Rs. 1.18 billion in FY-25. The decline in earnings during the year was mainly due to lower operating profitability and higher distribution and administrative expenses. Profit before taxation and levy stood at approximately Rs. 150.2 million. After recognition of levy and taxation, the Company reported a net profit of Rs. 5.52 million compared with Rs.233.5 million in the preceding year, translating into earnings per share of approximately Re. 0.01 compared with Re. 0.46 in FY-25.

Performance Overview

A brief overview of performance of your company for the year ended 30 June 2026 is discussed below:

Weaving Division

During FY-26, the Weaving Division continued to operate in a competitive market, with pressure on selling prices and changing demand across domestic and export markets. External sales increased by 8.2% to Rs.11.45 billion from Rs. 10.59 billion in FY-25. However, lower intersegment sales resulted in total segment sales of Rs. 17.77 billion compared with Rs. 18.19 billion in the preceding year. Despite the slight decline in overall segment sales, gross profit improved to Rs. 1.94 billion from Rs. 1.71 billion, with the gross profit margin increasing to approximately 10.9% from 9.4% in FY-25.

No material capital expenditure was undertaken in the Division during the year. Management remained focused on improving utilization of the existing asset base, operating efficiencies, cost control and optimization of the product and market mix, while continuing to emphasize quality, productivity and responsiveness to customer requirements.

Dyeing Division

The Dyeing Division faced a challenging market during FY-26, with continued pressure on pricing, shorter customer lead times and greater sourcing flexibility. External sales declined by 18.4% to Rs. 13.48 billion from Rs. 16.53 billion in FY-25, while total segment sales decreased to Rs. 14.51 billion from Rs. 16.83 billion in the preceding year. Gross profit declined to Rs. 1.29 billion from Rs. 1.85 billion, with the gross profit margin reducing to approximately 8.9% from 11.0% in FY-25.

The operating environment became particularly difficult during the final quarter of FY-26 as geopolitical disruptions in the Middle East affected shipping and order execution, resulting in deferment of certain export shipments and customer deliveries. In response, management continued to focus on production planning, process optimization, improvement in yields and efficient consumption of energy, dyes and chemicals.

The Division is also actively exploring new export markets and customer opportunities to broaden its geographic presence and reduce exposure to disruptions in individual markets and trade routes. Management expects shipment activity and market conditions to improve during FY-27, subject to normalization of geopolitical and logistics conditions.

Genertek Division

During FY-26, the Company made further progress in improving its energy mix and reducing dependence on conventional energy sources. Total installed solar photovoltaic capacity reached 10.2 MW and is fully operational at the manufacturing facility. The increased solar capacity has helped reduce reliance on grid electricity and improve overall energy-cost efficiency.

In parallel, a significant portion of the Company's process-heat requirements was shifted from natural gas to a biomass-fired thermal-oil heating system during the year. The system has been integrated with the existing process-heat infrastructure and is helping reduce exposure to gas supply constraints and tariff volatility while improving energy-cost predictability.

The Company is also evaluating the feasibility of further solar expansion together with a Battery Energy Storage System (BESS). The Company has sufficient available land to support additional solar installations, while the proposed BESS would enable surplus solar energy generated during the day to be stored and utilized during non-solar operating hours.

Apparel Division

The Apparel Division commenced commercial operations during FY-26 and continued to ramp up production during the year. The Division represents an important step in the Company's strategy of moving further into higher value-added textile products. During the year, management remained focused on workforce development, production efficiency, quality, compliance, customer development and integration of the Division with the Company's existing textile operations.

Subsequent to the year end, the Division is operating five production lines with an aggregate capacity of approximately 5,000 pieces per shift per day. Management intends to increase capacity progressively as the business develops and customer order volumes grow.

Dividend

In order to rebuild the working capital of the company and to cater for unforeseen contingencies that may arise due to certain Government policies, directors have regrettably decided to omit payout of dividend this year.

Risks and Opportunities

The Company's management assesses and manages risks on an ongoing basis to protect stakeholder value and capitalize on viable opportunities. The principal risks and uncertainties are as follows:

Strategic Risks

Product and market diversification are essential to remain competitive as customers increasingly demand high-quality, innovative products delivered within tight lead times. Division heads meet regularly to align strategy and operations, and mitigate strategic risk through targeted investments in new projects, BMR, and strengthened customer engagement.

Business Risks

Cotton and Yarn - Supply & Price

The availability and price of cotton pose a major business risk as a result of adverse weather events and fluctuating crop yields. Yarn shortages and price volatility can materially increase cost of goods sold and disrupt production. To manage this risk the Company employs phased procurement combined with supplier diversification, rigorous quality controls and ongoing evaluation of alternative fibre blends. These measures are designed to smooth purchase costs, secure supply continuity and protect margins.

Export Demand and Price

The Company's business is export-oriented. Therefore, it is exposed to fluctuations in global demand, shifts in buyer sourcing policies, and competition from lower-cost producers both inside and outside the country. To mitigate these risks, the Company deepens relationships with international buyers, moves up the value chain into higher-margin products, strengthens product traceability and compliance, and pursues new geographies to reduce customer and market concentration.

Cybersecurity and Information Systems Risk

The Company relies on computerized systems to manage its operations and financial systems, which exposes it to cybersecurity risks. Cyber incidents could result in financial loss, production stoppage, compromised sensitive information, and damaged customer trust. To mitigate these risks, the Company has implemented layered security protocols, conduct regular staff awareness training, and maintains formal incident-response procedures.

Regulatory and Market-Access Risk

Tariff changes and buyer compliance requirements relating to labour standards, environmental practices, and chemical safety, can significantly affect pricing and market access. To mitigate these risks, the Company maintains all required certifications, engages proactively with trade bodies and regulatory authorities, and continues to diversify both its markets and customer base.

Energy Availability and Cost

Availability of energy at competitive rates is critical for a textile manufacturer to remain competitive, particularly in comparison with regional textile producers such as India and Bangladesh who benefit from relatively cheaper energy. To mitigate this risk, the Company has diversified its energy mix across furnace oil, biomass, diesel and solar; implemented comprehensive energy-conservation measures; installed captive power plant; and secured grid connections wherever feasible. The continued expansion of renewable capacity and energy-efficiency initiatives remains a central priority in order to stabilise long-term costs and safeguard competitiveness.

Financial Risks

The Board sets financial risk-management policies executed by the Finance Department. Principal financial risks and mitigations are summarized below.

- **Currency Risk:** The Company faces foreign-exchange exposure arising from receivables and payables in USD, AED, EUR, JPY, GBP, SAR and CNY. Exposures are managed through currency matching, short-term hedging where commercially appropriate and close treasury oversight.

- **Interest Rate Risk:** Interest-rate volatility affects financing costs. The Company manages exposure by reviewing refinancing options.

- **Credit Risk:** Trade receivables are monitored with credit limits and ageing review. Historically long-standing buyer relationships reduce expected credit losses.

- **Liquidity Risk:** Committed bank facilities, conservative cash-flow forecasting and working-capital controls are maintained to ensure adequate liquidity under difficult circumstances.

- **Capital Risk:** Capital structure is managed to preserve going concern status and maintain an optimal cost of capital.

Opportunities

As a leading vertically integrated textile company, we are positioned to capitalize on a number of opportunities:

- Regionally diversified customer base across the world provides sustainable growth in export sales and reduces reliance on any single market.
- Diversified product portfolio allows the Company to attract and retain the attention of a wide range of international textile buyers.
- Vertical integration enables the Company to exploit operational synergies, control quality across the value chain, and shorten lead times.
- High population growth in Pakistan provides a steady supply of suitable manpower.
- Expansion into value-added segments such as premium home textiles, garments, and terry products offers higher margins and long-term customer loyalty.
- Energy transition and renewables provide the opportunity to reduce production costs, enhance sustainability credentials, and meet buyer expectations on ESG.

Information Technology

Your company is making continuous efforts to have efficient IT systems in place, supporting timely and effective decisions. It has provided its employees state-of-the-art facilities to achieve optimum efficiency levels. Most of the manufacturing equipment and machinery used in the operations are equipped with technologically advanced software, providing real time information for the production processes.

The company's intranet acts as a useful resource base, providing in depth information on the company's policies and procedures along with other useful information to the employees of the company.

Human Resource & Training

With human capital resources of approximately 2,660 employees at average, the company believes that employees are indispensable in shaping the organization's future and each individual contributes directly to success of the organization.

Your company's HR team is a group of highly skilled and experienced professionals. They work very closely with the business teams to design efficient people solutions that will effectively meet the business goals.

Your company places a premium on respect for individuals, equal opportunities, advancement based on merit, effective communication, and the development of a performance oriented culture. The company takes pride in continuous improvement at all levels and strives to ensure that opportunity for growth and varied career experiences are provided to all employees.

Your company is an equal opportunity employer, and this is practiced in all aspects of the company's business activities including recruitment and employment.

The company's ethos, combined with state of the art technology and HR Information Systems, result in a high performance environment within which individuals can achieve their professional and personal dreams.

Training & Development

Your company believes in human resource development through training and development and places due emphasis on training in all spheres of its production process. The company made efforts during the year for focused and cost effective training programs for all major technical categories such as weavers, technologists and quality control inspectors.

Candidates are engaged through a Trainee Scheme and trained in-house over a period of 6 months before joining their respective teams. This has helped the company in preparing a highly skilled workforce and also provides replacements to cover turnover.

In-house training sessions are regularly conducted in general management, firefighting, first aid, health and safety, computer and technical disciplines.

Safety, Health & Environment

Your company is focused on providing a safe & healthy workplace for all of its employees and is committed to acting responsibly towards the communities and environment in which we operate. This will be achieved by continuous improvement of our safety, health and environment performance through corporate leadership, dedication of staff and the application of the highest professional standards at workplace.

Corporate Social Responsibility

Your company has very distinct Corporate Social Responsibility (CSR) policy aimed at fulfilling its responsibilities of securing the community within which it operates. Its philanthropic activities include participation in health and education sector initiatives.

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

Your company is committed to maintaining high standards of corporate governance. The Board and its Subcommittees acknowledge their responsibilities in this respect and a statement of compliance with the Listed Companies (Code of Corporate Governance) Regulations, 2019 and Auditors' review report on the same is annexed to this report.

Statement of Value Addition and its Distribution and Risk Management

The 'Statement of Value Addition and its Distribution' is annexed to this report.

Financial Reporting and Corporate Compliance

The Board of Directors of the company is fully cognizant of its responsibility as laid down in the Code of Corporate Governance issued by the Securities & Exchange Commission of Pakistan. The following statements are a manifestation of its commitment towards compliance with best practices of Code of Corporate Governance.

a. The financial statements together with the notes thereon have been drawn up in conformity with the Companies Act, 2017. These statements, prepared by the management of the company, present fairly its state of affairs, the results of its operations, cash flows and changes in equity.

b. Proper books of account have been maintained by the company.

c. Appropriate accounting policies have been consistently applied in preparation of financial statements. Accounting estimates are based on reasonable and prudent judgment.

d. International Financial Reporting Standards, as applicable in Pakistan, have been followed in preparation of financial statements and any departures therefrom has been adequately disclosed and explained.

e. The system of internal control is sound in design and has been effectively implemented and monitored.

f. There are no significant doubts upon the company's ability to continue as a going concern.

g. There has been no material departure from the best practices of Corporate Governance as detailed in Listed Companies (Code of Corporate Governance) Regulations, 2019.

h. The operating and financial data of past six years is annexed to this report.

i. Information regarding statutory payments on account of outstanding taxes, duties, levies and other charges (if any) has been given in related note(s) to the audited accounts.

j. The company strictly complies with the standard of safety rules & regulations. It also follows environmentally friendly policies.

k. The valuation of investment made by the staff retirement benefit fund (Provident Fund), based on their respective accounts is as follows:

30-Jun-26	Rs. 741.143 million (Un-audited)
30-Jun-25	Rs. 523.801 million (Audited)

Board of Directors

The Board of Directors is responsible for the overall governance and administration of the company. All directors are aware of their duties and powers. They exercise their fiduciary responsibilities through board meetings which are held every quarter for reviewing and approving the adoption of company's financial statements in addition to review and adoption of company's significant plans and decisions, projections, forecasts, and budgets with due regard to the recommendations of the Sub-committees. The responsibilities include establishing the company's strategic objectives, providing leadership, supervising the management of the business and reporting to shareholders on their stewardship.

The total number of directors are seven. The composition of the board is as follows:

a. Male

Sr. No	Name of the Male Directors	Category
1	Mr. Rashid Ahmed	Non-Executive Director
2	Mr. Aamir Fayyaz Sheikh	Executive Director
3	Mr. Ismail Aamir Fayyaz	Executive Director
4	Mr. Taimur Afzal	Independent Director
5	Mr. Matiuddin Siddiqui (NIT Nominee)	Non-Executive Director

b. Female

Sr. No	Name of the Female Directors	Category
6	Ms. Imrat Aamir Fayyaz	Executive Director
7	Mrs. Hajra Arham	Independent Director

Composition:

Independent Directors*	02
Non-Executive Directors	02
Executive Directors (including CEO)*	03

*Number of female directors are 02 and falls in the categories of Independent and Executive Directors.

Changes in the Board

There was no change in number and names of directors during the year ended June 30, 2026.

During the year under review five (5) meetings of the Board of Directors were held. The attendance by each Director is as follows:

Sr. No	Name of the Directors	Number of Meetings Attended
1	Mr. Rashid Ahmed	5
2	Mr. Aamir Fayyaz Sheikh	5
3	Mr. Ismail Aamir Fayyaz	4
4	Ms. Imrat Aamir Fayyaz	3
5	Mrs. Hajra Arham	5
6	Mr. Taimur Afzal	5
7	Mr. Matiuddin Siddiqui	5

Leave of absence was granted to the directors who were unable to attend the meeting.

There has been no trading in shares during the year under review by the Directors, Executives, their spouses and minor children.

Annual Board Performance Evaluation

The Board considers its performance assessment as a key contributor to good governance, as it provides feedback from the Directors on their perceptions of how the Board is currently performing its role and responsibilities. Envisaging the same, the Board devised an in-house questionnaires based on emerging and

leading practices to assist performance of the board as a whole, of its committees and of its members. The Company Secretary presents the summarized report for discussion and review of the Board annually.

Directors' Remuneration

The remuneration of the Board members is approved by the Board itself. However, in accordance with the Code of Corporate Governance, it is ensured that no Director takes part in deciding his/her own remuneration. The Company does not pay remuneration to non-executive directors including independent directors except fee for attending the meetings. In order to retain the best talent, the Company's remuneration policies are structured in line with prevailing industry trends and business practices. For information on remuneration of Directors and CEO, please refer notes to the Financial Statements.

Directors' Training Programme

Following directors have completed the Directors' Training programme:

Sr. No.	Name of Directors
1	Mr. Ismail Aamir Fayyaz
2	Ms. Imrat Aamir Fayyaz
3	Mr. Taimur Afzal
4	Mr. Matiuddin Siddiqui (NIT Nominee)

Following directors meet the exemption criteria of minimum of 14 years of education and 15 years of experience on the Boards of listed companies, hence are exempt from Directors' Training program:

Sr. No.	Name of Directors
1	Mr. Aamir Fayyaz Sheikh – Chief Executive
2	Mr. Rashid Ahmed – Director

Mrs. Hajra Arham will be pursuing for the Directors' Training programme in the financial year 2026-27.

Audit Committee

The Board has formed an Audit Committee comprising of following members:

Sr. No.	Name of Members
1	Mrs. Hajra Arham – Chairperson
2	Mr. Rashid Ahmed – Member
3	Mr. Taimur Afzal – Member

The Audit Committee operates according to the terms of reference determined by the Board of Directors of the Company. It focuses on monitoring compliance with the best practices of the Code of Corporate Governance and relevant statutory requirements, changes in accounting policies and practices, compliance with applicable accounting standards and listing regulations.

It recommends to the Board of Directors the terms of appointment of external auditors and reviews their recommendations relating to audit. Other responsibilities include monitoring the internal audit function, safeguarding company's assets through appropriate internal control systems including financial and operational controls, accounting systems and reporting structures, preliminary review of business plans and quarterly, half-yearly and annual results prior to approval and publication by the Board.

During the year under review four (4) meetings of the Audit Committee were held. The attendance by each member was as follows:

Sr. No.	Name of the Members	Number of Meetings Attended
1	Mrs. Hajra Arham	4
2	Mr. Rashid Ahmed	4
3	Mr. Taimur Afzal	4

Human Resource and Remuneration Committee

The Board has formed an Human Resource and Remuneration Committee comprising of following members:

Sr. No.	Name of the Members
1	Mr. Taimur Afzal – Chairman
2	Mr. Rashid Ahmed – Member
3	Mrs. Hajra Arham – Member

The Human Resource and Remuneration Committee (HR & R) operates according to the terms of reference approved by the Board of Directors in line with the requirements of Listed Companies (Code of Corporate Governance) Regulations, 2019.

During the year under review four (4) meetings of the HR & R Committee were held, the attendance by the members is as follows:

Sr. No.	Name of the Members	Number of Meetings Attended
1	Mr. Taimur Afzal	4
2	Mr. Rashid Ahmed	4
3	Mrs. Hajra Arham	4

Remuneration to Non-Executive / Independent Directors:

The Board of Directors ratified the policy relating to Directors' Remuneration. The significant features of which are as under:

- No single member of the Board of Directors can determine his/her own remuneration.
- Remuneration of Non-Executive Directors including Independent Directors is determined with regard to the company's need to maintain appropriately experienced and qualified Board members and shall be aligned with market practice. The Human Resource & Remuneration Committee makes recommendations to the Board based on a survey of comparable remuneration levels in the external market on or before the end of each financial year.
- The Directors shall be entitled to be paid all reasonable expenses, including travelling, hotel charges and other expenses incurred by them for attending meetings and for other business conducted as per relevant policy of the company.
- Tax obligation against the remuneration shall be borne by the company.

Code of Conduct

In order to promote integrity for the Board, senior management and other employees of the company, the Board has prepared and disseminated its Code of Conduct on the company's website for information and understanding of the professional standards and corporate values expected for everybody associated or dealing with the company.

Pattern of Shareholding

The Statement of Pattern of Shareholding along with categories of shareholders of the company as at June 30, 2026, as required under the Companies Act, 2017 and Listed Companies (Code of Corporate Governance) Regulations, 2019, is annexed with this report.

Future Outlook

Pakistan's textile industry is expected to remain competitive during FY-27, with performance continuing to be influenced by global demand, geopolitical developments, energy and input costs, freight conditions and changing international trade policies. While textile export receipts recorded modest growth during FY-26, the year also highlighted the importance of market and customer diversification, improved productivity and greater value addition. Opportunities remain particularly strong in apparel and other finished textile products, where closer integration with international brands and retailers can support sustainable export growth.

For the Company, the focus during FY-27 will remain on improving operational efficiency, broadening its export markets and customer base, strengthening compliance and traceability, and increasing the contribution of value-added products. The Dyeing Division will continue to explore opportunities in new markets, while the Weaving Division will remain focused on improving utilization and efficiency from its existing asset base. Management will also continue to evaluate further solar capacity and Battery Energy Storage System (BESS) opportunities, subject to technical and financial feasibility.

Expansion of the Apparel Division remains an important part of the Company's growth strategy. Management intends to progressively increase production capacity towards 17,000 pieces per shift per day by the end of FY-27, subject to customer order visibility, availability of skilled manpower and successful execution. The planned expansion is expected to strengthen the Company's value-added product mix and support future growth in export sales.

The development of the Apparel Division also represents an important step towards further strengthening the Company's vertically integrated business model. With weaving, dyeing, finishing and apparel manufacturing capabilities located within a single integrated manufacturing complex, the Company is increasingly positioned to offer customers an end-to-end product solution under one roof. This integration provides opportunities to shorten lead times, improve coordination across the production cycle, enhance product development and quality control, and realize cost and operating synergies across the value chain.

As these capabilities develop, the Company intends to deepen strategic partnerships with its customers by working more closely across product development, sourcing, production and delivery. Management believes that the combination of vertical integration, operational scale and a growing value-added product offering will strengthen the Company's ability to respond to evolving customer requirements and support sustainable long-term growth.

Adequacy of Internal Financial Controls

The Company has implemented a robust system of internal and financial controls to safeguard its assets, prevent fraud, and ensure compliance with legal requirements. The internal control framework is regularly reviewed and monitored by the Internal Audit function, established by the Board. The Audit Committee conducts quarterly reviews of the system in line with its terms of reference.

Auditors

The external auditors of the company, M/s Riaz Ahmad & Company, Chartered Accountants shall retire at the conclusion of forthcoming Annual General Meeting. Being eligible for re-appointment under the Companies Act, 2017, they have offered their services as auditors of the company for the year ending June 30, 2027. The Board of Directors endorsed its recommendations of Audit Committee for their re-appointment.

The auditors have conveyed that they have been assigned satisfactory rating under the Quality Control Review Program of the Institute of Chartered Accountants of Pakistan and registered with the Audit Oversight Board of Pakistan. The firm is fully compliant with the code of ethics issued by International Federation of Accountants (IFAC). Further they are also not rendering any related services to the company. The auditors have also confirmed that neither the firm nor any of their partners, their spouses or minor children at any time during the year held or traded in the shares of the company and that no partner of the firm or person involved in the audit is a close relative i.e, spouse, parents, dependents and non-dependents children of the CEO, the CFO, the head of internal audit, the company secretary or a director of the company.

Acknowledgement

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

For and on behalf of the Board

Kasur: September 28, 2026	AAMIR FAYYAZ SHEIKH CHIEF EXECUTIVE	ISMAIL AAMIR FAYYAZ DIRECTOR

PATTERN OF SHAREHOLDING

THE COMPANIES ACT, 2017 [Section 227(2)(f)]
THE COMPANIES (GENERAL PROVISIONS AND FORMS) REGULATIONS, 2018 [Form 34]

PATTERN OF SHAREHOLDING

PART-I

1.1 Name of Company: KOHINOOR MILLS LIMITED

PART-II

2.1 Pattern of holding of shares held by the shareholders as at: 30 June 2026

2.2

Number of Shareholders	Shares held Range From		To	Total Shares held	Percentage
590	1	-	100	17,041	0.0033
440	101	-	500	128,551	0.0253
275	501	-	1,000	233,898	0.0459
1168	1,001	-	5,000	2,832,554	0.5564
273	5,001	-	10,000	2,153,925	0.4231
113	10,001	-	15,000	1,429,554	0.2808
86	15,001	-	20,000	1,568,662	0.3081
65	20,001	-	25,000	1,512,747	0.2971
40	25,001	-	30,000	1,141,358	0.2242
20	30,001	-	35,000	663,925	0.1304
29	35,001	-	40,000	1,103,959	0.2168
13	40,001	-	45,000	558,073	0.1096
32	45,001	-	50,000	1,576,272	0.3096
11	50,001	-	55,000	590,008	0.1159
7	55,001	-	60,000	408,231	0.0802
6	60,001	-	65,000	380,430	0.0747
5	65,001	-	70,000	346,000	0.0680
7	70,001	-	75,000	522,595	0.1026
3	75,001	-	80,000	238,060	0.0468
3	80,001	-	85,000	250,100	0.0491
2	85,001	-	90,000	178,222	0.0350
4	90,001	-	95,000	376,655	0.0740
20	95,001	-	100,000	1,995,254	0.3919
4	100,001	-	105,000	413,230	0.0812
1	105,001	-	110,000	105,760	0.0208
1	110,001	-	115,000	112,480	0.0221
1	115,001	-	120,000	118,000	0.0232
3	120,001	-	125,000	375,000	0.0737
1	130,001	-	135,000	134,020	0.0263
3	135,001	-	140,000	411,940	0.0809
1	140,001	-	145,000	145,000	0.0285
8	145,001	-	150,000	1,196,410	0.2350
2	150,001	-	155,000	307,320	0.0604
1	155,001		160,000	160,000	0.0314

PATTERN OF SHAREHOLDING

Number of Shareholders	Shares held Range From		To	Total Shares held	Percentage
1	170,001	-	175,000	172,000	0.0338
2	185,001	-	190,000	379,820	0.0746
1	190,001	-	195,000	193,264	0.0380
1	195,001	-	200,000	199,000	0.0391
2	200,001	-	205,000	410,000	0.0805
1	205,001	-	210,000	210,000	0.0412
1	210,001	-	215,000	215,000	0.0422
1	245,001	-	250,000	250,000	0.0491
1	250,001	-	255,000	250,003	0.0491
1	265,001	-	270,000	265,450	0.0521
1	305,001	-	310,000	306,762	0.0603
2	335,001	-	340,000	679,295	0.1334
1	360,001	-	365,000	361,000	0.0709
1	445,001	-	450,000	448,000	0.0880
1	465,001	-	470,000	465,472	0.0914
1	585,001	-	590,000	588,000	0.1155
1	655,001	-	660,000	658,260	0.1293
1	800,001	-	805,000	805,000	0.1581
1	810,001	-	815,000	813,670	0.1598
1	885,001	-	890,000	890,000	0.1748
1	1,120,001	-	1,125,000	1,125,000	0.2210
1	1,245,001	-	1,250,000	1,250,000	0.2455
1	1,995,001	-	2,000,000	2,000,000	0.3928
1	2,220,001	-	2,225,000	2,224,670	0.4370
1	9,090,001	-	9,095,000	9,095,000	1.7865
1	14,345,001	-	14,350,000	14,348,550	2.8184
1	29,205,001	-	29,210,000	29,205,590	5.7366
3	50,910,001	-	50,915,000	152,733,000	30.0000
1	89,655,001	-	89,660,000	89,655,480	17.6102
1	175,225,001	-	175,230,000	175,227,590	34.4184
3,273	TOTAL			509,110,110	100.0000

Note: The slabs not applicable, have not been shown.

2.3	Categories of Shareholders	Shares held	Total	Percentage
2.3.1	**Directors, Chief Executive Officer, their Spouse(s) and Minor Children**			
	Mr. Rashid Ahmed - Chairman	38,500		0.0076
	Mr. Aamir Fayyaz Sheikh - Chief Executive	175,227,590		34.4184
	Mr. Ismail Aamir Fayyaz	50,911,000		10.0000
	Ms. Imrat Aamir Fayyaz	50,911,000		10.0000
	Mrs. Hajra Arham	25,000		0.0049
	Mr. Taimur Afzal	25,000		0.0049
	Mr. Matiuddin Siddiqui-Director (NIT Nominee)			
			277,138,090	
2.3.2	**Associated Companies, Undertakings and Related Parties**	-		-
2.3.3	**NIT and ICP**			
	National Bank of Pakistan	6,000		0.0012
	CDC - Trustee National Investment (Unit) Trust	29,205,590		5.7366
	Investment Corporation of Pakistan	15,000		0.0029
			29,226,590	
2.3.4	**Banks, Development Financial institutions, Non-Banking Financial Companies**	201,040		0.0395
			201,040	
2.3.5	**Insurance Companies**	1,250		0.0002
			1,250	
2.3.6	**Modarabas and Mutual Funds**	813,790		0.1598
			813,790	
2.3.7	**Share holders holding 10% or more** (Other than 2.3.1)	155,805,030		30.6034
			155,805,030	
2.3.8	**General Public**			
	a. Local	31,008,054		6.0906
	b. Foreign	813,670		0.1598
	c. Joint Stock Companies	2,681,106		0.5266
			34,502,830	
2.3.9	**Others**			
	Trustee Kohinoor Mills Ltd Staff Provident Fund	9,095,000		1.7865
	Trustee National Bank of Pakistan Emp Benevolent Fund Trust	78,060		0.0153
	Lahore Stock Exchange	6,800		0.0013
	Trustees Al-Mal Group Staff Provident Fund	16,940		0.0033
	Trustee National Bank of Pakistan Employees Pension Fund	2,224,670		0.4370
	Trustees Moosa Lawai Foundation	10		0.0000
	Trustees Al-Mal Group Staff Provident Fund	10		0.0000
			11,421,490	
	TOTAL		509,110,110	100.0000

Shareholders holding 5% or more voting rights:				
1	Aamir Fayyaz Sheikh	175,227,590		34.4184
2	Ali Fayyaz Sheikh	104,894,030		20.6034
3	Ismail Aamir Fayyaz	50,911,000		10.0000
4	Imrat Aamir Fayyaz	50,911,000		10.0000
5	Ehsan Aamir Fayyaz	50,911,000		10.0000
6	CDC - Trustee National Investment (Unit) Trust	29,205,590		5.7366
			462,060,210	90.7584

TERMS OF REFERENCE AUDIT COMMITTEE

The Committee is responsible for:

1. Determination of appropriate measures to safeguard the company's assets;

2. Review of annual and interim financial statements of the company, prior to their approval by the Board of Directors, focusing on:

   (i) major judgmental areas;
   (ii) significant adjustments resulting from the audit;
   (iii) going concern assumption;
   (iv) any changes in accounting policies and practices;
   (v) compliance with applicable accounting standards;
   (vi) compliance with regulations and other statutory and regulatory requirements;and
   (vii) all related party transactions.

3. Review of preliminary announcements of results prior to external communication and publication;

4. Facilitating the external audit and discussion with external auditors of major observations arising from interim and final audits and any matter that the auditors may wish to highlight (in the absence of management, where necessary);

5. Review of management letter issued by external auditors and management's response thereto;

6. Ensuring coordination between the internal and external auditors of the company;

7. Review of the scope and extent of internal audit, audit plan, reporting framework and procedures and ensuring that the internal audit function has adequate resources and is appropriately placed within the company;

8. Consideration of major findings of internal investigations of activities characterized by fraud, corruption and abuse of power and management's response thereto;

9. Ascertaining that the internal control systems including financial and operational controls, accounting systems for timely and appropriate recording of purchases and sales, receipts and payments, assets and liabilities and the reporting structure are adequate and effective;

10. Review of the company's statement on internal control systems prior to endorsement by the board of directors and internal audit reports;

11. Instituting special projects, value for money studies or other investigations on any matter specified by the board of directors, in consultation with the chief executive officer and to consider remittance of any matter to the external auditors or to any other external body;

12. Determination of compliance with relevant statutory requirements;

13. Monitoring compliance with regulations and identification of significant violations thereof;

14. Review of arrangement for staff and management to report to audit committee in confidence, concerns, if any, about actual or potential improprieties in financial and other matters and recommend instituting remedial and mitigating measures;

15. Recommend to the board of directors the appointment of external auditors, their removal, audit fees, the provision of any service permissible to be rendered to the company by the external auditors in addition to audit of its financial statements. The board of directors shall give due consideration to the recommendations of the audit committee and where it acts otherwise it shall record the reasons thereof.

16. Consideration of any other issue or matter as may be assigned by the board of directors.

TERMS OF REFERENCE HUMAN RESOURCE AND REMUNERATION COMMITTEE

The Committee is responsible for:

1. Recommend to the board for consideration and approval a policy framework for determining remuneration of directors and senior management preferably taking into consideration that such remuneration commensurate with the performance of the company and evaluation of board and management (as applicable). The definition of senior management will be determined by the board which shall normally include the first layer of management below the chief executive officer level;

2. Undertaking annually a formal process of evaluation of performance of the board as a whole, its members and its committees either directly or by engaging external independent consultant and if so appointed, a statement to that effect shall be made in the directors' report disclosing name, qualifications and major terms of appointment;

3. Recommending human resource management policies to the board;

4. Recommending to the board the selection, evaluation, development, compensation (including retirement benefits) and succession planning of chief operating officer, chief financial officer, company secretary and head of internal audit;

5. Consideration and approval on recommendations of chief executive officer on such matters for key management positions who report directly to chief executive officer or chief operating officer; and

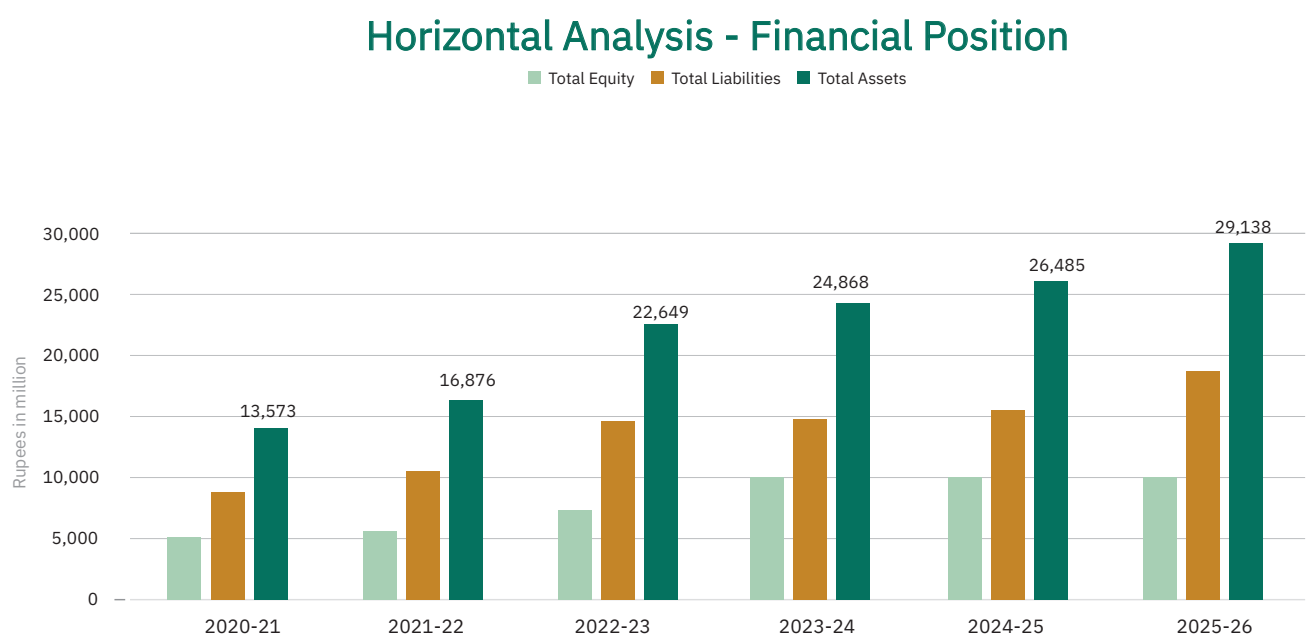
6. Where human resource and remuneration consultants are appointed, their credentials shall be known by the committee and a statement shall be made by them as to whether they have any other connection with the company

SIX YEARS' PERFORMANCE

		2025-26	2024-25	2023-24	2022-23	2021-22	2020-21
Operating							
Gross margin	%	13.62	13.32	14.22	20.80	16.07	12.99
Pre tax margin	%	0.59	1.46	1.43	8.69	5.70	3.53
Net margin	%	0.02	0.86	(0.07)	7.10	4.33	2.02
Performance							
Return on long term assets	%	0.04	1.78	(0.16)	21.79	11.53	3.75
Total assets turnover	Times	0.88	1.02	1.20	1.25	1.27	0.98
Fixed assets turnover	Times	1.81	2.12	2.54	3.11	2.71	1.88
Inventory turnover	Days	115	97	91	92	84	96
Return on equity	%	0.05	2.27	(0.20)	25.37	15.46	5.25
Return on capital employed	%	10.13	12.60	17.83	37.69	22.58	12.58
Retention	%	100.00	100.00	100.00	92.37	89.03	100.00
Leverage							
Debt: equity		52:48	48:52	44:56	53:47	53:47	50:50
Liquidity							
Current ratios	Times	0.87	0.95	1.01	1.05	0.95	0.90
Quick ratios	Times	0.41	0.50	0.52	0.55	0.43	0.41
Valuation							
Earnings per share (pre tax)	Rs.	0.30	0.78	0.84	4.81	2.40	0.92
Earnings / (Loss) per share (after tax)	Rs.	0.01	0.46	(0.04)	3.93	1.82	0.53
Breakup value per share	Rs.	20.48	20.18	19.55	15.50	11.79	10.02
Dividend payout - cash	Rs.	-	-	-	0.30	0.20	-
Payout ratio - cash (after tax)	%	-	-	-	7.63	10.97	-
Market price to breakup value	Times	0.54	0.23	0.18	0.28	0.23	0.30
Dividend yield	%	-	-	-	6.98	7.48	-
Market price per share	Rs.	10.97	4.66	3.48	4.30	2.68	3.00
Market capitalization	Rs. In million	5,585	2,372	1,771	2,187	1,362	1,527
Historical trends							
Turnover	Rs. In million	25,597	27,137	29,854	28,208	21,453	13,241
Gross profit	Rs. In million	3,487	3,615	4,246	5,867	3,447	1,720
Profit before levy and taxation	Rs. In million	150	396	428	2,450	1,222	467
Profit/(loss) after tax	Rs. In million	6	234	(20)	2,002	928	268
Financial position							
Shareholder's funds	Rs. In million	10,428	10,272	9,952	7,889	6,004	5,102
Property, plant and equipment	Rs. In million	14,143	12,809	11,764	9,066	7,913	7,027
Current assets	Rs. In million	14,464	13,344	12,970	13,463	8,824	6,440
Current liabilities	Rs. In million	16,682	13,993	12,824	12,833	9,328	7,149
Long term assets	Rs. In million	14,674	13,141	11,898	9,186	8,052	7,134
Long term liabilities	Rs. In million	2,028	2,219	2,091	1,926	1,545	1,323

HORIZONTAL ANALYSIS
Financial Position

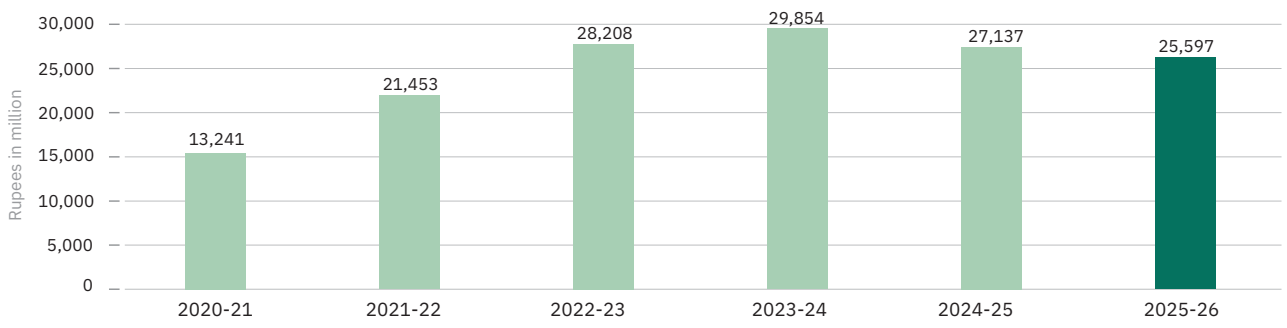
	2026	Change w.r.t 2025	2025	Change w.r.t 2024	2024	Change w.r.t 2023	2023	Change w.r.t 2022	2022	Change w.r.t 2021	2021
	Rs (000)	%	Rs (000)	%	Rs (000)	%	Rs (000)	%	Rs (000)	%	Rs (000)
Total Equity	10,428,039	1.5	10,272,430	3.2	9,952,042	26.1	7,889,460	31.4	6,003,621	17.7	5,101,549
Total Non-current Liabilities	2,028,108	(8.6)	2,219,497	6.1	2,091,979	8.6	1,926,058	24.7	1,544,611	16.8	1,322,991
Total Current Liabilities	16,681,847	19.2	13,992,687	9.1	12,824,377	(0.1)	12,833,339	37.6	9,327,529	30.5	7,148,806
Total Equity & Liabilities	**29,137,994**	**10.0**	**26,484,614**	**6.5**	**24,868,398**	**9.8**	**22,648,857**	**34.2**	**16,875,761**	**24.3**	**13,573,346**
Total Non-current Assets	14,673,915	11.7	13,140,568	10.4	11,897,996	29.5	9,186,355	14.1	8,051,577	12.9	7,133,708
Total Current Assets	14,464,079	8.4	13,344,046	2.9	12,970,402	(3.7)	13,462,503	52.6	8,824,184	37.0	6,439,638
Total Assets	**29,137,994**	**10.0**	**26,484,614**	**6.5**	**24,868,398**	**9.8**	**22,648,857**	**34.2**	**16,875,761**	**24.3**	**13,573,346**



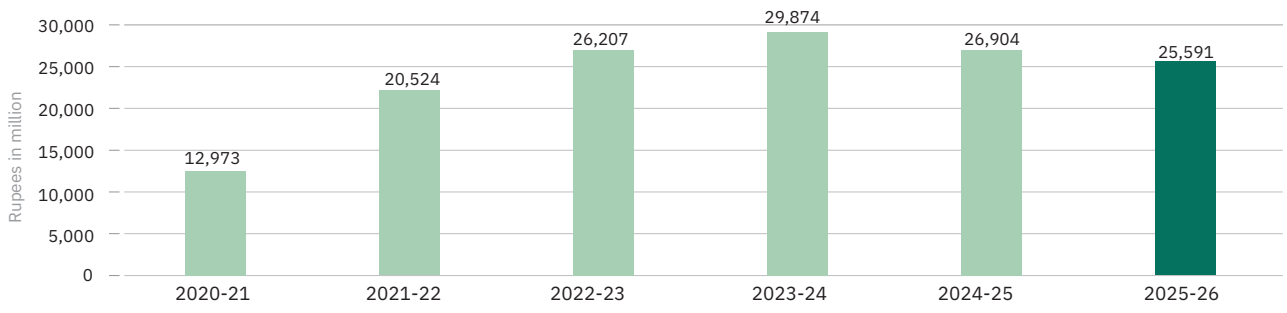
HORIZONTAL ANALYSIS
Financial Performance

	2026	Change w.r.t 2025	2025	Change w.r.t 2024	2024	Change w.r.t 2023	2023	Change w.r.t 2022	2022	Change w.r.t 2021	2021
	Rs (000)	%	Rs (000)	%	Rs (000)	%	Rs (000)	%	Rs (000)	%	Rs (000)
Sales	25,596,541	(5.7)	27,137,278	(9.1)	29,854,242	5.8	28,208,445	31.5	21,452,848	62.0	13,241,030
Cost of Sales	22,109,652	(6.0)	23,522,571	(8.1)	25,608,307	14.6	22,341,281	24.1	18,006,175	56.3	11,521,196
Gross Profit	**3,486,888**	**(3.5)**	**3,614,707**	**(14.9)**	**4,245,935**	**(27.6)**	**5,867,164**	**70.2**	**3,446,673**	**100.4**	**1,719,834**
Distribution cost	1,423,278	7.6	1,323,105	(8.8)	1,450,442	5.9	1,369,765	24.5	1,100,121	53.3	717,552
Administrative expenses	1,023,132	30.4	784,587	6.1	739,681	5.3	702,705	48.2	474,068	32.1	358,939
Other expenses	70,335	(44.7)	127,175	(33.4)	190,843	(42.4)	331,308	9.2	303,439	145.8	123,455
Other income	292,183	50.2	194,537	(31.1)	282,204	19.6	236,021	74.4	135,336	(53.1)	288,348
Profit from operations	**1,262,326**	**(19.8)**	**1,574,377**	**(26.7)**	**2,147,173**	**(42.0)**	**3,699,407**	**117.1**	**1,704,380**	**110.9**	**808,235**
Finance cost	1,112,122	(5.6)	1,178,388	(31.4)	1,718,887	37.6	1,249,473	159.2	482,136	41.2	341,436
Profit before levy and taxation	**150,204**	**(62.1)**	**395,989**	**(7.5)**	**428,286**	**(82.5)**	**2,449,934**	**100.4**	**1,222,245**	**161.8**	**466,799**
Levy & taxation	144,683	(11.0)	162,476	(63.7)	447,908	(0.1)	448,423	52.6	293,872	47.7	199,016
Profit /(Loss) after taxation	**5,521**	**(97.6)**	**233,513**	**1290.1**	**(19,622)**	**(101.0)**	**2,001,511**	**115.6**	**928,373**	**246.7**	**267,783**

Horizontal Analysis - Total Income



Horizontal Analysis - Total Expenses



VERTICAL ANALYSIS
Financial Position

	2026		2025		2024		2023		2022		2021	
	Rs (000)	%	Rs (000)	%	Rs (000)	%	Rs (000)	%	Rs (000)	%	Rs (000)	%
Total Equity	10,428,039	35.8	10,272,430	38.8	9,952,042	40.0	7,889,460	34.8	6,003,621	35.6	5,101,549	37.6
Total Non-current Liabilities	2,028,108	7.0	2,219,497	8.4	2,091,979	8.4	1,926,058	8.5	1,544,611	9.2	1,322,991	9.7
Total Current Liabilities	16,681,847	57.3	13,992,687	52.8	12,824,377	51.6	12,833,339	56.7	9,327,529	55.3	7,148,806	52.7
Total Equity & Liabilities	**29,137,994**	**100.0**	**26,484,614**	**100.0**	**24,868,398**	**100.0**	**22,648,857**	**100.0**	**16,875,761**	**100.0**	**13,573,346**	**100.0**
Total Non-current Assets	14,673,915	50.4	13,140,568	49.6	11,897,996	47.8	9,186,355	40.6	8,051,577	47.7	7,133,708	52.6
Total Current Assets	14,464,079	49.6	13,344,046	50.4	12,970,402	52.2	13,462,503	59.4	8,824,184	52.3	6,439,638	47.4
Total Assets	**29,137,994**	**100.0**	**26,484,614**	**100.0**	**24,868,398**	**100.0**	**22,648,857**	**100.0**	**16,875,761**	**100.0**	**13,573,346**	**100.0**

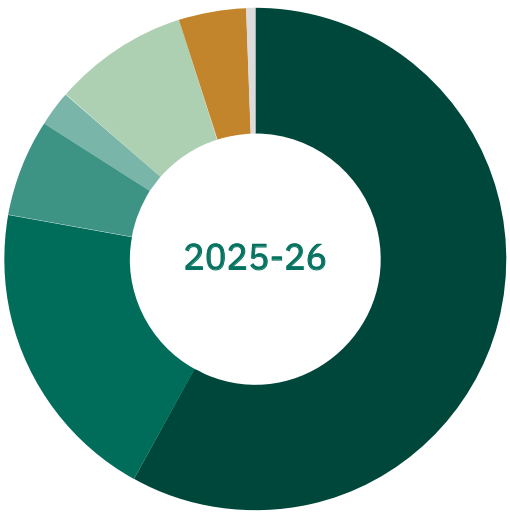
Financial Performance

	2026		2025		2024		2023		2022		2021	
	Rs (000)	%	Rs (000)	%	Rs (000)	%	Rs (000)	%	Rs (000)	%	Rs (000)	%
Sales	25,596,541	100.0	27,137,278	100.0	29,854,242	100.0	28,208,445	100.0	21,452,848	100.0	13,241,030	100.0
Cost of Sales	22,109,652	86.4	23,522,571	86.7	25,608,307	85.8	22,341,281	79.2	18,006,175	83.9	11,521,196	87.0
Gross Profit	**3,486,888**	**13.6**	**3,614,707**	**13.3**	**4,245,935**	**14.2**	**5,867,164**	**20.8**	**3,446,673**	**16.1**	**1,719,834**	**13.0**
Distribution cost	1,423,278	5.6	1,323,105	4.9	1,450,442	4.9	1,369,765	4.9	1,100,121	5.1	717,552	5.4
Administrative expenses	1,023,132	4.0	784,587	2.9	739,681	2.5	702,705	2.5	474,068	2.2	358,939	2.7
Other expenses	70,335	0.3	127,175	0.5	190,843	0.6	331,308	1.2	303,439	1.4	123,455	0.9
Other income	292,183	1.1	194,537	0.7	282,204	0.9	236,021	0.8	135,336	0.6	288,348	2.2
Profit from operations	**1,262,326**	**4.9**	**1,574,377**	**5.8**	**2,147,173**	**7.2**	**3,699,407**	**13.1**	**1,704,380**	**7.9**	**808,235**	**6.1**
Finance cost	1,112,122	4.3	1,178,388	4.3	1,718,887	5.8	1,249,473	4.4	482,136	2.2	341,436	2.6
Profit before levy and taxation	**150,204**	**0.6**	**395,989**	**1.5**	**428,286**	**1.4**	**2,449,934**	**8.7**	**1,222,245**	**5.7**	**466,799**	**3.5**
Levy & taxation	144,683	0.6	162,476	0.6	447,908	1.5	448,423	1.6	293,872	1.4	199,016	1.5
Profit /(Loss) after taxation	**5,521**	**0.0**	**233,513**	**0.9**	**(19,622)**	**(0.1)**	**2,001,511**	**7.1**	**928,373**	**4.3**	**267,783**	**2.0**

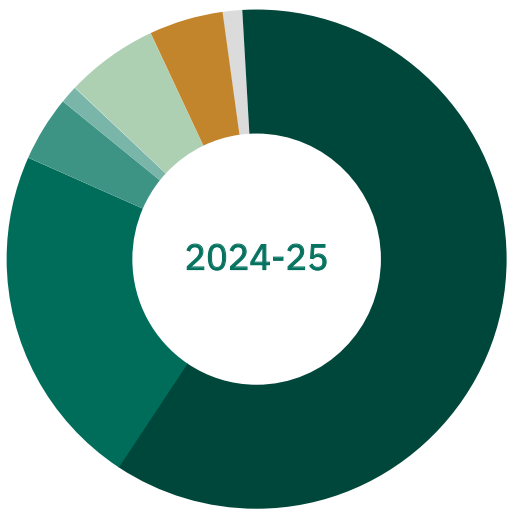
STATEMENT OF VALUE ADDITION

	2026		2025	
	%	Rupees (000)	%	Rupees (000)
Value Added				
Local Sales	54%	13,840,984	47%	12,714,426
Export Sales	46%	11,755,556	53%	14,422,852
Total Sales	**100%**	**25,596,541**	**100%**	**27,137,278**
Value Allocated				
Materials	58%	14,851,238	60%	16,197,916
Other Manufacturing Cost	20%	5,069,353	20%	5,407,809
Staff Cost	6%	1,606,382	5%	1,405,294
Depreciation & Amortization	2%	582,678	2%	511,553
Operational Expenses	9%	2,224,562	8%	2,040,330
Financial Expenses	4%	1,112,122	4%	1,178,388
Profit Before Levy and Taxation	1%	150,204	1%	395,989
	100%	**25,596,541**	**100%**	**27,137,278**

Application of Revenue



- Materials 58%
- Other Manufacturing Cost 20%
- Staff Cost 06%
- Depreciation & Amortization 02%
- Operational Expenses 09%
- Financial Expenses 04%
- Profit Before Levy and Taxation 01%



- Materials 60%
- Other Manufacturing Cost 20%
- Staff Cost 05%
- Depreciation & Amortization 02%
- Operational Expenses 08%
- Financial Expenses 04%
- Profit Before Levy and Taxation 01%

CASH FLOW ANALYSIS

Financial highlights of key operating results for the year 2025-26 are as follows:

Particulars	2026
	(Rs in Million)
Cash and bank 2025	816
Cash from operations	1,745
Finance cost	(982)
Income tax	(571)
Capital expenditure	(2,032)
Long-term financing	103
Short-term financing	1,775
Other inflows	158
Cash and bank 2026	1,012

Comments on Year-on-Year Changes in Cash Flows:

Operating cash flows

The improvement in operating cash flows was mainly attributable to lower finance cost payments, partially offset by higher income tax and levy payments and an increase in long-term deposits.

Investing cash flows

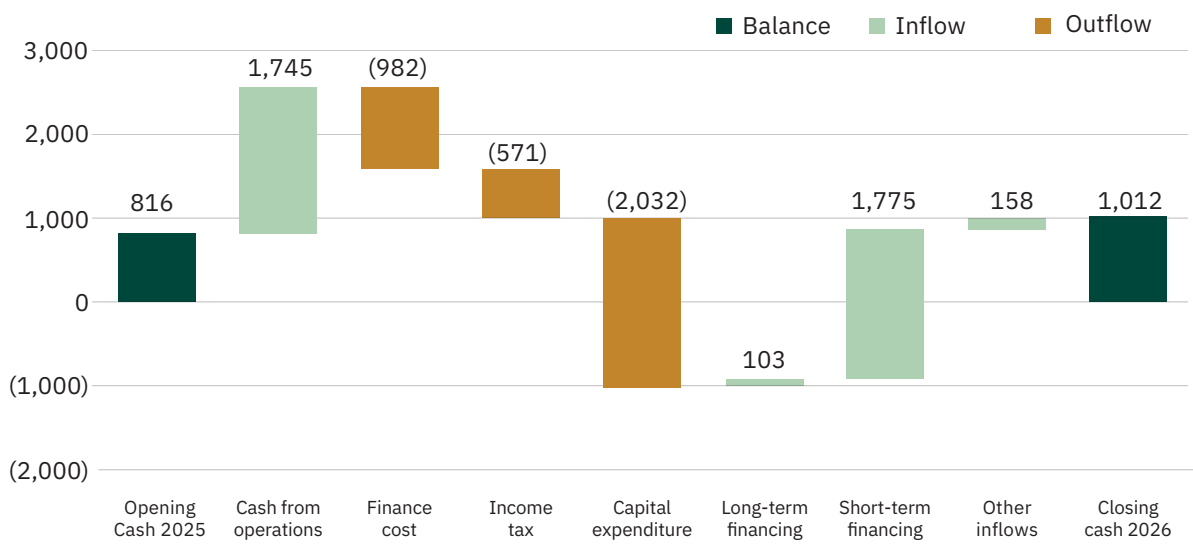
The increase in net cash used in investing activities was mainly due to higher capital expenditure during the year. The increased investment reflects the Company's continued focus on capacity expansion, modernization and operational efficiency, partly offset by proceeds from disposal of assets and investments.

Financing cash flows

The increase in financing activity was primarily driven by higher net short-term borrowings to support capital expenditure and working capital requirements, partially offset by repayments of long-term financing and lease liabilities.

Cash Flow Reconciliation 2025-26

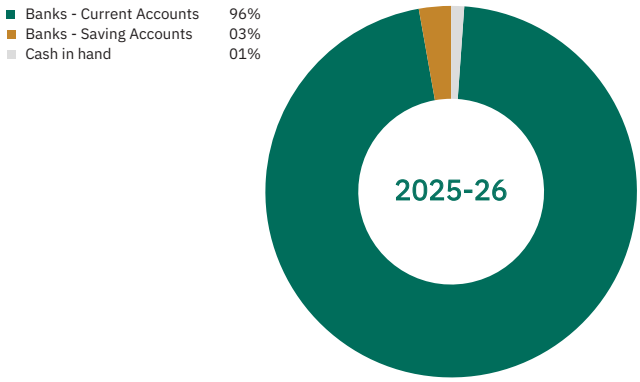
Rupees in million

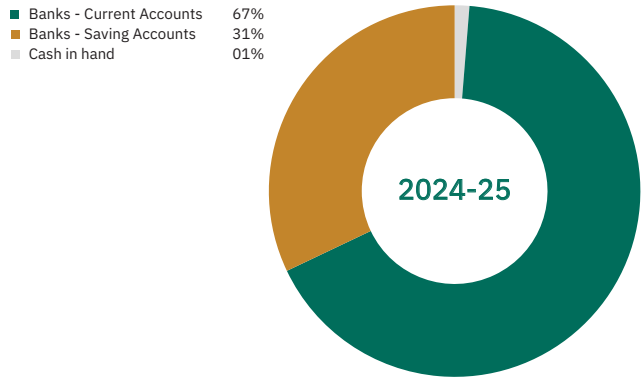


Breakup of cash and cash equivalents

Particulars	2026	2025
	Rs. (000)	Rs. (000)
Cash in hand	11,414	10,534
Cash with banks - Current Accounts	972,215	549,174
Cash with banks - Saving Accounts	28,283	256,018
	1,011,912	815,726

Cash and cash equivalents



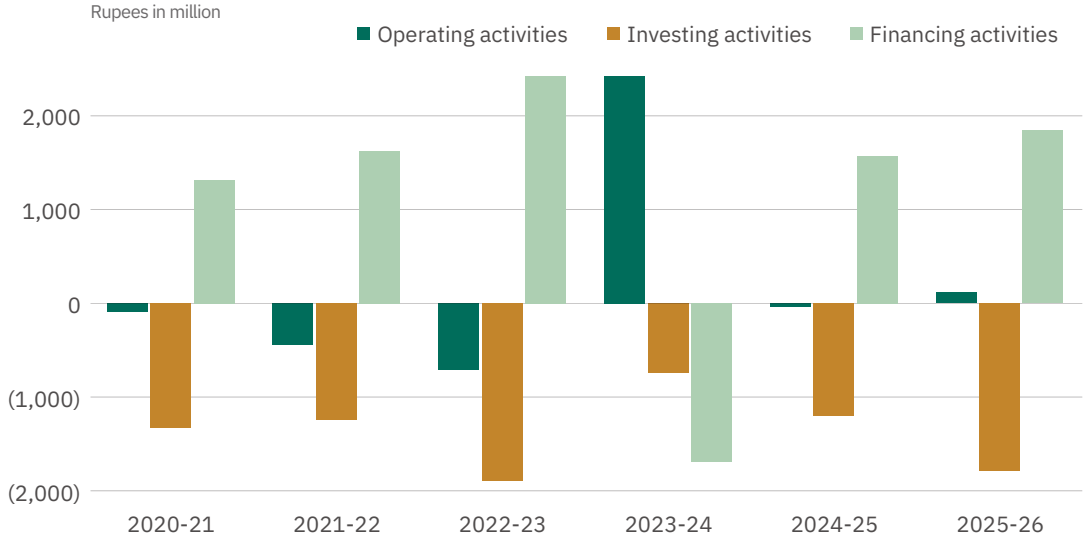


Cash Flow Analysis

Financial highlights	2026	2025	2024	2023	2022	2021
	Rupees (000)					
Net cash from / (used in) operating activities	114,603	(34,336)	2,419,969	(703,165)	(434,623)	(90,104)
Net cash used in investing activities	(1,766,655)	(1,190,879)	(715,290)	(1,878,998)	(1,243,565)	(1,322,684)
Net cash from / (used in) financing activities	1,848,238	1,567,440	(1,669,892)	2,414,726	1,624,498	1,306,680
Net change in cash and cash equivalents	196,186	342,225	34,787	(167,437)	(53,690)	(106,108)

Cash Flow Analysis

Rupees in million



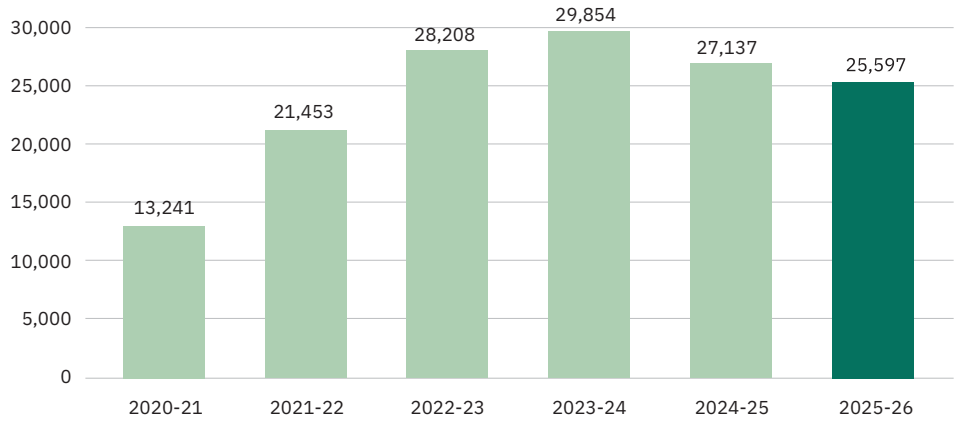
Free Cash Flows	2026	2025
	Rs. (000)	
Cash generated from operations	1,744,576	1,778,154
Income tax and levy paid - net	(571,452)	(450,113)
Capital expenditures	(2,032,408)	(1,622,419)
	(859,284)	(294,378)

Free cash flow represents cash generated from operations after income tax and levy payments and capital expenditure. Free cash flow remained negative in both FY-26 and FY-25, primarily reflecting the Company's significant capital expenditure programme. During FY-26, negative free cash flow increased as capital expenditure rose to approximately Rs. 2.03 billion, reflecting continued investment in expansion, modernization and operational efficiency.

PERFORMANCE OVERVIEW

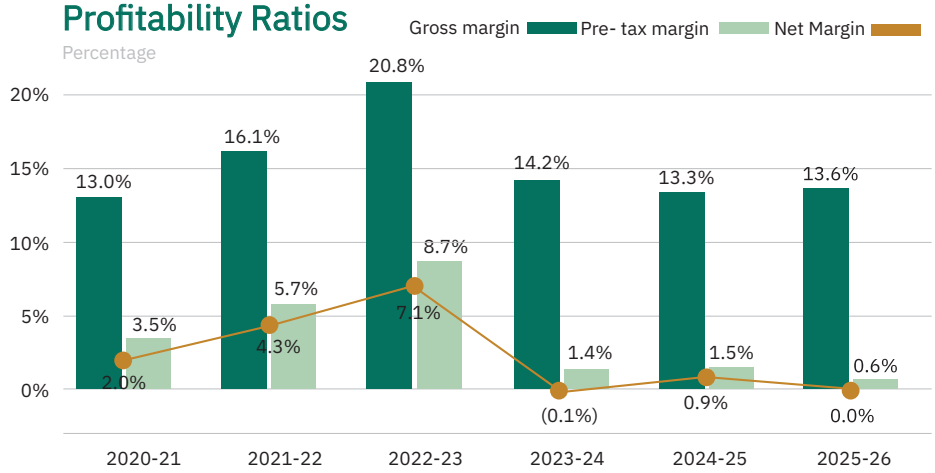
Revenue Trend

Rupees in million



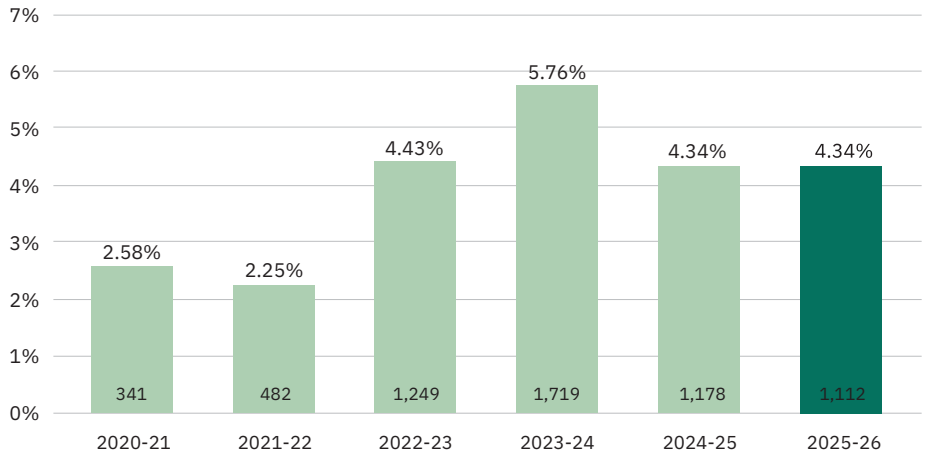
Profitability Ratios

Percentage



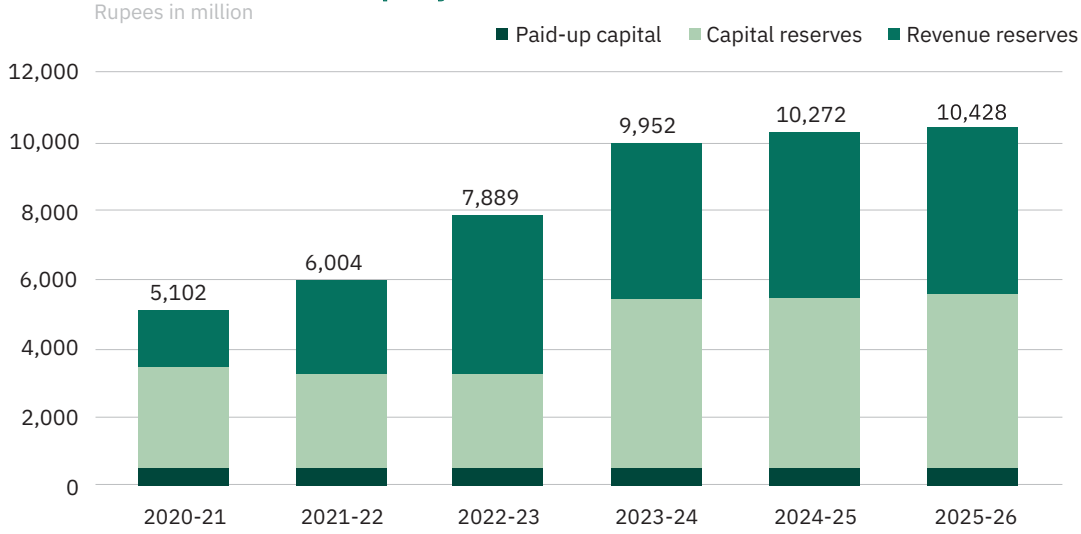
Financial Charges

Finance cost as % of sales (Rs Million shown below each bar)



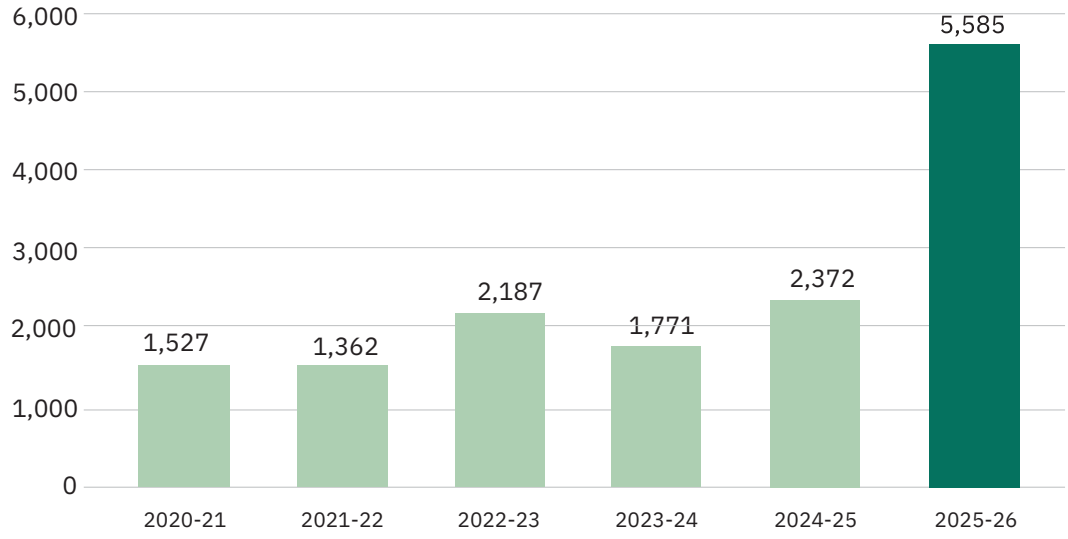
Shareholder's Equity

Rupees in million



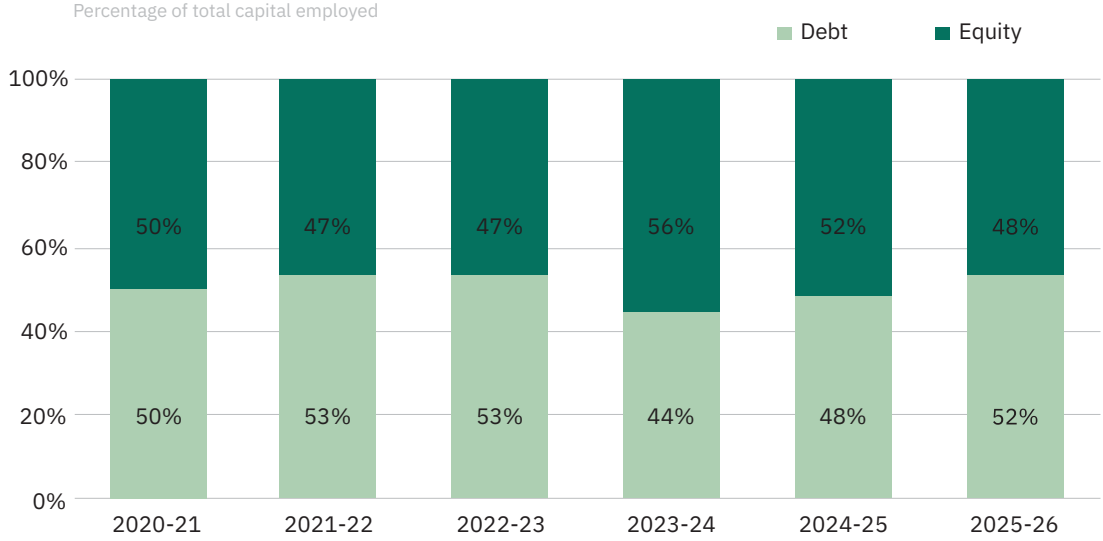
Market Capitalization

Rupees in million



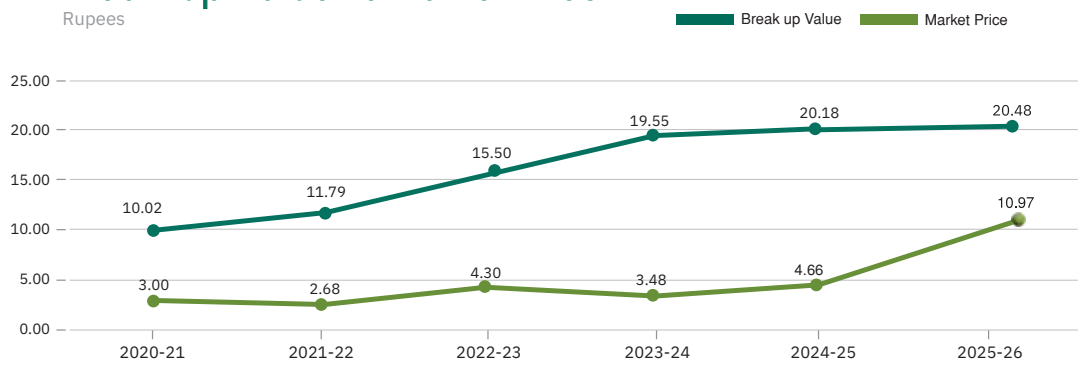
Debt: Equity

Percentage of total capital employed



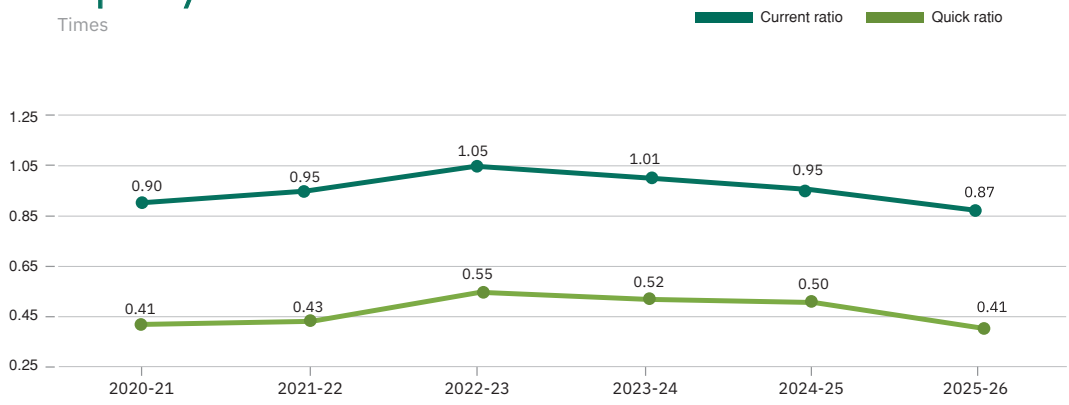
Break-up Value vs Market Price

Rupees



Liquidity Ratios

Times



STATEMENT OF COMPLIANCE WITH THE LISTED COMPANIES (CODE OF CORPORATE GOVERNANCE) REGULATIONS, 2019 (THE REGULATIONS)

Name of Company: Kohinoor Mills Limited
Year ended: June 30, 2026

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

1. The total number of directors are seven as per the following:

   a) Male: 5
   b) Female: 2

2. The composition of the Board is as follows:

Category	Names
Independent Directors	Mrs. Hajra Arham Mr. Taimur Afzal
Non-Executive Directors	Mr. Rashid Ahmed - Chairman Mr. Matiuddin Siddiqui (NIT Nominee)
Executive Directors	Mr. Aamir Fayyaz Sheikh - Chief Executive Mr. Ismail Aamir Fayyaz Ms. Imrat Aamir Fayyaz

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 Companies Act, 2017 (the Act) and the 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 the 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 the Regulations;

9. The Board has arranged Directors' Training program for the following:

Name of Directors
Mr. Ismail Aamir Fayyaz
Ms. Imrat Aamir Fayyaz
Mr. Taimur Afzal
Mr. Matiuddin Siddiqui (NIT Nominee)

Following directors meet the exemption criteria of minimum of 14 years of education and 15 years of experience on the Boards of listed companies, hence are exempt from Directors' Training program:

Name of Directors
Mr. Aamir Fayyaz Sheikh
Mr. Rashid Ahmed

Following director will be pursuing for the Directors' Training program in the financial year 2026-27:

Name of Director
Mrs. Hajra Arham

10. The board has approved appointment of Chief Financial Officer, Company Secretary and Head of Internal Audit, including their remuneration and terms and conditions of employment and complied with relevant requirements of the Regulations;

11. Chief Financial Officer and Chief Executive Officer duly endorsed the financial statements before approval of the Board.

12. The terms of reference of the aforesaid committees have been formed, documented and advised to the committees for compliance;

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

a) **Audit Committee**

Names	Designation held
Mrs. Hajra Arham	Chairperson
Mr. Rashid Ahmed	Member
Mr. Taimur Afzal	Member

b) **HR and Remuneration Committee**

Names	Designation held
Mr. Taimur Afzal	Chairman
Mr. Rashid Ahmed	Member
Mrs. Hajra Arham	Member

14. The frequency of meetings (quarterly, half yearly, yearly) of the committees were as per following;

a) Audit Committee

Four quarterly meetings were held during the financial year ended June 30, 2026.

b) HR and Remuneration Committee

Four quarterly meetings of HR and Remuneration Committee were held during the financial year ended June 30, 2026.

15. The Board has setup of an effective internal audit function who are 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 (ICAP) 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 ICAP and that they and the partners of the firm involve 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, the Regulations or any other Regulatory requirement and the auditors have confirmed that they have observed IFAC guidelines in this regard;

18. We confirm that all requirements of Regulations 3, 6, 7, 8, 27, 32, 33 and 36 of the Regulations have been complied with.

19. Explanation for non-compliance with requirements, other than Regulations 3, 6, 7, 8, 27, 32, 33 and 36 are given below:

Sr. No.	Requirement	Explanation of Non-Compliance	Regulation Number
1	**Directors' Training** A director on the Board may acquire, the directors training program certification within a period of one year from the date of appointment as a director on the Board. Companies are encouraged to arrange training for at least one female executive every year under the Directors' Training Program from year July 2020 and at least one head of department every year from July 2022.	The Company will take adequate measures for Directors' Training Program for the remaining director, female executive and head of department (required under non-mandatory provision of Regulation 19(2) and Regulation 19(3).	19(2) and (3)
2	**Responsibilities of the Board and its Members** The Board is responsible for adoption of corporate governance practices by the company.	Non-mandatory provisions of the Regulations are partially complied. The Company is deliberating on full compliance with all the provisions of the Regulations.	10(1)

3	**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 within the Company by setting the Company's sustainability strategies, priorities and targets to create long term corporate value.	The Board of the Company is aggressively pursuing compliance to address Sustainability Risk and Opportunities. As it is an ongoing process, the Company is ensuring to disclose all the developments and measures taken to promote sustainability and diversity, equity and inclusion (DE&I) in the Company at all levels. Further, the Board is committed for the issuance of sustainability report for the year ended June 30, 2026, within nine months from the close of the financial year, in accordance with the applicable requirements.	10(A)
4	**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.	Currently, the Board has not constituted a separate nomination committee and the functions are being performed by the human resource and remuneration committee.	29
5	**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.	Currently, the Board has not constituted a risk management committee and senior officers of the Company perform the requisite functions and apprise the Board accordingly.	30
6	**Disclosure of significant policies on website** 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

20. 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.

21. Executive directors, including the Chief Executive Officer on the Board are three out of total seven directors. One third of the Board i.e. 2.33 has been rounded up as 3 directors as the manufacturing units of the Company need executive directors for effective management of operations.

Lahore:
September 28, 2026

RASHID AHMED
CHAIRMAN

AAMIR FAYYAZ SHEIKH
CHIEF EXECUTIVE

INDEPENDENT AUDITOR'S REVIEW REPORT

To the members of Kohinoor Mills 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 Kohinoor Mills Limited (the Company) for the year ended 30 June 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 require 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 and have ensured 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.

RIAZ AHMAD & COMPANY
Chartered Accountants

Lahore
September 28, 2026
UDIN: CR202610158sYKTmqJWw

FINANCIAL STATEMENTS

for the year ended 30 June 2026

INDEPENDENT AUDITOR'S REPORT

To the members of Kohinoor Mills Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the annexed financial statements of Kohinoor Mills Limited ('the Company'), which comprise the statement of financial position as at 30 June 2026, and the statement of profit or loss, the statement of comprehensive income, the statement of changes in equity, the statement of cash flows for the year then ended, and notes to the financial statements, including 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 the explanations given to us, 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 forming part thereof conform with the accounting and reporting standards as applicable in Pakistan and give the information required by the Companies Act, 2017 (XIX of 2017), in the manner so required and respectively give a true and fair view of the state of the Company's affairs as at 30 June 2026 and of the profit, other comprehensive income, the changes in equity and its cash flows for the year then ended.

Basis for Opinion

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 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 period. 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.

Following are the key audit matters:

Sr. No.	Key audit matters	How the matters were addressed in our audit
1.	**Inventory existence and valuation** Inventory as at 30 June 2026 amounted to Rupees 7,673.256 million, break up of which is as follows: - Stores, spares and loose tools Rupees 1,154.703 million - Stock-in-trade Rupees 6,518.553 million Inventory is measured at lower of cost and net realizable value. We identified existence and valuation of inventory as a key audit matter due to its size, representing 26.33% of total assets of the Company as at 30 June 2026, and the judgment involved in valuation. For further information on inventory, refer to the following: - Material accounting policy information, Inventories note 2.16 to the financial statements. - Stores, spares and loose tools note 25 and Stock-in-trade note 26 to the financial statements.	Our procedures over existence and valuation of inventory included, but were not limited to: • To test the quantity of inventories at all locations, we assessed the corresponding inventory observation instructions and participated in inventory counts on sites. Based on samples, we performed test counts and compared the quantities counted by us with the results of the counts of the management. • For a sample of inventory items, re-performed the weighted average cost calculation and compared the weighted average cost appearing on valuation sheets. • We tested that the ageing report used by management correctly aged inventory items by agreeing a sample of aged inventory items to the last recorded invoice. • On a sample basis, we tested the net realizable value of inventory items to recent selling prices and re-performed the calculation of the inventory write down, if any. • We assessed the percentage write down applied to older inventory with reference to historic inventory write downs and recoveries on slow moving inventory. • In the context of our testing of the calculation, we analysed individual cost components and traced them back to the corresponding underlying documents. We furthermore challenged changes in unit costs. • We also made enquires of management, including those outside of the finance function, and considered the results of our testing above to determine whether any specific write downs were required.

Sr. No.	Key audit matters	How the matters were addressed in our audit
2.	**Capital expenditures** The Company is investing significant amounts in its operations and there are a number of areas where management judgement impacts the carrying value of property, plant and equipment and its respective depreciation profile. These include among other the decision to capitalize or expense costs; and review of useful life of the assets including the impact of changes in the Company's strategy. We focused on this area since the amounts have a significant impact on the financial position of the Company and there is significant management judgment required that has significant impact on the reporting of the financial position for the Company. Therefore, considered as one of the key audit matters. For further information, refer to the following: - Material accounting policy information, property, plant, equipment and depreciation note 2.6 to the financial statements. - Property, plant and equipment note 18 to the financial statements.	Our procedures included, but were not limited to: • We tested operating effectiveness of controls in place over the property, plant and equipment cycle including the controls over whether costs incurred on activities is capital or operating in nature. • We evaluated the appropriateness of capitalization policies and depreciation rates. • We performed tests of details on costs capitalized. • We verified the accuracy of management's calculation used for the impairment testing.

Sr. No.	Key audit matters	How the matters were addressed in our audit
3.	**Revenue recognition** The Company recognized net revenue of Rupees 25,596.541 million for the year ended 30 June 2026. We identified recognition of revenue as a key audit matter because revenue is one of the key performance indicator of the Company and gives rise to an inherent risk that revenue could be subject to misstatement to meet expectations or targets. For further information, refer to the following: - Material accounting policy information, Revenue recognition note 2.17 to the financial statements. - Revenue note 34 to the financial statements.	Our procedures included, but were not limited to: • We obtained an understanding of the process relating to recognition of revenue and testing the design, implementation and operating effectiveness of key internal controls over recording of revenue. • We compared a sample of revenue transactions recorded during the year with sales orders, sales invoices, delivery documents and other relevant underlying documents. • We compared a sample of revenue transactions recorded around the year-end with the sales orders, sales invoices, delivery documents and other relevant underlying documentation to assess if the related revenue was recorded in the appropriate accounting period. • We assessed whether the accounting policies for revenue recognition complies with the requirements of IFRS 15 'Revenue from Contracts with Customers'. • We also considered the appropriateness of disclosures in the financial 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 conclusion 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. We have nothing to report in this regard.

Responsibilities of Management and Board of Directors for the Financial Statements

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

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

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

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.

Report on Other Legal and Regulatory Requirements

Based on our audit, we further report that in our opinion:

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 Mubashar Mehmood.

RIAZ AHMAD & COMPANY
Chartered Accountants

Lahore
Date: September 28, 2026
UDIN: AR202610158p2ID60VnU

STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE 2026

	Note	2026 Rupees	2025 Rupees
EQUITY AND LIABILITIES			
Share capital and reserves			
Authorized share capital	4	2,500,000,000	2,500,000,000
Issued, subscribed and paid-up share capital	5	509,110,110	509,110,110
Capital reserves			
Share premium reserve	6	213,406,310	213,406,310
Fair value reserve	6	111,118,590	100,097,275
Surplus on revaluation of operating fixed assets - net of tax	6	4,727,861,699	4,633,442,877
Revenue reserves			
General reserve	6	788,199,282	788,199,282
Accumulated profit	6	4,078,343,004	4,028,174,177
Total equity		10,428,038,995	10,272,430,031
LIABILITIES			
Non-current liabilities			
Long term financing - secured	7	1,720,291,517	1,638,347,898
Lease liabilities	8	112,838,868	14,208,427
Deferred liabilities	9	126,474,981	469,911,292
Deferred income - Government grant	10	68,502,418	97,029,653
		2,028,107,784	2,219,497,270
Current liabilities			
Trade and other payables	11	6,482,661,822	5,644,494,822
Contract liabilities - unsecured	12	147,392,738	177,830,518
Accrued mark-up	13	198,672,582	133,176,343
Short term borrowings - secured	14	9,184,114,342	7,409,319,105
Current portion of non-current liabilities	15	660,581,689	568,405,174
Taxation and levy - net	16	-	51,037,272
Unclaimed dividend		8,423,728	8,423,728
		16,681,846,901	13,992,686,962
Total liabilities		18,709,954,685	16,212,184,232
Contingencies and commitments	17		
TOTAL EQUITY AND LIABILITIES		29,137,993,680	26,484,614,263

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

AAMIR FAYYAZ SHEIKH
CHIEF EXECUTIVE

ISMAIL AAMIR FAYYAZ
DIRECTOR

	Note	2026 Rupees	2025 Rupees
ASSETS			
Non-current assets			
Fixed assets	18	14,142,748,991	12,809,245,927
Right-of-use assets	19	142,675,290	20,842,187
Intangible assets	20	10,160,355	5,728,310
Investment property	21	-	-
Long term investments	22	157,209,228	164,798,062
Long term loans	23	10,532,481	5,758,328
Long term deposits	24	210,588,219	134,195,599
		14,673,914,564	13,140,568,413
Current assets			
Stores, spares and loose tools	25	1,154,702,998	991,501,873
Stock-in-trade	26	6,518,553,054	5,308,117,799
Trade debts	27	3,542,928,189	4,096,690,353
Loans and advances	28	457,065,235	350,643,616
Short term deposits and prepayments	29	29,746,275	24,439,079
Sales tax recoverable	30	1,291,856,757	1,325,293,888
Taxation and levy - net	16	189,972,283	-
Other receivables	31	65,270,292	55,033,870
Short term investments	32	202,071,789	374,618,127
Cash and bank balances	33	1,011,912,244	815,725,638
		14,464,079,116	13,342,064,243
Non-current asset classified as held for sale	21	-	1,981,607
		14,464,079,116	13,344,045,850
TOTAL ASSETS		29,137,993,680	26,484,614,263

KAMRAN SHAHID
CHIEF FINANCIAL OFFICER

STATEMENT OF PROFIT OR LOSS

FOR THE YEAR ENDED 30 JUNE 2026

	Note	2026 Rupees	2025 Rupees
REVENUE	34	25,596,540,519	27,137,277,935
COST OF SALES	35	(22,109,652,184)	(23,522,570,995)
GROSS PROFIT		3,486,888,335	3,614,706,940
DISTRIBUTION COST	36	(1,423,278,808)	(1,323,105,227)
ADMINISTRATIVE EXPENSES	37	(1,023,131,775)	(784,587,025)
OTHER EXPENSES	38	(70,334,868)	(127,175,230)
		(2,516,745,451)	(2,234,867,482)
		970,142,884	1,379,839,458
OTHER INCOME	39	292,183,027	194,537,348
PROFIT FROM OPERATIONS		1,262,325,911	1,574,376,806
FINANCE COST	40	(1,112,121,604)	(1,178,388,084)
PROFIT BEFORE LEVY AND TAXATION		150,204,307	395,988,722
LEVY	41	(324,883,013)	(338,274,759)
(LOSS) / PROFIT BEFORE TAXATION		(174,678,706)	57,713,963
TAXATION	42	180,199,872	175,798,555
PROFIT AFTER TAXATION		5,521,166	233,512,518
EARNINGS PER SHARE - BASIC AND DILUTED	43	0.01	0.46

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

AAMIR FAYYAZ SHEIKH
CHIEF EXECUTIVE

ISMAIL AAMIR FAYYAZ
DIRECTOR

KAMRAN SHAHID
CHIEF FINANCIAL OFFICER

STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 30 JUNE 2026

	2026 Rupees	2025 Rupees
PROFIT AFTER TAXATION	5,521,166	233,512,518
OTHER COMPREHENSIVE INCOME		
Items that will not be reclassified to profit or loss:		
Fair value adjustment arising on remeasurement of investment at fair value through other comprehensive income	(7,588,834)	142,417,760
Deferred income tax relating to this item	18,610,149	(55,542,926)
	11,021,315	86,874,834
Deferred income tax relating to surplus on revaluation of operating fixed assets	139,066,483	-
Items that may be reclassified subsequently to profit or loss	-	-
Other comprehensive income for the year - net of tax	150,087,798	86,874,834
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	155,608,964	320,387,352

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

AAMIR FAYYAZ SHEIKH
CHIEF EXECUTIVE

ISMAIL AAMIR FAYYAZ
DIRECTOR

KAMRAN SHAHID
CHIEF FINANCIAL OFFICER

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 30 JUNE 2026

	SHARE CAPITAL	RESERVES							TOTAL EQUITY
		CAPITAL RESERVES				REVENUE RESERVES			
		Share premium reserve	Fair value reserve FVTOCI investment - net of tax	Surplus on revaluation of operating fixed assets - net of tax	Sub Total	General reserve	Accumulated profit	Sub Total	
	Rupees								
Balance as at 30 June 2024	509,110,110	213,406,310	13,222,441	4,680,440,417	4,907,069,168	788,199,282	3,747,664,119	4,535,863,401	9,952,042,679
Transferred from surplus on revaluation of operating fixed assets - net of tax	-	-	-	(46,997,540)	(46,997,540)	-	46,997,540	46,997,540	-
Profit for the year ended 30 June 2025	-	-	-	-	-	-	233,512,518	233,512,518	233,512,518
Other comprehensive income for the year ended 30 June 2025	-	-	86,874,834	-	86,874,834	-	-	-	86,874,834
Total comprehensive income for the year ended 30 June 2025	-	-	86,874,834	-	86,874,834	-	233,512,518	233,512,518	320,387,352
Balance as at 30 June 2025	509,110,110	213,406,310	100,097,275	4,633,442,877	4,946,946,462	788,199,282	4,028,174,177	4,816,373,459	10,272,430,031
Transferred from surplus on revaluation of operating fixed assets - net of tax	-	-	-	(44,647,661)	(44,647,661)	-	44,647,661	44,647,661	-
Profit for the year ended 30 June 2026	-	-	-	-	-	-	5,521,166	5,521,166	5,521,166
Other comprehensive income for the year ended 30 June 2026	-	-	11,021,315	139,066,483	150,087,798	-	-	-	150,087,798
Total comprehensive income for the year ended 30 June 2026	-	-	11,021,315	139,066,483	150,087,798	-	5,521,166	5,521,166	155,608,964
Balance as at 30 June 2026	509,110,110	213,406,310	111,118,590	4,727,861,699	5,052,386,599	788,199,282	4,078,343,004	4,866,542,286	10,428,038,995

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

AAMIR FAYYAZ SHEIKH
CHIEF EXECUTIVE

ISMAIL AAMIR FAYYAZ
DIRECTOR

KAMRAN SHAHID
CHIEF FINANCIAL OFFICER

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30 JUNE 2026

	Note	2026 Rupees	2025 Rupees
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash generated from operations	44	1,744,575,900	1,778,153,621
Income tax and levy paid - net		(571,452,375)	(450,113,183)
Net increase in long term deposits		(76,392,620)	(36,190,001)
Finance cost paid		(982,128,043)	(1,326,186,840)
Net cash from / (used in) operating activities		114,602,862	(34,336,403)
CASH FLOWS FROM INVESTING ACTIVITIES			
Capital expenditure on property, plant and equipment		(2,032,408,335)	(1,622,419,085)
Initial direct cost paid on right-of-use assets		(5,263,350)	-
Cost incurred on intangible assets	20	(6,857,335)	-
Proceeds from disposal of operating fixed assets	18.1.3	64,944,826	47,240,499
Proceeds from disposal of investment property		10,500,000	-
Investments made		(2,707,149,038)	(4,506,688,765)
Proceeds from disposal of investments		2,902,799,777	4,874,927,772
Dividend received		6,778,711	16,060,647
Net cash used in investing activities		(1,766,654,744)	(1,190,878,932)
CASH FLOWS FROM FINANCING ACTIVITIES			
Long term financing obtained	44.2	1,046,905,537	744,042,912
Repayment of long term financing	44.2	(944,250,474)	(482,933,581)
Repayment of lease liabilities		(29,211,812)	(7,488,000)
Short term borrowings - net		1,774,795,237	1,313,819,105
Net cash from financing activities		1,848,238,488	1,567,440,436
Net increase in cash and cash equivalents		196,186,606	342,225,101
Cash and cash equivalents at the beginning of the year		815,725,638	473,500,537
Cash and cash equivalents at the end of the year		1,011,912,244	815,725,638

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

AAMIR FAYYAZ SHEIKH
CHIEF EXECUTIVE

ISMAIL AAMIR FAYYAZ
DIRECTOR

KAMRAN SHAHID
CHIEF FINANCIAL OFFICER

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2026

1. THE COMPANY AND ITS OPERATIONS

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

2. MATERIAL ACCOUNTING POLICY INFORMATION

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

2.1 Basis of preparation

a) Statement of compliance

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

- 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 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.

b) Accounting convention

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

c) Critical accounting estimates and judgments

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

Financial instruments – fair value

The fair value of financial instruments that are not traded in an active market is determined by using valuation techniques based on assumptions that are dependent on conditions existing at the reporting date.

Useful lives, patterns of economic benefits and impairment

Estimates with respect to residual values and useful lives and pattern of flow of economic benefits are based on the analysis of the management of the Company. Further, the Company reviews the value of assets for possible impairments on an annual basis. Any change in the estimates in the future might affect the carrying amount of respective item of property, plant and equipment with a corresponding effect on the depreciation charge and impairment.

Income tax and levy

In making the estimates for income tax and levy currently payable by the Company, the management takes into account the current income tax law and the decisions of appellate authorities on certain issues in the past.

Inventories

Inventory write-down is made based on the current market conditions, historical experience and selling goods of similar nature. It could change significantly as a result of changes in market conditions. A review is made on each reporting date on inventories for excess inventories, obsolescence and declines in net realisable value and an allowance is recorded against the inventory balances for any such declines.

Provisions

As the actual outflows can differ from estimates made for provisions due to changes in laws, regulations, public expectations, technology, prices and conditions, and can take place many years in the future, the carrying amounts of provisions are reviewed at each reporting date and adjusted to take account of such changes. Any adjustments to the amount of previously recognised provision is recognised in the statement of profit or loss unless the provision was originally recognised as part of cost of an asset.

Allowance for expected credit losses

The allowance for Expected Credit Losses (ECLs) assessment requires a degree of estimation and judgement. It is based on the lifetime expected credit loss, grouped based on days overdue, and makes assumptions to allocate an overall expected credit loss rate for each group. These assumptions include recent sales experience and historical collection rates.

Revenue from contracts with customers involving sale of goods

When recognizing revenue in relation to the sale of goods to customers, the key performance obligation of the Company is considered to be the point of delivery of the goods to the customer, as this is deemed to be the time that the customer obtains control of the promised goods and therefore the benefits of unimpeded access.

Contingencies

The Company reviews the status of all pending litigations and claims against the Company. Based on the judgment and the advice of the legal advisors for the estimated financial outcome, appropriate disclosure or provision is made. The actual outcome of these litigations and claims can have an effect on the carrying amounts of the liabilities recognized at the statement of financial position date.

Revaluation of land and buildings

Fair values of freehold land and buildings are determined by independent valuer engaged by the Company. The key assumptions used to determine the fair values of freehold land and buildings are complex in nature. Further, determining adjustments for any differences in nature, location and condition of freehold land and buildings involves significant judgment. The effect of any changes in fair values are considered as estimate and are accounted for on a prospective basis.

Deferred income tax

For the financial year ended 30 June 2025 (Tax Year 2025) and subsequent periods, the Company's income is subject to tax under the normal tax regime. Therefore, deferred tax has been recognised in respect of taxable and deductible temporary differences arising between the carrying amounts of assets and liabilities reported in the statement of financial position and their respective tax bases. The determination of the Company's tax bases and the measurement of deferred tax involves the use of certain estimates and judgements. In preparing the income tax return for Tax Year 2025, the Company's tax advisor applied certain estimates, judgements and bases in determining the Company's taxable income and corresponding tax bases.

In determining the deferred tax balances as at 30 June 2026, the management has applied the same bases, estimates and judgements as were used in the preparation of the income tax return for Tax Year 2025, to determine the respective tax bases and temporary differences at the reporting date. Management considers that the continued application of these bases, estimates and judgements provides an appropriate basis for determining the deferred tax balances as at 30 June 2026.

d) Standards and amendments to published approved accounting standards that are effective in current year and are relevant to the Company

Following standards and amendments to published approved accounting standards are 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.

- IFRS S1 'General Requirements for Disclosure of Sustainability-related Financial Information' and IFRS S2 'Climate-related Disclosures'. The Company will issue its sustainability-related financial disclosures separately, within nine months of the year ended 30 June 2026 (i.e., by 31 March 2027), instead of together with these financial statements.

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

e) 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.

f) Standards, amendments and improvements to published approved accounting standards that are not yet effective but relevant to the Company

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

Amendments to IFRS 10 'Consolidated Financial Statements' and IAS 28 'Investments in Associates and Joint Ventures' (deferred indefinitely) to clarify the treatment of the sale or contribution of assets from an investor to its associates or joint venture, as follows: require full recognition in the investor's financial statements of gains and losses arising on the sale or contribution of assets that constitute a business (as defined in IFRS 3 'Business Combinations'); require the partial recognition of gains and losses where the assets do not constitute a business, i.e. a gain or loss is recognized only to the extent of the unrelated investors' interests in that associate or joint venture. These requirements apply regardless of the legal form of the transaction, e.g. whether the sale or contribution of assets occur by an investor transferring shares in a subsidiary that holds the assets (resulting in loss of control of the subsidiary), or by the direct sale of the assets themselves.

IFRS 18 'Presentation and Disclosure in Financial Statements' (effective for annual periods beginning on or after 01 January 2027) with a focus on updates to the statement of profit or loss. The objective of IFRS 18 is to set out requirements for the presentation and disclosure of information in general purpose financial statements to help ensure they provide relevant information that faithfully represents an entity's assets, liabilities, equity, income and expenses. The key new concepts introduced in IFRS 18 relate to: the structure of the statement of profit or loss; required disclosures in the financial statements for certain profit or loss performance measures that are reported outside an entity's financial statements (that is, management-defined performance measures); and enhanced principles on aggregation and disaggregation which apply to the primary financial statements and notes in general. IFRS 18 will replace IAS 1; many of the other existing principles in IAS 1 are retained, with limited changes. IFRS 18 will not impact the recognition or measurement of items in the financial statements, but it might change what an entity reports as its 'operating profit or loss'.

Amendment to IFRS 7 'Financial Instruments: Disclosures' and IFRS 9 'Financial Instruments' – Classification and Measurement of Financial Instruments (effective for annual reporting periods beginning on or after 01 January 2026). These amendments clarify the requirements for the timing of recognition and derecognition of some financial assets and liabilities, with a new exception for some financial liabilities settled through an electronic cash transfer system; clarify and add further guidance for assessing whether a financial asset meets the SPPI criterion; add new disclosures for certain instruments with contractual terms that can change cash flows; and make updates to the disclosures for equity instruments designated at FVTOCI.

Amendment to IFRS 7 'Financial Instruments: Disclosures' and IFRS 9 'Financial Instruments' – Contracts Referencing Nature–dependent Electricity (effective for annual reporting periods beginning on or after 01 January 2026). These amendments change the 'own use' and hedge accounting requirements of IFRS 9 and include targeted disclosure requirements to IFRS 7.

On 13 November 2025, the International Accounting Standards Board (IASB) issued Translation to a Hyperinflationary Presentation Currency (effective for annual reporting periods beginning on or after 1 January 2027), which amended IAS 21, The Effects of Changes in Foreign Exchange Rates. The amendments specify the translation procedures to be applied by an entity whose presentation currency is the currency of a hyperinflationary economy. The amendments also introduce additional disclosure requirements to enable users of financial statements to understand the effects of translating financial information into a hyperinflationary presentation currency.

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

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

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

g) 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.

2.2 Borrowings

Financing and borrowings are recognized initially at fair value 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.

2.3 Borrowing cost

Interest, mark-up and other charges on long-term finances are capitalized up to the date of commissioning of respective qualifying assets acquired out of the proceeds of such long-term finances. All other interest, mark-up and other charges are recognized in statement of profit or loss.

2.4 Trade and other payables

Liabilities for trade and other amounts payable are initially recognized at fair value, which is normally the transaction cost and subsequently measured at amortized cost using the effective interest method.

2.5 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. Except for the tax (final tax) deducted by subsidiaries, associates or joint arrangements on distribution of dividend to the Company, 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 the statement of profit or loss. Tax (final tax) deducted by subsidiaries, associates or joint arrangements on distribution of dividend to the Company is charged as current tax in the 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 statement of comprehensive income or directly in equity, respectively.

2.6 Fixed assets

Property, plant, equipment and depreciation

Property, plant and equipment except freehold land and buildings are stated at cost less accumulated depreciation and any identified impairment loss. Freehold land is stated at revalued amount less any identified impairment loss, buildings are stated at revalued amount less accumulated depreciation and any identified impairment loss.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repair and maintenance costs are charged to the statement of profit or loss during the period in which they are incurred.

Increases in the carrying amounts arising on revaluation of operating fixed assets are recognised, net of tax, in other comprehensive income and accumulated in surplus on revaluation of operating fixed assets in shareholders' equity. To the extent that increase reverses a decrease previously recognised in the statement of profit or loss, the increase is first recognised in the statement of profit or loss. Decreases that reverse previous increases of the same asset are first recognised in other comprehensive income to the extent of the remaining surplus attributable to the asset; all other decreases are charged to the statement of profit or loss. Each year, the difference between depreciation based on the revalued carrying amount of the asset charged to the statement of profit or loss and depreciation based on the asset's original cost, net of tax, is reclassified from surplus on revaluation of operating fixed assets to retained earnings.

Depreciation

Depreciation on all operating fixed assets is charged to the statement of profit or loss on a reducing balance method so as to write off cost / depreciable amount of an asset over its estimated useful life at the rates as disclosed in note 18. Depreciation on additions is charged from the month in which the asset is put to use and on disposal up to the month of disposal. The residual values and useful lives are reviewed by the management, at each financial year end and adjusted if impact on depreciation is significant.

De-recognition

An item of property, plant and equipment is derecognized on disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and carrying amount of the asset) is included in the statement of profit or loss in the year the asset is de-recognized.

Capital work-in-progress

Capital work-in-progress is stated at cost less identified impairment losses, 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 operating fixed assets as and when these are available for use.

2.7 Intangible assets

Intangible assets, which are non-monetary assets without physical substance, are recognized at cost, which comprise purchase price, non-refundable purchase taxes and other directly attributable expenditures relating to their implementation and customization. After initial recognition an intangible asset is carried at cost less accumulated amortization and impairment losses, if any. Intangible assets are amortized from the month, when these assets are available for use, using the straight line method, whereby the cost of the intangible asset is amortized over its estimated useful life over which economic benefits are expected to flow to the Company. The useful life and amortization method is reviewed and adjusted, if appropriate, at each reporting date.

2.8 Investment properties

Land and buildings held for capital appreciation or to earn rental income are classified as investment properties. Investment properties except land, are stated at cost less accumulated depreciation and any recognized impairment loss. Land is stated at cost less any recognized impairment loss. Depreciation on buildings is charged to the statement of profit or loss applying the reducing balance method so as to write off the cost of buildings over their estimated useful lives at a rate of 5% per annum.

2.9 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 income as incurred.

2.10 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.

2.11 Investments and other financial assets

a) Classification

The Company classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and
- those to be measured at amortized cost

The classification depends on the Company's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments, this will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income. The Company reclassifies debt instruments when and only when its business model for managing those assets changes.

b) Measurement

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

Debt instruments

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Company classifies its debt instruments:

Amortized cost

Financial assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in other income using the effective interest method. Any gain or loss arising on derecognition is recognised directly in profit or loss and presented in other income / (other expenses) together with foreign exchange gains and losses. Impairment losses are presented as separate line item in the statement of profit or loss.

Fair value through other comprehensive income (FVTOCI)

Financial assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVTOCI. Movements in the carrying amount are taken through other comprehensive income, except for the recognition of impairment losses (and reversal of impairment losses), interest income and foreign exchange gains and losses which are recognised in profit or loss. When the financial asset is derecognized, the cumulative gain or loss previously recognised in other comprehensive income is reclassified from equity to profit or loss and recognised in other income / (other expenses). Interest income from these financial assets is included in other income using the effective interest method. Foreign exchange gains and losses are presented in other income / (other expenses) and impairment losses are presented as separate line item in the statement of profit or loss.

Fair value through profit or loss (FVTPL)

Assets that do not meet the criteria for amortised cost or FVTOCI are measured at FVTPL. A gain or loss on a debt instrument that is subsequently measured at FVTPL is recognised in profit or loss and presented net within other income / (other expenses) in the period in which it arises.

Equity instruments

The Company subsequently measures all equity investments at fair value for financial instruments quoted in an active market, the fair value corresponds to a market price (level 1). For financial instruments that are not quoted in an active market, the fair value is determined using valuation techniques including reference to recent arm's length market transactions or transactions involving financial instruments which are substantially the same (level 2) or fair value is determined using valuation techniques that incorporate significant inputs not based on observable market data (level 3).

Fair value through other comprehensive income (FVTOCI)

Where the Company's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss. Impairment losses (and reversal of impairment losses) on equity investments measured at FVTOCI are not reported separately from other changes in fair value.

Fair value through profit or loss (FVTPL)

Changes in the fair value of equity investments at fair value through profit or loss are recognised in other income / (other expenses) in the statement of profit or loss as applicable.

Dividends from such investments continue to be recognised in profit or loss as other income when the Company's right to receive payments is established.

2.12 Financial liabilities - classification and measurement

Financial liabilities are classified as measured at amortized cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading, it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognized in profit or loss. Other financial liabilities are subsequently measured at amortized cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognized in statement of profit or loss. Any gain or loss on de-recognition is also included in profit or loss.

2.13 Impairment of financial assets

The Company recognizes loss allowances for ECLs on:

- Financial assets measured at amortized cost;
- Debt investments measured at FVTOCI; and
- Contract assets.

The Company measures loss allowances at an amount equal to lifetime ECLs, except for the following, which are measured at 12-month ECLs:

- Debt securities that are determined to have low credit risk at the reporting date; and
- Other debt securities and 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). The maximum period considered when estimating ECLs is the maximum contractual period over which the Company is exposed to credit risk.

The Company has elected to measure loss allowances for trade debts using IFRS 9 simplified approach and has calculated ECLs based on lifetime ECLs. The Company has established a matrix that is based on the Company's historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment. 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 including forward-looking information.

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 carried at amortised cost and debt securities at FVTOCI 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:

- significant financial difficulty of the debtor;
- a breach of contract such as a default;
- the restructuring of a loan or advance by the Company on terms that the Company would not consider otherwise;
- it is probable that the debtor will enter bankruptcy or other financial reorganization; or
- the disappearance of an active market for a security because of financial difficulties.

2.14 De-recognition of financial asset and financial liabilities

a) Financial assets

The Company derecognizes a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred, or it neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control over the transferred asset. Any interest in such derecognized financial assets that is created or retained by the Company is recognized as a separate asset or liability.

b) Financial liabilities

The Company derecognizes a financial liability (or a part of financial liability) from its statement of financial position when the obligation specified in the contract is discharged or cancelled or expires.

2.15 Equity investments in associated companies

The investments in associates in which the Company does not have significant influence are classified as FVTOCI.

2.16 Inventories

Inventories, except for stock in transit, waste stock and rejected goods are stated at lower of cost and net realizable value. Cost is determined as follows:

Stores, spares and loose tools

Usable stores and spares are valued principally at weighted average cost, while items considered obsolete are carried at nil value. In transit stores and spares are valued at cost comprising invoice value plus other charges paid thereon.

Stock in trade

Cost of raw material is based on weighted average cost.

Cost of work in process and finished goods comprises prime cost and appropriate production overheads determined on weighted average cost. Cost of goods purchased for resale are valued at their respective purchase price by using first-in-first-out method.

Materials in transit are valued at cost comprising invoice value plus other charges paid thereon. Waste stock and rejected goods are valued at net realizable value.

Net realizable value signifies the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make a sale.

2.17 Revenue recognition

Sale of goods

Revenue from the sale of goods is recognised 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 processing services to local customers. These services are sold separately and the Company's contract with the customer for services constitute a single performance obligation.

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

Interest

Interest income is recognised as interest accrues using the effective interest method. This is a method of calculating the amortised 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.

Dividend

Dividend is recognized when right to receive the dividend is established.

Other revenue

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

2.18 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.

2.19 Customer acquisition costs

Customer acquisition costs are capitalised as an asset where such costs are incremental to obtaining a contract with a customer and are expected to be recovered. Customer acquisition costs are amortised on a straight-line basis over the term of the contract.

Costs to obtain a contract that would have been incurred regardless of whether the contract was obtained or which are not otherwise recoverable from a customer are expensed as incurred to profit or loss. Incremental costs of obtaining a contract where the contract term is less than one year is immediately expensed to profit or loss.

2.20 Customer fulfilment costs

Customer fulfilment costs are capitalised as an asset when all the following are met: (i) the costs relate directly to the contract or specifically identifiable proposed contract; (ii) the costs generate or enhance resources of the Company that will be used to satisfy future performance obligations; and (iii) the costs are expected to be recovered. Customer fulfilment costs are amortised on a straight-line basis over the term of the contract.

2.21 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.

2.22 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 made. Contract liabilities are recognized as revenue when the Company performs its performance obligations under the contract.

2.23 Refund liabilities

Refund liabilities are recognised where the Company receives consideration from a customer and expects to refund some, or all, of that consideration to the customer. A refund liability is measured at the amount of consideration received or receivable for which the Company does not expect to be entitled and is updated at the end of each reporting period for changes in circumstances. Historical data is used across product lines to estimate such returns at the time of sale based on an expected value methodology.

2.24 Provisions

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

2.25 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 statement of financial position 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 assets 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 or amortization, if impairment losses had not been recognized. An impairment loss or reversal of impairment loss is recognized in the statement of profit or loss.

2.26 Trade debts and other receivables

Trade debts are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any allowance for expected credit losses.

Other receivables are recognised at amortised cost, less any allowance for expected credit losses.

2.27 Cash and cash equivalents

Cash and cash equivalents comprise cash in hand, cash at banks on current accounts, saving and deposit accounts and other short term highly liquid instruments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in values.

2.28 Derivative financial instruments

Derivatives are initially recognized at fair value. Any directly attributable transaction costs are recognized in the statement of profit or loss as incurred. They are subsequently remeasured at fair value on regular basis and at each reporting date as a minimum, with all their gains and losses, realized and unrealized, recognized in the statement of profit or loss.

2.29 Segment reporting

Segment reporting is based on the operating (business) segments of the Company. An operating segment is a component of the Company that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to the transactions with any of the Company's other components. An operating segment's operating results are reviewed regularly by the chief executive to make decisions about resources to be allocated to the segment and assess its performance, and for which discrete financial information is available.

Segment results that are reported to the chief executive include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Those income, expenses, assets, liabilities and other balances which cannot be allocated to a particular segment on a reasonable basis are reported as unallocated.

The Company has four reportable business segments. Weaving (Producing different quality of greige fabric using yarn), Dyeing (Converting greige into dyed fabric), Apparel (Manufacturing of garments using processed fabric) and Power Generation (Generating and distributing power).

2.30 Government grants

Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the Company will comply with all attached conditions.

Government grants relating to costs are deferred and recognised in the profit or loss over the period necessary to match them with the costs that they are intended to compensate.

Government grants relating to the purchase of property, plant and equipment are included in non-current liabilities as deferred income and are credited to profit or loss over the expected lives of the related assets.

2.31 Contingent assets

Contingent assets are disclosed when the Company has a 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 recognized until their realization becomes certain.

2.32 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 a contingent liability is assessed as probable, and if the size of the outflow can be reliably estimated, a provision is recognized in the financial statements.

2.33 Earnings per share

The Company presents Earnings Per Share (EPS) data for its ordinary shares. 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.

3. SUMMARY OF OTHER ACCOUNTING POLICIES

3.1 Share capital

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

3.2 Employee benefit

The Company operates a funded contributory provident fund scheme for its permanent employees. The Company and employees make equal monthly contributions of 8.33 percent of the basic salary, towards the fund. The Company's contribution is charged to the statement of profit or loss.

3.3 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.

3.4 Foreign currency transactions and 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.

3.5 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.

3.6 Ijarah contracts

Under the Ijarah contracts the Company obtains usufruct of an asset for an agreed period for an agreed consideration. The Company accounts for its Ijarah contracts in accordance with the requirements of IFAS 2 'Ijarah'. Accordingly, the Company as a Mustaj'ir (lessee) in the Ijarah contract recognises the Ujrah (lease) payments as an expense in the profit and loss on straight line basis over the Ijarah term.

3.7 Non-current assets held for sale

Non-current assets classified as assets held for sale are stated at the lower of carrying amount and fair value less costs to sell if their carrying amount is recoverable principally through a sale transaction rather than through continuing use.

3.8 Offsetting of financial instruments

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

4 AUTHORIZED SHARE CAPITAL

2026	2025		2026	2025
(Number of shares)			Rupees	Rupees
2,200,000,000	220,000,000	Ordinary shares of Rupee 1 each (2025: Rupees 10 each)	2,200,000,000	2,200,000,000
300,000,000	30,000,000	Preference shares of Rupee 1 each (2025: Rupees 10 each)	300,000,000	300,000,000
2,500,000,000	250,000,000		2,500,000,000	2,500,000,000

5 ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL

2026	2025			
(Number of shares)				
285,460,030	28,546,003	Ordinary shares of Rupee 1 each (2025: Rupees 10 each) fully paid in cash	285,460,030	285,460,030
187,800,310	18,780,031	Ordinary shares of Rupee 1 each (2025: Rupees 10 each) issued as fully paid bonus shares	187,800,310	187,800,310
35,849,770	3,584,977	Ordinary shares of Rupee 1 each (2025: Rupees 10 each) issued due to merger with Kohinoor Genertek Limited as per scheme of arrangement	35,849,770	35,849,770
509,110,110	50,911,011		509,110,110	509,110,110

5.1 During the year, the Company has announced a subdivision of its shares in a ratio of 10 shares for every 1 share held, reducing the nominal (face) value of each share from Rupees 10 to Rupee 1 per share and same has been approved in extraordinary general meeting held on 09 September 2025. As a result, the total number of issued shares has been increased from 50,911,011 ordinary shares of Rupees 10 each to 509,110,110 ordinary shares of Rupee 1 each. However, the total paid-up share capital amount of the Company remained unchanged. The share split is intended to enhance the liquidity of the Company's shares in the equity market, attract a broader investor base, and strengthen the Company's market presence. Accordingly, no adjustments have been made, except for the earnings per share (EPS) (Note 43) figures for all periods presented in these financial statements have been adjusted to reflect the revised number of shares post-split, as required under IAS 33 "Earnings per Share."

	2026 Rupees	2025 Rupees
6 RESERVES		
Composition of reserves is as follows:		
Capital reserves		
Share premium reserve (Note 6.1)	213,406,310	213,406,310
Fair value reserve FVTOCI investment - net of deferred income tax (Note 6.2)	111,118,590	100,097,275
Surplus on revaluation of operating fixed assets - net of deferred income tax (Note 6.3)	4,727,861,699	4,633,442,877
Balance as at 30 June	5,052,386,599	4,946,946,462
Revenue reserves		
General reserve	788,199,282	788,199,282
Accumulated profit	4,078,343,004	4,028,174,177
	4,866,542,286	4,816,373,459
Balance as at 30 June	9,918,928,885	9,763,319,921

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

6.2 This represents the unrealized gain on re-measurement of investment at fair value through other comprehensive income and is not available for distribution. Reconciliation of fair value reserve - net of deferred income tax is as under:

	2026 Rupees	2025 Rupees
Opening balance	164,093,891	21,676,131
Fair value adjustment during the year	(7,588,834)	142,417,760
Balance as at 30 June	156,505,057	164,093,891
Less: Related deferred income tax liability (Note 9.1)	45,386,467	63,996,616
Closing balance - net of deferred income tax	111,118,590	100,097,275

	2026 Rupees	2025 Rupees
6.3 Surplus on revaluation of operating fixed assets - net of deferred income tax		
Opening balance	5,204,347,387	5,281,392,532
Less: Incremental depreciation	73,192,886	77,045,145
Balance as at 30 June	5,131,154,501	5,204,347,387
Less: Related deferred income tax liability (Note 9.1)	403,292,802	570,904,510
Closing balance - net of deferred income tax	4,727,861,699	4,633,442,877
7 LONG TERM FINANCING - SECURED		
Financing from banking companies (Note 7.1)	2,246,767,087	2,094,188,761
Less: Current portion shown under current liabilities (Note 15)	526,475,570	455,840,863
	1,720,291,517	1,638,347,898

7.1

Lender	2026	2025	Terms	Security
	---------- Rupees ----------			
National Bank of Pakistan (Note 7.2 and 7.3)	161,020,109	231,404,464	During the year ended 30 June 2025, principal portion of this loan was fully repaid. This loan carried mark-up at the rate of 7.70% per annum based on the average cost of funds of the bank which was reviewed annually. Markup accrued over ten years from 30 June 2015 to 31 March 2025 is now being paid in twelve equal quarterly instalments commenced on 30 June 2025 and ending on 31 March 2028. As on the reporting date one instalment of Rupees 21.73 million is overdue which has been paid subsequently on 29 July 2026.	First pari passu charge of Rupees 1,438.550 million by way of hypothecation and mortgage charge over present and future fixed assets of the Company, pari passu charge of Rupees 1,100.000 million, ranking charge of Rupees 100.000 million, over current assets of the Company as margin and personal guarantee of a sponsor director.
	161,020,109	231,404,464		
The Bank of Punjab	-	60,000,000	This loan was repayable in 20 quarterly instalments of Rupees 20.000 million each commenced from 20 April 2021 and ended on 20 January 2026. Mark-up was payable quarterly at SBP rate + 2.5% per annum. (Note 7.4)	First joint pari passu charge of Rupees 1,778.667 million over present and future fixed assets of the Company and personal guarantee of a director of the Company.
	42,000,000	70,000,000	This loan is repayable in 20 quarterly instalments of Rupees 7.000 million each commenced from 18 April 2023 and ending on 18 January 2028. Mark-up is payable quarterly at 3 months KIBOR + 2.25% per annum.	
	340,354,738	148,450,000	This loan is repayable in 18 quarterly instalments of Rupees 21.272 million each commenced from 13 March 2026 and ending on 13 June 2030. Mark-up is payable quarterly at 3 months KIBOR + 2.25% per annum.	
	382,354,738	278,450,000		

Lender	2026	2025	Terms	Security
	---------- Rupees ----------			
Samba Bank Limited (Note 7.4)	-	7,493,750	This loan was repayable in 16 quarterly instalments of Rupees 7.494 million each commenced from 01 December 2021 and ended on 01 September 2025. Mark-up was payable quarterly at SBP rate + 2.5% per annum.	First joint pari passu charge of Rupees 276.567 million over fixed assets of the Company and personal guarantee of a director of the Company.
	-	15,000,000	This loan was repayable in 16 quarterly instalments of Rupees 3.750 million each commenced from 25 September 2022 and ended on 25 June 2026. Mark-up was payable quarterly at SBP rate + 2.5% per annum.	
	3,000,000	15,000,000	This loan is repayable in 16 quarterly instalments of Rupees 3.000 million each commenced from 22 December 2022 and ending on 22 September 2026. Mark-up is payable quarterly at SBP rate + 2.5% per annum.	
	3,000,000	37,493,750		
Askari Bank Limited	3,971,440	5,957,152	This loan is repayable in 28 quarterly instalments of Rupees 0.496 million each commenced from 28 August 2021 and ending on 28 May 2028. Mark-up is payable quarterly in arrears at SBP rate + 2.5% per annum. (Note 7.4)	First joint pari passu charge of Rupees 381.981 million over all present and future fixed assets of the Company.
	28,457,141	42,685,713	This loan is repayable in 28 quarterly instalments of Rupees 3.557 million each commenced from 29 September 2021 and ending on 29 June 2028. Mark-up is payable quarterly in arrears at SBP rate + 2.5% per annum. (Note 7.4)	
	1,212,750	1,751,750	This loan is repayable in 28 quarterly instalments of Rupees 0.135 million each commenced from 10 December 2021 and ending on 10 September 2028. Mark-up is payable quarterly in arrears at SBP rate + 2.5% per annum. (Note 7.4)	
	50,285,707	68,571,423	This loan is repayable in 28 quarterly instalments of Rupees 4.571 million each commenced from 26 April 2022 and ending on 26 January 2029. Mark-up is payable quarterly in arrears at 3 months KIBOR + 2% per annum.	
	83,927,038	118,966,038		

Lender	2026	2025	Terms	Security
	----------Rupees ----------			
Bank Alfalah Limited (Note 7.2 and Note 7.5)	-	2,591,589	This loan was repayable in 20 equal quarterly instalments of Rupees 0.665 million each commenced from 06 August 2021 and ended on 06 May 2026. Mark-up was payable quarterly in arrears at SBP refinance rate + 3% per annum.	First joint pari passu charge of Rupees 1,197.780 million over fixed assets of the Company.
	5,011,112	24,380,523	This loan is repayable in 20 equal quarterly instalments of Rupees 5.025 million each commenced from 19 October 2021 and ending on 19 July 2026. Mark-up is payable quarterly in arrears at SBP refinance rate + 3% per annum.	
	99,192	482,666	This loan is repayable in 20 equal quarterly instalments of Rupees 0.100 million each commenced from 23 November 2021 and ending on 23 August 2026. Mark-up is payable quarterly in arrears at SBP refinance rate + 3% per annum.	
	767,927	3,736,995	This loan is repayable in 20 equal quarterly instalments of Rupees 0.775 million each commenced from 30 November 2021 and ending on 30 August 2026. Mark-up is payable quarterly in arrears at SBP refinance rate + 3% per annum.	
	430,509	2,095,178	This loan is repayable in 20 equal quarterly instalments of Rupees 0.435 million each commenced from 07 December 2021 and ending on 07 September 2026. Mark-up is payable quarterly in arrears at SBP refinance rate + 3% per annum.	
	6,308,740	33,286,951		
Bank Alfalah Limited	50,051,250	70,071,750	This loan is repayable in 16 quarterly instalments of Rupees 5.005 million each commenced from 24 February 2025 and ending on 24 November 2028. Mark-up is payable quarterly at 3 month KIBOR + 2% per annum.	
	32,800,000	45,920,000	This loan is repayable in 15 quarterly instalments of Rupees 3.280 million each commenced from 23 May 2025 and ending on 24 November 2028. Mark-up is payable quarterly at 3 month KIBOR + 2% per annum.	
	51,285,716	71,800,000	This loan is repayable in 14 quarterly instalments of Rupees 5.129 million each commenced from 24 August 2025 and ending on 24 November 2028. Mark-up is payable quarterly at 3 month KIBOR + 2% per annum.	
	134,136,966	187,791,750		
Bank Alfalah Limited	98,830,769	-	This loan is repayable in 13 quarterly instalments of Rupees 9.883 million each commenced from 6 October 2025 and ending on 04 October 2028. Mark-up is payable quarterly at SBP rate + 2% per annum. (Note 7.4)	
	98,830,769	-		

Lender	2026	2025	Terms	Security
	---------- Rupees ----------			
MCB Bank Limited (Note 7.2 and Note 7.5)	9,046,103	10,517,728	This loan is repayable in 32 quarterly instalments of Rupees 0.497 million each commenced from 23 December 2023 and ending on 23 September 2031. Mark-up is payable quarterly at SBP rate + 2.00% per annum.	First joint pari passu charge of Rupees 4,180.503 million over fixed assets of the Company and personal guarantee of a director of the Company.
	129,946,613	148,141,569	This loan is repayable in 32 quarterly instalments of Rupees 6.347 million each commenced from 10 September 2024 and ending on 10 June 2032. Mark-up is payable quarterly at SBP rate + 2.00% per annum.	
	131,822,057	147,950,981	This loan is repayable in 32 quarterly instalments of Rupees 6.619 million each commenced from 07 October 2024 and ending on 07 July 2032. Mark-up is payable quarterly at SBP rate + 2.00% per annum.	
	169,882,337	195,484,780	This loan is repayable in 32 quarterly instalments of Rupees 9.975 million each commenced from 24 December 2023 and ending on 23 September 2031. Mark-up is payable quarterly at SBP rate + 2.00% per annum.	
	440,697,110	502,095,058		
MCB Bank Limited	114,712,500	134,662,500	This loan is repayable in 32 quarterly instalments of Rupees 4.988 million each commenced from 07 June 2024 and ending on 07 March 2032. Mark-up is payable quarterly at SBP rate + 1.00% per annum. (Note 7.4)	
	274,400,000	-	This loan is repayable in 32 quarterly instalments of Rupees 8.575 million each commenced from 15 August 2027 and ending on 15 May 2035. Mark-up is payable quarterly at SBP rate - 3.00% per annum. (Note 7.4)	
	112,655,000	-	This loan is repayable in 32 quarterly instalments of Rupees 3.520 million each commenced from 15 August 2027 and ending on 15 May 2035. Mark-up is payable quarterly at SBP rate - 3.00% per annum. (Note 7.4)	
	84,220,250	98,867,250	This loan is repayable in 32 quarterly instalments of Rupees 3.662 million each commenced from 18 July 2024 and ending on 07 March 2032. Mark-up is payable quarterly at 3 months KIBOR + 1.50% per annum.	
	-	109,500,000	This loan was repayable in 32 quarterly instalments of Rupees 3.422 million each commencing from 15 August 2027 and ending on 15 May 2035. Mark-up was payable quarterly at 3 months KIBOR + 1.50% per annum. However, during the year this loan has been repaid and fresh loan under LTFF has been obtained.	
	-	112,655,000	This loan was repayable in 32 quarterly instalments of Rupees 3.520 million each commencing from 15 August 2027 and ending on 15 May 2035. Mark-up was payable quarterly at 3 months KIBOR + 1.50% per annum. However, during the year this loan has been repaid and fresh loan under LTFF has been obtained.	
	585,987,750	455,684,750		

Lender	2026	2025	Terms	Security
	----------Rupees ----------			
Habib Bank Limited	21,654,000	24,060,000	This loan is repayable in 20 quarterly instalments of Rupees 1.203 million each commenced from 17 March 2026 and ending on 17 December 2030. Mark-up is payable quarterly at 3 months KIBOR + 1.50% per annum.	First joint pari passu charge of Rupees 1,046.667 million over present and future fixed assets of the Company and personal guarantee of a director of the Company.
	25,101,000	27,890,000	This loan is repayable in 20 quarterly instalments of Rupees 1.395 million each commenced from 17 March 2026 and ending on 17 December 2030. Mark-up is payable quarterly at 3 months KIBOR + 1.50% per annum.	
	140,490,000	156,100,000	This loan is repayable in 20 quarterly instalments of Rupees 7.805 million each commenced from 17 March 2026 and ending on 17 December 2030. Mark-up is payable quarterly at 3 months KIBOR + 1.50% per annum.	
	9,090,000	10,100,000	This loan is repayable in 20 quarterly instalments of Rupees 0.505 million each commenced from 17 March 2026 and ending on 17 December 2030. Mark-up is payable quarterly at 3 months KIBOR + 1.50% per annum.	
	27,779,400	30,866,000	This loan is repayable in 20 quarterly instalments of Rupees 1.543 million each commenced from 17 March 2026 and ending on 17 December 2030. Mark-up is payable quarterly at 3 months KIBOR + 1.50% per annum.	
	38,844,000	-	This loan is repayable in 20 quarterly instalments of Rupees 2.158 million each commenced from 17 March 2026 and ending on 17 December 2030. Mark-up is payable quarterly at 3 months KIBOR + 1.50% per annum.	
	262,958,400	249,016,000		
Diminishing Musharakah The Bank of Punjab	87,545,467	-	Eight hundred and forty seven unequal monthly instalments commenced on June 2026 and ending on April 2031.	Title of the vehicles and lien registered with the excise and taxation department. Personal guarantee of a sponsor director of the Company.
	2,246,767,087	2,094,188,761		

7.2 These loans are recognized and measured in accordance with IFRS 9 'Financial Instruments'. Fair value adjustments are recognized at discount rates ranging from 9.00% to 12.00% (2025: 9.00% to 12.00%) per annum.

7.3 Repayment period includes deferment of repayment of principal loan amount by one year in accordance with State Bank of Pakistan (SBP) BPRD Circular Letter No. 13 of 2020 dated 26 March 2020.

7.4 These loans are obtained by the Company under SBP's Long Term Financing Facility (LTFF) and carry mark-up ranging from 3.00% to 8.00% (2025: 3.00% to 5.00%) per annum.

7.5 These loans are obtained by the Company under SBP's Temporary Economic Refinance Facility (TERF) scheme for purchase of new imported and locally manufactured plant and machinery which carry mark-up ranging from 3.00% to 4.00% (2025: 3.00% to 4.00%) per annum.

7.6 The effective rate on KIBOR based loans ranged from 12.13% to 14.34% (2025: 7.70% to 22.49%) per annum.

	2026 Rupees	2025 Rupees
8 LEASE LIABILITIES		
Total lease liabilities	146,105,534	21,087,179
Less: Current portion shown under current liabilities (Note 15)	(33,266,666)	(6,878,752)
	112,838,868	14,208,427
8.1 Reconciliation of lease liabilities		
Opening balance	21,087,179	-
Add: Additions during the year	141,777,889	26,400,104
Add: Interest accrued on lease liabilities (Note 40)	12,452,278	2,175,075
Less: Payments during the year	29,211,812	7,488,000
Closing balance	146,105,534	21,087,179
8.2 Maturity analysis of lease liabilities is as follows:		
Upto 6 months	25,022,926	4,992,000
6-12 months	25,577,253	5,491,200
1-2 years	42,613,065	11,531,520
More than 2 years	98,160,056	3,544,320
	191,373,300	25,559,040
Less: Future finance cost	45,267,766	4,471,861
Present value of lease liabilities	146,105,534	21,087,179
8.3 Amounts recognised in the statement of profit or loss		
Interest accrued during the year (Note 40)	12,452,278	2,175,075

8.4 Implicit rate against lease liabilities range from 12.68% to 14.91% (2025: 15.34%) per annum.

	2026 Rupees	2025 Rupees
9 DEFERRED LIABILITIES		
Deferred income tax liability (Note 9.1)	126,474,981	469,911,292
Gas Infrastructure Development Cess (GIDC) payable (Note 9.2)	-	-
	126,474,981	469,911,292

9.1 Deferred income tax liability

The liability for deferred taxation originated due to taxable / (deductible) temporary differences relating to:

	2026 Rupees	2025 Rupees
Taxable temporary differences		
Surplus on revaluation of operating fixed assets (Note 6.3)	403,292,802	570,904,510
Accelerated tax depreciation	-	179,210,656
Unrealized gain on FVTOCI investment (Note 6.2)	45,386,467	63,996,616
Unrealized gain on FVTPL investments	132,689	222,885
Unrealized gain on forward exchange contracts	-	273,529
Right-of-use asset	41,375,834	8,128,453
Deductible temporary differences		
Unrealized loss on forward exchange contracts	(2,186,087)	-
Accelerated tax depreciation	(46,345,244)	-
Minimum tax carry forward	-	(328,230,674)
Unabsorbed tax depreciation and amortization	(261,485,301)	-
Lease liabilities	(42,370,605)	(8,224,000)
Provision for slow moving, obsolete and damaged store items	(9,904,292)	(9,528,635)
Provision against doubtful receivables	(1,421,282)	(6,842,048)
	126,474,981	469,911,292

9.1.1 Movement in taxable / (deductible) temporary differences during the year is as follows:

	2026			
	Opening balance	Recognized in statement of profit or loss	Recognized in other comprehensive income	Closing balance
	---------- Rupees ----------			
Surplus on revaluation of operating fixed assets	570,904,510	(28,545,225)	(139,066,483)	403,292,802
Accelerated tax depreciation	179,210,656	(225,555,900)	-	(46,345,244)
Unrealized gain on FVTOCI investment	63,996,616	-	(18,610,149)	45,386,467
Unrealized gain on FVTPL investments	222,885	(90,196)	-	132,689
Right-of-use asset	8,128,453	33,247,381	-	41,375,834
Unrealized gain / (loss) on forward exchange contracts	273,529	(2,459,616)	-	(2,186,087)
Minimum tax carry forward	(328,230,674)	328,230,674	-	-
Unabsorbed tax depreciation and amortization	-	(261,485,301)	-	(261,485,301)
Lease liabilities	(8,224,000)	(34,146,605)	-	(42,370,605)
Provision for slow moving, obsolete and damaged store items	(9,528,635)	(375,657)	-	(9,904,292)
Provision against doubtful receivables	(6,842,048)	5,420,766	-	(1,421,282)
	469,911,292	(185,759,679)	(157,676,632)	126,474,981

	2025			
	Opening balance	Recognized in statement of profit or loss	Recognized in other comprehensive income	Closing balance
	---------- Rupees ----------			
Surplus on revaluation of operating fixed assets	600,952,115	(30,047,605)	-	570,904,510
Accelerated tax depreciation	-	179,210,656	-	179,210,656
Unrealized gain on FVTOCI investment	8,453,690	-	55,542,926	63,996,616
Unrealized gain on FVTPL investments	42,444	180,441	-	222,885
Unrealized gain on forward exchange contracts	1,572,739	(1,299,210)	-	273,529
Right-of-use asset	-	8,128,453	-	8,128,453
Minimum tax carry forward	-	(328,230,674)	-	(328,230,674)
Lease liability	-	(8,224,000)	-	(8,224,000)
Provision for slow moving, obsolete and damaged store items	-	(9,528,635)	-	(9,528,635)
Provision against doubtful receivables	-	(6,842,048)	-	(6,842,048)
	611,020,988	(196,652,622)	55,542,926	469,911,292

9.1.2 Deferred tax asset has been recognised to the extent that the realisation of related tax benefits is probable from future taxable profits. The expiry of the unabsorbed tax depreciation, amortization and minimum tax carried forward is as follows:

	Accounting year to which minimum tax carry forward relates	Amount	Accounting year in which minimum tax carried forward expire
		Rupees	
Minimum tax carried forward	2025	339,347,127	2028
	2026	320,995,715	2028
		660,342,842	

	Accounting year to which tax loss relates	Amount	Accounting year in which tax loss expire
		Rupees	
Available unabsorbed tax depreciation and amortization	upto year 2013	140,010,032	Unlimited
	2025	142,504,041	Unlimited
	2026	619,159,380	Unlimited
		901,673,453	

9.2 Gas Infrastructure Development Cess (GIDC) Payable

	2026 Rupees	2025 Rupees
Gas Infrastructure Development Cess payable at amortized cost	72,312,218	72,312,218
Less: Current portion shown under current liabilities (Note 15)	72,312,218	72,312,218
	-	-

9.2.1 This represents Gas Infrastructure Development Cess (GIDC) levied through GIDC Act, 2015. The Honorable Supreme Court of Pakistan upheld the GIDC Act, 2015 to be constitutional and intra vires. GIDC payable has been recorded at amortized cost in accordance with IFRS 9.

10 DEFERRED INCOME - GOVERNMENT GRANT

	2026 Rupees	2025 Rupees
Opening balance	130,402,994	168,636,391
Less: Amortized during the year (Note 39)	33,373,341	38,233,397
	97,029,653	130,402,994
Less: Current portion shown under current liabilities (Note 15)	28,527,235	33,373,341
Closing balance	68,502,418	97,029,653

10.1 The State Bank of Pakistan (SBP), through its Circular No. 01 and 02 of 2020 dated 17 March 2020 and Circular No. 09 of 2020 dated 08 May 2020 introduced a Temporary Economic Refinance Facility (TERF) for setting up new industrial units and for undertaking Balancing, Modernization and Replacement and / or expansion of projects / businesses. This refinance was available through Banks / DFIs. One of the key features of this refinance facility is that the borrowers obtained loans at mark-up rates that were below normal lending rates. As per International Accounting Standard (IAS) 20 'Accounting for Government Grants and Disclosure of Government Assistance', the benefit of a Government loan at a below-market rate of interest is treated as a Government grant. The Company has obtained this loan as disclosed in note 7.1 to the financial statements. In accordance with IFRS 9 'Financial Instruments', loan obtained under the refinance facility was initially recognized at fair value which is the present value of loan proceeds received, discounted using prevailing market rates of interest for a similar instrument. Hence, the benefit of the below-market rate of interest has been measured as the difference between the initial carrying value of the loan determined in accordance with IFRS 9 and the proceeds received. This benefit is accounted for and presented as deferred grant in accordance with IAS 20. The grant is being amortized in the statement of profit or loss, in line with the recognition of interest expense the grant is compensating. There are no unfulfilled conditions or contingencies attached to this grant.

11 TRADE AND OTHER PAYABLES

	2026 Rupees	2025 Rupees
Creditors (Note 11.1)	4,484,787,186	2,994,594,310
Accrued and other liabilities (Note 11.2)	772,715,131	742,235,924
Payable to banks under discounting bill arrangement	833,986,286	1,587,671,054
Advance against sale of land (Note 21)	-	5,000,000
Payable against purchase of land	60,000,000	-
Sales commission payable	75,354,683	73,912,429
Loans from related parties (Note 11.3)	62,214,490	78,614,490
Sales / income tax withheld	63,923,412	30,669,596
Security deposit - interest free (Note 11.4)	50,000	50,000
Fair value of forward exchange contracts	7,538,230	-
Workers' profit participation fund (Note 11.5)	7,821,725	20,541,734
Workers' welfare fund (Note 11.6)	114,270,679	111,205,285
	6,482,661,822	5,644,494,822

11.1 These include Rupees 0.337 million (2025: Rupees 0.430 million) payable to Security General Insurance Company Limited - related party of the Company.

11.2 These include Rupees 18.900 million (2025: Rupees 21.900 million) payable to legal heirs of deceased director.

11.3 These represent interest free, unsecured and repayable on demand, loans obtained from following related parties:

	2026 Rupees	2025 Rupees
Chief executive officer	23,400,000	33,800,000
Close relatives of the chief executive officer	21,532,490	27,532,490
Director	17,282,000	17,282,000
	62,214,490	78,614,490

11.4 These deposits are interest free and repayable on completion of contracts. These deposits have been utilized for the purpose of business in accordance with the terms of written agreements with contractors.

	2026 Rupees	2025 Rupees
11.5 Workers' profit participation fund		
Opening balance	20,541,734	20,791,823
Add: Provision for the year (Note 38)	7,821,725	20,541,734
Add: Interest accrued for the year (Note 40)	2,121,781	2,283,466
Less: Paid during the year	22,663,515	23,075,289
Closing balance	7,821,725	20,541,734

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

	2026 Rupees	2025 Rupees
11.6 Workers' welfare fund		
Opening balance	111,205,285	103,123,882
Add: Provision for the year (Note 38)	3,065,394	8,081,403
Closing balance	114,270,679	111,205,285
12 CONTRACT LIABILITIES - UNSECURED		
Contract liabilities - unsecured (Note 34.2)	147,392,738	177,830,518
13 ACCRUED MARK-UP		
Long term financing	46,968,407	26,872,734
Short term borrowings	151,704,175	106,303,609
	198,672,582	133,176,343

	2026 Rupees	2025 Rupees
14 SHORT TERM BORROWINGS - SECURED		
From banking companies		
SBP refinance (Note 14.1 and Note 14.2)	2,960,500,000	2,685,500,000
Other short term finances (Note 14.1 and Note 14.3)	6,223,614,342	4,723,819,105
	9,184,114,342	7,409,319,105

14.1 These facilities are secured against hypothecation charge on current assets, lien on export contracts / letters of credit, first joint pari passu charge on fixed and current assets, personal guarantee of director and ranking charge on current assets of the Company.

14.2 These carry mark-up ranging from 4.50% to 8.00% (2025: 8.00% to 19.00%) per annum on outstanding balance.

14.3 These carry mark-up ranging from 5.25% to 14.51% (2025: 5.25% to 22.85%) per annum on outstanding balance.

	2026 Rupees	2025 Rupees
15 CURRENT PORTION OF NON - CURRENT LIABILITIES		
Current portion of:		
Long term financing (Note 7)	526,475,570	455,840,863
Lease liabilities (Note 8)	33,266,666	6,878,752
GIDC payable (Note 9.2)	72,312,218	72,312,218
Deferred income-Government grant (Note 10)	28,527,235	33,373,341
	660,581,689	568,405,174
16 TAXATION AND LEVY - NET		
Provision for taxation	23,260,062	30,361,261
Levy payable	456,903,813	636,682,807
	480,163,875	667,044,068
Advance tax and prepaid levy	(670,136,158)	(616,006,796)
	(189,972,283)	51,037,272

17 CONTINGENCIES AND COMMITMENTS

17.1 Contingencies

17.1.1 During the year ended 30 June 2011, pursuant to the sale of assets agreement with M/s Interloop Limited, the Company is contingently liable for Rupees 1.958 million against payment of certain outstanding dues to Employees' Old-Age Benefits Institution (EOBI). To secure the performance of aforesaid condition, the Company has deposit with Allied Bank Limited (Note 24.1). However, no provision has been recognized in these financial statements as the management is confident to fulfil the conditions in accordance with the sale of assets agreement.

17.1.2 During the year ended 30 June 2010, Lahore Electric Supply Company Limited (LESCO) served a notice to the Company in connection with violation of Power Purchase Agreement. According to the aforesaid notice, the Company was using gas along with Refined Furnace Oil (RFO) in the ratio of 50:50 as co-fuel in order to generate electric power for sale to LESCO whereas tariff was charged to LESCO on the basis of RFO. The matter has been referred for arbitration and is being resolved under the provisions of above said Power Purchase Agreement. The proceedings of arbitration are in process. An amount of Rupees 86.833 million receivable by the Company from LESCO is still unpaid. Full provision against this receivable has been made in books of account. However, the Company is confident that the said amount will be recovered.

17.1.3 During the year ended 30 June 2025, the Company has filed petition before Honourable Lahore High Court, Lahore (the Court) against the imposition of captive levy. The Honourable Lahore High Court, Lahore vide its judgment dated 29 January 2026 held that the mandatory mechanism prescribed under Section 4 of the Off the Grid (Captive Power Plants) Levy Act, 2025 for determination of the levy had not been followed and that the levy could not be imposed retrospectively in the absence of an express statutory provision. Accordingly, the Court set aside/annulled the impugned notifications and bills issued for retrospective recovery of the levy. Further, the Court also ordered that any amount collected from petitioners in this regard shall be credited in the bill(s) for the upcoming months and the post dated cheques furnished by the Company, in compliance of the orders passed by the Court for grant of interim relief, shall be returned by Sui Northern Gas Pipelines Limited to the Company. Against the order of the Court, Federation of Pakistan has filed appeal in Federal Constitutional Court of Pakistan which is pending adjudication. The total amount billed to the Company was Rupees 36.536 million, however, out of the total amount the management has recognized provision of Rupees 12.030 million in the books of account. Based on legal advice, management is confident that the matter will be decided in favour of the Company. Accordingly provision for the differential amount has not been recognized in these financial statements.

17.1.4 The Company received a show cause notice from the Additional Commissioner Enforcement–III, Punjab Revenue Authority, Government of Punjab, for alleged non-deduction of withholding sales tax amounting to Rupees 120.223 million under the Punjab Sales Tax on Services (Withholding) Rules, 2015 on certain taxable services availed during the year 2017. The Company has filed a writ petition before the Honourable Lahore High Court, Lahore, challenging the show cause notice on various legal grounds. The case is pending adjudication. Based on legal advice, management believes that there are meritorious grounds to contest the matter and is confident of a favourable outcome. Accordingly, no provision has been recognised in these financial statements in respect of this matter.

17.1.5 The Company received notice from the Collector of Customs (Appraisement), Dryport, Lahore, during the year ended 30 June 2023 alleging non-payment of advance income tax at the time of import of goods during the period from 2008 to 2011, thereby raising a demand of Rupees 26.195 million along with a penalty of Rupees 0.50 million. The matter was decided against the Company by the Collector of Customs (Adjudication), who directed payment of the aforesaid

amount along with penalties. Being aggrieved, the Company has filed an appeal before the Customs, Excise and Sales Tax Appellate Tribunal, which is pending adjudication. Based on legal advice, management is of the view that the Company has reasonable grounds to defend its position and accordingly, no provision has been recognized in these financial statements.

17.1.6 The Company received notices from SNGPL to pay an amount of Rupees 53.025 million on account of adjustments and late payment surcharge on retrospective redetermination of tariff of RLNG for the period from April 2015 to March 2024. The Company along with others filed a writ petition before Honourable Lahore High Court, Lahore. Honourable Lahore High Court granted interim relief by suspending notices and ordered to furnish post dated cheques. Out of the total amount the Company has recognised provision of Rupees 11.121 million in the books of account. Based on legal advice, management is of the view that the Company has reasonable grounds to defend its position and accordingly, provision for the differential amount has not been recognized in these financial statements.

17.1.7 The Company consumed natural gas purchased from Universal Gas Distribution Company (Private) Limited ("UGDCL") for operation of its captive power generation facilities. The Off the Grid (Captive Power Plants) Levy Act, 2025 ("the Act") required for a levy on the consumption of natural gas or RLNG by captive power plants and further required that the agent responsible for supplying gas shall bill and collect the levy from captive power plants and remit the same to the Federal Government.

The management is of the view that, based on the terms of its gas supply arrangement and agreement with UGDCL, any amount arising in respect of the levy is the responsibility of UGDCL and that the Company has no present obligation to settle such amount. As per agreement with UGDCL, in the event such a levy is imposed in the future, it shall be applied only on a prospective basis from the date of official notification. As on 13 July 2026, the Islamabad High Court ("IHC") issued a judgement in respect of UGDCL, whereby the IHC set aside, to the extent applicable to UGDCL, the notification appointing UGDCL as a collection agent under the Act, the Off the Grid (Captive Power Plants) Removal of Difficulties Order, 2026 and the related directions issued by the Ministry of Energy. The IHC held, inter alia, that the levy mechanism under the Act was linked to gas prices notified by OGRA and that the executive authorities could not, through subordinate legislation or executive notifications, expand the scope of a fiscal statute to privately negotiated gas prices applicable to UGDCL.

The Federation of Pakistan has challenged the IHC judgment before the Federal Constitutional Court ("FCC"). On 5 August 2026, the FCC, after hearing the Attorney General for Pakistan, issued notices to the respondents and suspended the operation of the impugned IHC judgment during the pendency of the appeal. The suspension was made subject and respondent(s) have been required to deposit the requisite disputed levy amount before the FCC. Therefore, the effect of the IHC judgment is presently held in suspension and the legal dispute concerning the applicability and enforceability of the levy remains sub judice before the FCC.

Notwithstanding management's view that the Company is not liable for the levy and that any obligation, if applicable, rests with UGDCL, the ultimate liability of the Company remains uncertain. In particular, following the suspension of the IHC judgment by the FCC, the possibility of the levy to be recovered pursuant to a final judicial or statutory determination cannot presently be excluded.

Currently, no provision has been recognized by the Company in respect of the levy. In view of the ongoing proceedings before the FCC and the uncertainty regarding the applicability, ultimate liability and amount of the levy. The ultimate financial impact, if any, cannot presently be determined.

17.1.8 Bank guarantees of Rupees 251.552 million (2025: Rupees 278.504 million) are given by the banks of the Company in favour of Sui Northern Gas Pipelines Limited against gas connections.

17.1.9 Bank guarantees of Rupees 18.771 million (2025: Rupees 26.935 million) are given by the bank of the Company in favour of Lahore Electric Supply Company Limited against electricity connections.

17.1.10 Post dated cheques amounting to Rupees 2,000.000 million (30 June 2025: Rupees 2,000.000 million) are issued to Collector of Customs (Appraisement) Lahore against export facilitation scheme.

17.2 Commitments

17.2.1 Aggregate commitments for capital expenditure and revenue expenditures are amounting to Rupees 180.869 million and Rupees 236.101 million (2025: Rupees 396.077 million and Rupees 224.303 million) respectively.

17.2.2 Post dated cheques amounting to Rupees 379.956 million (2025: 134.039 million) are issued to creditors of the Company.

17.2.3 Outstanding foreign currency forward contracts are of Rupees 561.005 million (2025: 268.796 million).

	2026 Rupees	2025 Rupees
18 FIXED ASSETS		
Property, plant and equipment		
Operating fixed assets (Note 18.1)	13,582,014,872	11,338,078,217
Capital work-in-progress (Note 18.2)	560,734,119	1,471,167,710
	14,142,748,991	12,809,245,927

18.1 Reconciliations of carrying amounts of operating fixed assets at the beginning and end of the year are as follows:

Description	Freehold land	Residential building	Factory building	Plant and machinery	Electric Installations	Furniture, fixtures and equipment	Computers	Motor vehicles	Total
	Rupees								
As at 30 June 2024									
Cost / revalued amount	4,407,424,000	394,832,816	2,899,872,981	7,738,797,726	311,274,316	139,391,212	73,647,948	304,978,013	16,270,219,012
Accumulated depreciation	-	(150,270,816)	(660,434,981)	(3,450,512,533)	(154,394,999)	(96,335,235)	(62,382,323)	(106,480,487)	(4,680,811,374)
Accumulated impairment loss	-	-	-	(54,082,319)	-	-	-	-	(54,082,319)
Net book value	4,407,424,000	244,562,000	2,239,438,000	4,234,202,874	156,879,317	43,055,977	11,265,625	198,497,526	11,535,325,319
Year ended 30 June 2025									
Opening net book value	4,407,424,000	244,562,000	2,239,438,000	4,234,202,874	156,879,317	43,055,977	11,265,625	198,497,526	11,535,325,319
Additions	19,530,725	-	33,120,272	230,640,785	17,225,429	10,405,096	11,919,149	56,823,619	379,665,075
Disposals:									
Cost	-	-	-	(142,903,823)	-	-	-	(3,773,550)	(146,677,373)
Accumulated depreciation	-	-	-	101,140,693	-	-	-	1,145,147	102,285,840
	-	-	-	(41,763,130)	-	-	-	(2,628,403)	(44,391,533)
Depreciation charge	-	(12,228,099)	(112,314,528)	(349,649,587)	(17,151,603)	(4,767,374)	(5,254,602)	(31,154,851)	(532,520,644)
Closing net book value	4,426,954,725	232,333,901	2,160,243,744	4,073,430,942	156,953,143	48,693,699	17,930,172	221,537,891	11,338,078,217
As at 30 June 2025									
Cost / revalued amount	4,426,954,725	394,832,816	2,932,993,253	7,826,534,688	328,499,745	149,796,308	85,567,097	358,028,082	16,503,206,714
Accumulated depreciation	-	(162,498,915)	(772,749,509)	(3,699,021,427)	(171,546,602)	(101,102,609)	(67,636,925)	(136,490,191)	(5,111,046,178)
Accumulated impairment loss	-	-	-	(54,082,319)	-	-	-	-	(54,082,319)
Net book value	4,426,954,725	232,333,901	2,160,243,744	4,073,430,942	156,953,143	48,693,699	17,930,172	221,537,891	11,338,078,217
Year ended 30 June 2026									
Opening net book value	4,426,954,725	232,333,901	2,160,243,744	4,073,430,942	156,953,143	48,693,699	17,930,172	221,537,891	11,338,078,217
Additions	121,854,931	-	98,899,259	2,227,491,532	267,274,750	45,400,663	44,342,568	137,578,223	2,942,841,926
Disposals:									
Cost	-	-	-	(58,452,419)	-	-	-	(42,511,061)	(100,963,480)
Accumulated depreciation	-	-	-	37,243,181	-	-	-	21,928,777	59,171,958
	-	-	-	(21,209,238)	-	-	-	(20,582,284)	(41,791,522)
Depreciation charge	-	(11,616,694)	(111,094,284)	(439,093,661)	(33,147,680)	(8,656,700)	(14,126,179)	(39,378,551)	(657,113,749)
Closing net book value	4,548,809,656	220,717,207	2,148,048,719	5,840,619,575	391,080,213	85,437,662	48,146,561	299,155,279	13,582,014,872
As at 30 June 2026									
Cost / revalued amount	4,548,809,656	394,832,816	3,031,892,512	9,995,573,801	595,774,495	195,196,971	129,909,665	453,095,244	19,345,085,160
Accumulated depreciation	-	(174,115,609)	(883,843,793)	(4,100,871,907)	(204,694,282)	(109,759,309)	(81,763,104)	(153,939,965)	(5,708,987,969)
Accumulated impairment loss	-	-	-	(54,082,319)	-	-	-	-	(54,082,319)
Net book value	4,548,809,656	220,717,207	2,148,048,719	5,840,619,575	391,080,213	85,437,662	48,146,561	299,155,279	13,582,014,872
Depreciation rate % per annum	-	5	5	10	10	10	30	20	

18.1.1 Freehold land and buildings of the Company have been revalued as at 30 June 2024 by an independent valuer, Messrs Hamid Mukhtar and Company (Private) Limited. Had there been no revaluation, the value of the assets would have been lower by Rupees 5,131.155 million (2025: Rupees 5,204.347 million). Forced sale value of freehold land and buildings as on the date of valuation was Rupees 3,525.939 million and Rupees 1,987.201 million respectively.

18.1.2 The book value of freehold land and buildings on cost basis is Rupees 808.320 million and Rupees 978.101 million (2025: Rupees 686.465 million and Rupees 928.720 million) respectively.

18.1.3 Detail of operating fixed assets exceeding book value of Rupees 500,000 disposed of during the year is as follows:

Particulars	Quantity	Cost	Accumulated depreciation	Net book value	Sale proceeds	Gain / (loss)	Mode of disposal	Particulars of purchaser
		---------- Rupees ----------						
Plant and machinery								
Turbine Boiler	1	40,000,000	26,408,986	13,591,014	14,406,780	815,766	Negotiation	Future Fashion (Private) Limited Lahore.
Thermoil Boiler	1	18,452,419	10,834,195	7,618,224	7,203,390	(414,834)	Negotiation	Meo Traders, Lahore.
		58,452,419	37,243,181	21,209,238	21,610,170	400,932		
Motor vehicles								
Toyota Corolla GLI LE-14A-2500	1	2,387,310	1,738,046	649,264	3,850,000	3,200,736	Negotiation	Mr. Abdullah Ahsan, Lahore.
Toyota Corolla GLI LEH-17-2297	1	1,727,160	1,169,230	557,930	1,400,000	842,070	Negotiation	Mr. Muhammad Ali, employee, Lahore.
Honda City LEB-18-4732	1	1,643,960	1,087,624	556,336	3,000,000	2,443,664	Negotiation	Mr. Muhammad Iqbal, Lahore.
Suzuki Cultus AEP-21-749	1	1,819,877	918,163	901,714	901,714	-	As per Company's policy	Mr. Sajjad Shafi, ex-employee, Lahore.
Honda Civic LEB-19-550	1	3,139,335	1,988,433	1,150,902	4,650,000	3,499,098	Negotiation	Mr. Muhammad Kamil Shabir, Narowal.
Honda Civic LEA-19-564	1	3,147,335	2,013,668	1,133,667	4,740,000	3,606,333	Negotiation	Mr. Nadeem Ahmad Chohan, Lahore.
Corolla XLi LED-19-4469	1	2,243,350	1,422,229	821,121	3,900,000	3,078,879	Negotiation	Mr. Hafeez ur Rehman, Lahore.
Toyota XLi LEH-16-1056	1	1,830,730	1,124,911	705,819	3,200,000	2,494,181	Negotiation	Mr. Umar Farooq, Lahore.
Toyota Yaris APR-891	1	4,987,650	1,383,242	3,604,408	3,604,408	-	As per Company's policy	Mr. Aurangzeb Chughtai, ex-employee, Lahore.
Suzuki Cultus AEQ-730	1	1,771,620	842,819	928,801	928,801	-	As per Company's policy	Mr. Muhammad Jawwad Aziz, employee, Lahore.
Suzuki Cultus ALK-360	1	3,530,780	1,446,710	2,084,070	2,084,070	-	As per Company's policy	Miss Lubna Liaqat, ex-employee, Lahore.
Corolla XLi Altis ALK-796	1	5,194,884	2,200,968	2,993,916	2,993,916	-	As per Company's policy	Mr. Tariq Mehmood, ex-employee, Lahore.
Elantra APC-404	1	5,496,240	2,164,493	3,331,747	3,331,747	-	As per Company's policy	Mr. Umar Farooq, ex-employee, Lahore.
		38,920,231	19,500,536	19,419,695	38,584,656	19,164,961		
Aggregate of vehicles with individual book values not exceeding Rupees 500,000	3	3,590,830	2,428,241	1,162,589	4,750,000	3,587,411		
		100,963,480	59,171,958	41,791,522	64,944,826	23,153,304		

	2026 Rupees	2025 Rupees
18.1.4 The depreciation charge for the year has been allocated as follows:		
Cost of sales (Note 35)	606,617,623	502,088,724
Distribution cost (Note 36)	7,967,464	6,181,070
Administrative Expenses (Note 37)	42,528,662	24,250,850
	657,113,749	532,520,644

18.1.5 Particulars of immovable properties (i.e. land and buildings) are as follows:

Manufacturing units and office	Address	Area of land	Covered area of buildings
		Acres	Square feet
Manufacturing units:			
Weaving	8-K.M., Manga Raiwind Road, District Kasur.	57.803	414,605
Open land	Moza Rosa and Bhail, 8-K.M., Manga Raiwind Road, District Kasur.	66.823	-
Dyeing	8-K.M., Manga Raiwind Road, District Kasur.	8.670	370,183
Power generation	8-K.M., Manga Raiwind Road, District Kasur.	21.010	117,296
Apparel	8-K.M., Manga Raiwind Road, District Kasur.	2.570	134,412
Office	8-K.M., Manga Raiwind Road, District Kasur.	0.410	19,591
		157.286	1,056,087

18.2 Movement in capital work in progress

	Building	Plant and machinery	Electric installations	Advance against purchase of vehicles	Furniture, fixtures and equipment	Computers	Unallocated Capital expenditure	Stores held for capital expenditures	Total
	Rupees								
At 30 June 2024	921,520	76,475,496	124,249,153	16,082,871	4,805,489	-	-	5,879,171	228,413,700
Add: Additions during the year	37,415,590	797,900,051	66,937,008	40,740,748	26,218,027	7,390,358	109,199,197	467,339,165	1,553,140,144
Less: Capitalized during the year	(33,120,272)	(184,265,414)	(16,121,429)	(56,823,619)	(8,845,000)	(10,067,541)	-	(1,142,859)	(310,386,134)
Add / (less): Reclassification	31,421,087	(34,098,270)	-	-	-	2,677,183	-	-	-
At 30 June 2025	36,637,925	656,011,863	175,064,732	-	22,178,516	-	109,199,197	472,075,477	1,471,167,710
Add: Additions during the year	68,719,957	1,153,785,637	131,319,070	-	108,485,612	27,293,352	232,728,356	703,000	1,723,034,984
Less: Charged to statement of profit or loss	(417,550)	(810,487)	(986,000)	-	-	-	-	(1,961,117)	(4,175,154)
Add / (less): Reclassifications	-	417,061,438	(26,916,890)	-	-	16,119,216	-	(406,263,764)	-
Less: Capitalized during the year	(98,899,259)	(1,974,035,673)	(261,658,717)	-	(45,400,672)	(43,412,568)	(205,183,532)	(703,000)	(2,629,293,421)
At 30 June 2026	6,041,073	252,012,778	16,822,195	-	85,263,456	-	136,744,021	63,850,596	560,734,119

18.2.1 Borrowing cost amounting to Rupees 32.814 million (2025: Rupees 18.767 million) has been capitalized during the year. The effective rate of borrowing cost capitalized during the year ranged from 8.00% to 13.15% (2025: 12.86% to 22.24%) per annum.

18.2.2 Capital work in progress includes advances of Rupees 44.035 million (2025: 80.562 million) given to suppliers against purchase of respective items of each category of capital work in progress.

18.2.3 Capital work in progress relating to plant and machinery and electric installations includes goods in transit amounting to Rupees Nil (2025: Rupees 196.885 million).

19 RIGHT-OF-USE ASSETS

Reconciliation of carrying amount of right-of-use assets:

	Vehicles	Building	Total
	---------- Rupees ----------		
At 30 June 2024	-	-	-
Add: Additions during the year	-	26,400,104	26,400,104
Less: Depreciation for the year (Note 19.2)	-	5,557,917	5,557,917
At 30 June 2025	-	20,842,187	20,842,187
Add: Additions during the year	147,041,239	-	147,041,239
Less: Depreciation for the year (Note 19.2)	16,871,261	8,336,875	25,208,136
At 30 June 2026	130,169,978	12,505,312	142,675,290

Lease of building

The Company has obtained building (godown) on lease for a period of three years with two months grace period. Annual increment in rental is at the rate of 10% per annum.

Lease of vehicles

The Company obtained vehicles on lease for employees. Lease period is 60 months.

19.1 There is no impairment against right-of-use assets.

		2026 Rupees	2025 Rupees
19.2	Depreciation charge for the year has been allocated as follows:		
	Cost of sales (Note 35)	11,061,650	5,557,917
	Distribution cost (Note 36)	7,480,056	-
	Administrative expenses (Note 37)	6,666,430	-
		25,208,136	5,557,917

	2026 Rupees	2025 Rupees
20 INTANGIBLE ASSETS		
As at 01 July		
Cost	16,609,635	16,609,635
Accumulated amortization	(10,881,325)	(9,418,778)
Net book value	5,728,310	7,190,857
Year ended 30 June		
Opening net book value	5,728,310	7,190,857
Add: Additions (Note 20.1)	6,857,335	-
Less: Amortization charge (Note 36)	(2,425,290)	(1,462,547)
Closing net book value	10,160,355	5,728,310
As at 30 June		
Cost	23,466,970	16,609,635
Accumulated amortization	(13,306,615)	(10,881,325)
Net book value	10,160,355	5,728,310
Amortization rate % per annum	20	20

20.1 These represent cost incurred on designing software and online store.

20.2 Intangible asset - computer software having cost of Rupees 9.298 million has been fully amortized. However, it is still in use of the Company.

21	**INVESTMENT PROPERTY**		
	Land	-	-
21.1	Opening balance	-	1,981,607
	Less: Transferred to non-current asset classified as held for sale	-	(1,981,607)
	Closing balance	-	-

21.2 This represented 13.7 kanal agricultural land located at Sahiwal, Farooqa Road, Sargodha.

21.3 No expenses directly related to investment property were incurred during the year. The market value of land as at 30 June 2025 was estimated at Rupees 5.617 million. Forced sale value of investment property as on 30 June 2025 was Rupees 4.494 million. The valuation was carried out by an independent valuer. During the year, this land has been disposed of against sale proceeds of Rupees 10.500 million, resultantly the gain of Rupees 8.518 million has been recognized as other income (Note 39).

	2026 Rupees	2025 Rupees
22 LONG TERM INVESTMENTS		
Equity instruments		
Fair value through other comprehensive income		
Associated companies (without significant influence)		
K-2 Hosiery (Private) Limited - unquoted 1,194,000 (2025: 1,194,000) ordinary shares of Rupees 10 each	-	-
Security General Insurance Company Limited - unquoted (Note 22.1 and 22.2) 643,667 (2025: 643,667) fully paid ordinary shares of Rupees 10 each	704,171	704,171
Add: Fair value adjustment	156,505,057	164,093,891
	157,209,228	164,798,062
	157,209,228	164,798,062

22.1 640,000 ordinary shares of Security General Insurance Company Limited were pledged in favour of Allied Bank Limited to serve the performance of certain conditions of sale of assets agreement with M/s Interloop Limited (Note 17.1.1). However, during the year this charge has been released. Fair value per ordinary share is determined at Rupees 244.24 (2025: Rupees 256.03) by an independent valuer.

22.2 Mr. Ismail Aamir Fayyaz (a director of the Company) was elected as director of Security General Insurance Company Limited on 30 April 2024. As a result, Security General Insurance Company Limited became an associated company (without significant influence) with effect from 30 April 2024 due to common directorship.

22.3 Kohinoor Mills USA, Inc. is a Delaware Corporation incorporated under the Laws of the State of Delaware, United States of America. Date of incorporation of Kohinoor Mills USA, Inc. is 11 March 2026. The registered office address of Kohinoor Mills USA, Inc. in the State of Delaware is located at 2140 South DuPont Hwy in the city of Camden, County of Kent. The purpose of Kohinoor Mills USA, Inc. is to engage in any lawful act or activity for which corporations may be organized under the General Law of Delaware. The total amount of stock, Kohinoor Mills USA, Inc. is authorized to issue is 1,000 shares (number of authorized shares) with a par value of USD 1 per share. Kohinoor Mills Limited owns 100% shares of Kohinoor Mills USA, Inc. However, Kohinoor Mills Limited has not yet remitted funds into the bank account of Kohinoor Mills USA, Inc. against the shares subscribed and expects to make investment in shares of Kohinoor Mills USA, Inc. shortly.

	2026 Rupees	2025 Rupees
23 LONG TERM LOANS		
Considered good:		
Executives - secured (Note 23.1 and Note 23.2)	23,614,132	10,294,444
Other employees - secured (Note 23.2)	791,993	4,426,250
	24,406,125	14,720,694
Less: Current portion shown under current assets (Note 28)		
Executives	13,126,651	5,940,000
Other employees	746,993	3,022,366
	13,873,644	8,962,366
	10,532,481	5,758,328

23.1 Maximum aggregate balance due from executives at the end of any month during the year was Rupees 25.868 million (2025: Rupees 13.125 million).

23.2 These represent interest free loans given to executives and other employees as per the Company's policy for general purposes. These are secured against balance to the credit of employees in the provident fund trust and are recoverable in fifteen to thirty six monthly instalments.

23.3 The fair value adjustment in accordance with the requirements of IFRS 9 'Financial Instruments' arising in respect of staff loans is not considered material and hence not recognized.

	2026 Rupees	2025 Rupees
24 LONG TERM DEPOSITS		
Security deposits	210,588,219	134,195,599

24.1 These include deposit of Rupees 8.491 million with Allied Bank Limited, in a non-checking account, to secure performance of certain conditions of sale of assets agreement with M/s Interloop Limited (Note 17.1.1).

	2026 Rupees	2025 Rupees
25 STORES, SPARES AND LOOSE TOOLS		
Stores and spares (Note 25.1)	1,323,276,409	1,150,510,700
Loose tools	2,913,771	2,758,021
	1,326,190,180	1,153,268,721
Less: Provision for slow moving, obsolete and damaged store items (Note 25.2)	171,487,182	161,766,848
	1,154,702,998	991,501,873

25.1 These include stores in transit of Rupees 16.473 million (2025: Rupees 31.03 million).

	2026 Rupees	2025 Rupees
25.2 Provision for slow moving, obsolete and damaged store items		
Opening balance	161,766,848	137,334,451
Add: Provision made during the year (Note 38)	9,720,334	24,432,397
Closing balance	171,487,182	161,766,848
26 STOCK-IN-TRADE		
Raw material (Note 26.1 and Note 26.2)	1,806,275,962	1,923,940,551
Work-in-process	885,069,871	486,084,056
Finished goods (Note 26.3, Note 26.4 and Note 26.6)	3,827,207,221	2,898,093,192
	6,518,553,054	5,308,117,799

26.1 This includes raw material of Rupees 149.504 million (2025: Rupees 119.917 million) valued at net realizable value.

26.2 This includes raw material in transit of Rupees 16.472 million (2025: Rupees 67.486 million).

26.3 These include finished goods of Rupees 317.568 million (2025: Rupees 447.265 million) valued at net realizable value.

26.4 Finished goods include stock-in-transit amounting to Rupees 1,115.993 million (2025: Rupees 341.646 million).

26.5 The aggregate amount of write-down of inventories to net realizable value recognized as an expense during the year was Rupees 61.735 million (2025: Rupees 39.564 million).

26.6 Stock in trade of Rupees 16.247 million (2025: Rupees 13.176 million) is sent to outside parties for processing.

	2026 Rupees	2025 Rupees
27 TRADE DEBTS		
Other than related parties - considered good:		
Secured (against letters of credit)	1,343,843,670	1,997,041,749
Unsecured	2,304,946,898	2,214,850,689
	3,648,790,568	4,211,892,438
Less: Allowance for expected credit losses (Note 27.1)	105,862,379	115,202,085
	3,542,928,189	4,096,690,353
27.1 Allowance for expected credit losses		
Opening balance	115,202,085	134,090,184
Less: Trade debts written off during the year against expected credit losses	5,930,448	-
Less: Reversed during the year (Note 39)	3,409,258	18,888,099
Closing balance	105,862,379	115,202,085

	2026 Rupees	2025 Rupees
27.2 Types of counterparties		
Export		
Corporate	1,544,573,947	2,287,405,052
Others	-	-
	1,544,573,947	2,287,405,052
Local		
Corporate	1,998,942,686	1,876,623,860
Others	105,273,935	47,863,526
	2,104,216,621	1,924,487,386
	3,648,790,568	4,211,892,438
27.3 Foreign jurisdictions of trade debts		
Australia	-	2,128,637
Asia	768,035,328	1,256,012,432
Europe	426,876,845	827,435,174
North America	308,404,833	90,643,612
Africa	41,256,941	111,185,197
Pakistan	2,104,216,621	1,924,487,386
	3,648,790,568	4,211,892,438

27.4 Trade debts includes receivables provided to bank under bill discounting arrangement with full recourse amounting to Rupees 712.367 million (2025: Rupees 1,414.059 million).

	2026 Rupees	2025 Rupees
28 LOANS AND ADVANCES		
Considered good:		
Advances to staff:		
- Against salary and other benefits	1,806,685	35,581,360
- Against expenses (Note 28.1)	14,870,828	9,629,456
-Current portion of long term loans to executives and employees (Note 23)	13,873,644	8,962,366
	30,551,157	54,173,182
Advances to suppliers	426,514,078	296,224,581
Letters of credit	-	245,853
	457,065,235	350,643,616
28.1 Advances to staff against expenses		
Considered good	14,870,828	9,629,456
Advances to staff against expenses - considered doubtful (Note 28.2)	11,440,357	13,008,958
Less: Provision for doubtful advances to staff against expenses (Note 28.3)	11,440,357	13,008,958
	-	-
	14,870,828	9,629,456

28.2 These include unsecured advance against expenses of Rupees 5.895 million (2025: Rupees 5.895 million) given to Mr. Aamir Alam Qureshi (Ex.General manager marketing).

	2026 Rupees	2025 Rupees
28.3 Provision for doubtful advances to staff against expenses		
Opening balance	13,008,958	9,308,043
Add: Provision for the year (Note 38)	-	3,700,915
Less: Reversal during the year (Note 39)	1,568,601	-
Closing balance	11,440,357	13,008,958
29 SHORT TERM DEPOSITS AND PREPAYMENTS		
Security deposits	5,716,903	5,546,688
Prepayments	24,029,372	18,892,391
	29,746,275	24,439,079
30 SALES TAX RECOVERABLE		
Sales tax recoverable	1,317,508,858	1,450,964,037
Less: Provision for doubtful sales tax recoverable (Note 30.1)	25,652,101	125,670,149
	1,291,856,757	1,325,293,888
30.1 Provision for doubtful sales tax recoverable		
Opening balance	125,670,149	114,286,895
(Less) / Add: (reversal) / provision for the year (Note 38 & Note 39)	(100,018,048)	11,383,254
Closing balance	25,652,101	125,670,149
31 OTHER RECEIVABLES		
Considered good:		
Export rebate and claims (Note 31.1)	38,522,869	42,971,975
Duty draw back (Note 31.2)	-	-
Receivable from employees' provident fund trust	12,437,989	151,992
Fair value of forward exchange contracts	-	701,354
Miscellaneous receivables (Note 31.3)	14,309,434	11,208,549
	65,270,292	55,033,870
31.1 Export rebate and claims		
Considered good	38,522,869	42,971,975
Considered doubtful	20,806,502	20,497,388
Less: Provision for doubtful export rebate and claims (Note 31.1.1)	20,806,502	20,497,388
	-	-
	38,522,869	42,971,975
31.1.1 Provision for doubtful export rebate and claims		
Opening balance	20,497,388	18,037,845
Add: Provision for the year (Note 38)	309,114	2,459,543
Closing balance	20,806,502	20,497,388

	2026 Rupees	2025 Rupees
31.2 Duty draw back		
Considered good	-	-
Considered doubtful	23,691,987	23,691,987
Less: Provision for doubtful duty draw back	23,691,987	23,691,987
	-	-
	-	-
31.3 Miscellaneous receivables		
Considered good	14,309,434	11,208,549
Considered doubtful	545,000	545,000
Less: Provision for doubtful miscellaneous receivables	545,000	545,000
	-	-
	14,309,434	11,208,549

32 SHORT TERM INVESTMENTS

At fair value through profit or loss		
Mutual funds (Note 32.1)	202,071,789	374,618,127

32.1 Mutual funds

2026	2025	Name of fund	2026			2025		
Number of units			Carrying value	Unrealized gain	Fair value	Carrying value	Unrealized gain	Fair value
			RUPEES					
1,541,906.855	1,441,459.049	NBP Money Market Fund	15,469,955	56,739	15,526,694	14,427,035	34,835	14,461,870
121.437	-	NBP Islamic Daily Dividend Fund	1,214	-	1,214	-	-	-
1,818,240.916	3,520,348.139	MCB Cash Management Optimizer Fund	186,069,865	474,016	186,543,881	359,554,277	601,980	360,156,257
			201,541,034	530,755	202,071,789	373,981,312	636,815	374,618,127

33 CASH AND BANK BALANCES

	2026 Rupees	2025 Rupees
Cash in hand (Note 33.1)	11,413,599	10,533,925
Cash with banks:		
On current accounts (Note 33.1)	972,215,484	549,173,965
On deposit accounts (Note 33.2 and Note 33.3)	28,283,161	256,017,748
	1,000,498,645	805,191,713
	1,011,912,244	815,725,638

33.1 Cash and bank balances include foreign currencies disclosed in note 52.1 (a)(i) to these financial statements.

33.2 Rate of profit on bank deposits ranges from 7.50% to 9.00% (2025: 9.50% to 19.00%) per annum.

33.3 These include call deposit with bank amounting to Rupees Nil (2025: Rupees 50.00 million).

34 REVENUE

	2026 Rupees	2025 Rupees
Revenue from contracts with customers:		
Export sales	11,723,623,148	14,389,098,939
Local sales (Note 34.1)	13,392,439,115	12,300,354,124
Processing income	448,545,226	414,072,173
	25,564,607,489	27,103,525,236
Export rebate	31,933,030	33,752,699
	25,596,540,519	27,137,277,935

34.1 Local sales

Sales (Note 34.1.1)	15,812,556,660	14,539,253,504
Less: Sales tax	2,420,117,545	2,238,899,380
	13,392,439,115	12,300,354,124

34.1.1 Local sales include waste sales of Rupees 216.837 million (2025: Rupees 209.504 million).

34.2 The amount of Rupees 160.413 million included in contract liabilities (Note 12) at 30 June 2025 has been recognized as revenue in 2026 (2025: Rupees 74.821 million).

34.3 Disaggregation of revenue

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

Description	Weaving		Dyeing		Apparel		Total	
	2026	2025	2026	2025	2026	2025	2026	2025
	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees
Geographical market								
Australia	43,806,829	-	92,866,111	25,039,178	-	-	136,672,940	25,039,178
Asia	1,237,053,578	1,270,207,939	5,048,512,446	7,152,670,012	45,194,069	-	6,330,760,093	8,422,877,951
Europe	3,345,095,598	4,417,083,059	224,054,412	331,719,639	255,780,121	-	3,824,930,131	4,748,802,698
North America	433,221,550	233,802,213	328,617,403	400,252,755	265,246,655	19,997,875	1,027,085,608	654,052,843
South America	-	-	-	-	40,508,042	-	40,508,042	-
Africa	24,781,566	54,462,211	338,884,768	483,864,058	-	-	363,666,334	538,326,269
Pakistan	6,362,585,360	4,608,977,198	7,421,672,744	8,105,449,099	56,726,237	-	13,840,984,341	12,714,426,297
	11,446,544,481	10,584,532,620	13,454,607,884	16,498,994,741	663,455,124	19,997,875	25,564,607,489	27,103,525,236
Export rebate	6,127,961	5,051,820	25,805,069	28,700,879	-	-	31,933,030	33,752,699
	11,452,672,442	10,589,584,440	13,480,412,953	16,527,695,620	663,455,124	19,997,875	25,596,540,519	27,137,277,935
Major products / service lines								
Greige / processed cloth	8,885,996,685	10,011,345,554	-	-	-	-	8,885,996,685	10,011,345,554
Dyed cloth	2,145,285,754	238,206,553	13,056,369,308	16,080,237,372	-	-	15,201,655,062	16,318,443,925
Yarn	232,890,760	163,914,622	-	-	-	-	232,890,760	163,914,622
Garments	-	-	-	-	610,615,997	19,997,875	610,615,997	19,997,875
Processing income	4,005,504	-	396,844,521	414,072,173	47,695,201	-	448,545,226	414,072,173
Waste	184,493,739	176,117,711	27,199,124	33,386,075	5,143,926	-	216,836,789	209,503,786
	11,452,672,442	10,589,584,440	13,480,412,953	16,527,695,620	663,455,124	19,997,875	25,596,540,519	27,137,277,935
Timing of revenue recognition								
Products and services transferred at a point in time	11,452,672,442	10,589,584,440	13,480,412,953	16,527,695,620	663,455,124	19,997,875	25,596,540,519	27,137,277,935
Products and services transferred over time	-	-	-	-	-	-	-	-
	11,452,672,442	10,589,584,440	13,480,412,953	16,527,695,620	663,455,124	19,997,875	25,596,540,519	27,137,277,935

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

	2026 Rupees	2025 Rupees
35 COST OF SALES		
Raw material consumed (Note 35.1)	15,743,333,800	16,074,234,231
Chemicals consumed	1,764,477,085	1,714,697,727
Salaries, wages and other benefits	1,603,444,844	1,316,568,831
Provident fund contributions	99,430,784	77,994,337
Cloth conversion and processing charges	57,460,645	106,845,987
Fuel, oil and power	2,537,981,157	2,762,326,514
Stores, spares and loose tools consumed	418,827,515	312,447,909
Packing materials consumed	157,627,432	154,918,203
Repair and maintenance	123,146,253	86,860,657
Insurance	57,318,969	47,970,666
Other manufacturing expenses	257,024,271	180,448,960
Depreciation on operating fixed assets (Note 18.1.4)	606,617,623	502,088,724
Depreciation on right-of-use assets (Note 19.2)	11,061,650	5,557,917
Cost of goods manufactured	23,437,752,028	23,342,960,663
Work-in-process inventory		
As on 01 July	486,084,056	506,883,363
As on 30 June	(885,069,871)	(486,084,056)
	(398,985,815)	20,799,307
	23,038,766,213	23,363,759,970
Finished goods inventory		
As on 01 July	2,898,093,192	3,056,904,217
As on 30 June	(3,827,207,221)	(2,898,093,192)
	(929,114,029)	158,811,025
	22,109,652,184	23,522,570,995
35.1 Raw material consumed		
Opening stock	1,923,940,551	1,808,596,976
Add: Purchased during the year	15,625,669,211	16,189,577,806
	17,549,609,762	17,998,174,782
Less: Closing stock	(1,806,275,962)	(1,923,940,551)
	15,743,333,800	16,074,234,231

	2026 Rupees	2025 Rupees
36 DISTRIBUTION COST		
Salaries and other benefits	309,633,580	195,526,515
Provident fund contributions	13,523,106	10,145,652
Travelling, conveyance and entertainment	119,184,837	77,633,451
Printing and stationery	1,020,079	1,856,022
Postage and communications	101,283,150	114,624,776
Vehicles' running	25,609,595	19,298,679
Insurance	13,524,117	13,914,904
Repair and maintenance	351,065	397,981
Commission to selling agents	444,153,092	458,249,785
Outward freight and handling	277,585,768	341,677,477
Clearing and forwarding	64,077,750	74,883,536
Sales promotion and advertising	18,606,719	6,089,251
Claims	12,075,671	-
Depreciation on operating fixed assets (Note 18.1.4)	7,967,464	6,181,070
Depreciation on right-of-use assets (Note 19.2)	7,480,056	-
Amortization on intangible assets (Note 20)	2,425,290	1,462,547
Miscellaneous	4,777,469	1,163,581
	1,423,278,808	1,323,105,227
37 ADMINISTRATIVE EXPENSES		
Salaries and other benefits	558,402,161	445,212,128
Provident fund contributions	23,708,397	18,933,488
Travelling, conveyance and entertainment	144,807,253	106,862,678
Printing and stationery	3,256,992	4,068,537
Communications	13,591,088	19,871,846
Vehicles' running	48,100,342	37,870,247
Legal and professional	15,560,976	15,653,327
Insurance	27,500,741	22,774,483
Fee, subscription and taxes	43,322,221	30,096,305
Repair and maintenance	22,853,082	15,695,182
Electricity, gas and water	10,055,003	8,098,491
Auditors' remuneration (Note 37.1)	5,228,292	4,668,118
Depreciation on operating fixed assets (Note 18.1.4)	42,528,662	24,250,850
Depreciation on right-of-use assets (Note 19.2)	6,666,430	-
Miscellaneous	57,550,135	30,531,345
	1,023,131,775	784,587,025

	2026 Rupees	2025 Rupees
37.1 Auditors' remuneration		
Audit fee	3,622,500	3,234,375
Half yearly review	1,046,500	934,375
Other certifications	161,000	143,750
Reimbursable expenses	398,292	355,618
	5,228,292	4,668,118
38 OTHER EXPENSES		
Workers' profit participation fund (Note 11.5)	7,821,725	20,541,734
Workers' welfare fund (Note 11.6)	3,065,394	8,081,403
Donations (Note 38.1)	7,230,000	11,000,000
Loss on sale of stores	805,560	-
Exchange loss - net	33,844,511	43,455,453
Unrealised exchange loss on forward contracts	7,538,230	-
Provision for slow moving, obsolete and damaged store items (Note 25.2)	9,720,334	24,432,397
Provision for doubtful export rebate and claims (Note 31.1.1)	309,114	2,459,543
Provision for advances to staff against expenses (Note 28.3)	-	3,700,915
Provision for doubtful sales tax recoverable (Note 30.1)	-	11,383,254
Advances to supplier written off	-	2,120,531
	70,334,868	127,175,230
38.1 The names of donees are as follows:		
Cancer Care Hospital and Research Centre	2,500,000	2,500,000
Anjuman-E-Mohammadi	2,500,000	2,000,000
Saleem Memorial Trust Hospital	-	1,000,000
Decent Departmental Store (for distribution of ration)	2,000,000	2,000,000
Akhuwat Foundation	-	1,000,000
Aiwan-E-Ilm-O-Fun	-	1,500,000
Lahore Businessmen Association for Rehabilitation of the Disabled	-	1,000,000
Punjab Social Security Hospital	230,000	-
	7,230,000	11,000,000

38.1.1 There is no interest of any director or his spouse in donee's fund.

	2026 Rupees	2025 Rupees
39 OTHER INCOME		
Income from financial assets		
Dividend income (Note 39.1)	6,778,711	16,060,647
Return on bank deposits	9,142,258	14,871,946
Credit balances written back	-	3,995,067
Accrued markup written back	-	18,872,123
Reversal of allowance for expected credit losses (Note 27.1)	3,409,258	18,888,099
Unrealized gain on forward exchange contracts	-	701,354
Unrealized gain on remeasurement of FVTPL investments (Note 32.1)	530,755	636,815
Gain on sale of mutual funds	22,573,646	34,774,964
Income from non-financial assets		
Scrap sales	83,116,712	44,244,957
Gain on sale of operating fixed assets - net (Note 18.1.3)	23,153,304	2,848,966
Reversal of provision for advances to staff against expenses (Note 28.3)	1,568,601	-
Reversal of provision for doubtful sales tax recoverable (Note 30.1)	100,018,048	-
Gain on sale of investment property	8,518,393	-
Gain on sale of stores	-	409,013
Amortization of deferred grant (Note 10)	33,373,341	38,233,397
	292,183,027	194,537,348

39.1 This includes dividend amounting to Rupees 5.149 million (2025: Rupees 3.862 million) received from Security General Insurance Company Limited - associated company.

	2026 Rupees	2025 Rupees
40 FINANCE COST		
Mark-up on long term financing	164,715,640	103,270,802
Mark-up on short term borrowings	740,034,583	867,243,022
Adjustment due to impact of IFRS - 9 on long term financing	49,923,263	58,631,039
Interest expense on lease liabilities (Note 8.1)	12,452,278	2,175,074
Interest on balance payable to employees' provident fund trust	-	285,696
Interest on workers' profit participation fund (Note 11.5)	2,121,781	2,283,466
Bank commission and other financial charges	142,874,059	144,498,985
	1,112,121,604	1,178,388,084
41 LEVY		
Minimum tax (excess over the amount designated as current tax)	320,995,715	328,230,674
Final tax	1,244,919	3,628,961
Prior year adjustment	2,642,379	6,415,124
	324,883,013	338,274,759

41.1 Minimum tax (excess over the amount designated as current tax) and final taxes (except for tax deducted against dividend received from subsidiaries and associates on distribution of dividend to the Company) falls under levy within the scope of IFRIC 21 / IAS 37. Charge for levy has been recognised in statement of profit or loss. Tax (final tax) deducted by subsidiaries and associates on distribution of dividend to the Company is charged as current tax. Provision for income from business and income from other sources is made under the relevant provisions of the Income Tax Ordinance, 2001. Related super tax, if any, calculated as per Section 4C of the Income Tax Ordinance, 2001 is accounted for as levy and tax respectively.

	2026 Rupees	2025 Rupees
42 TAXATION		
Current (Note 42.1)	5,643,412	20,232,103
Prior year adjustment	(83,605)	621,964
Deferred	(185,759,679)	(196,652,622)
	(180,199,872)	(175,798,555)
42.1 Reconciliation between tax expense and accounting profit		
Accounting profit before levy and taxation	150,204,307	395,988,722
Applicable tax rate	29%	29%
Tax on accounting profit	43,559,249	114,836,729
Effect of change in prior year's tax	2,558,774	7,037,088
Effect of dividend income taxed at a lower rate	(720,907)	(1,028,626)
Effect of capital gain taxed at a lower rate	(902,946)	(1,390,999)
Effect of deferred tax	(185,759,679)	(196,652,622)
Effect of minimum tax	320,995,715	328,230,674
Effect of income and expenses that are not considered in determining taxable liability	(35,047,065)	(88,556,040)
Current tax liability and levy as per applicable law	144,683,141	162,476,204
Taxation	180,199,872	175,798,555
Levy	(324,883,013)	(338,274,759)
	-	-

43 EARNINGS PER SHARE - BASIC AND DILUTED

There is no dilutive effect on the basic earnings per share, which is based on:

		2026	2025
Profit attributable to ordinary shareholders	(Rupees)	5,521,166	233,512,518
Weighted average number of ordinary shares (Note 5.1)	(Numbers)	509,110,110	509,110,110
Earnings per share	(Rupee)	0.01	0.46

	Note	2026 Rupees	2025 Rupees
44 CASH GENERATED FROM OPERATIONS			
Profit before taxation and levy		150,204,307	395,988,722
Adjustment for non-cash charges and other items:			
Depreciation on operating fixed assets	18.1	657,113,749	532,520,644
Depreciation on right-of-use assets	19	25,208,136	5,557,917
Dividend income	39	(6,778,711)	(16,060,647)
Gain on sale of operating fixed assets - net	39	(23,153,304)	(2,848,966)
Gain on sale of non-current assets classified as held for sale	39	(8,518,393)	-
Amortization on intangible assets	20	2,425,290	1,462,547
Adjustment due to impact of IFRS - 9 on long term financing	40	49,923,263	58,631,039
Unrealized gain on remeasurement of FVTPL investments	32.1	(530,755)	(636,815)
Amortization of deferred grant	10	(33,373,341)	(38,233,397)
Reversal of allowance for expected credit losses	39	(3,409,258)	(18,888,099)
Provision for slow moving, obsolete and damaged store items	38	9,720,334	24,432,397
Provision for doubtful export rebate and claims	38	309,114	2,459,543
(Reversal of) / provision for doubtful sales tax recoverable	39	(100,018,048)	11,383,254
Gain on sale of mutual fund	39	(22,573,646)	(34,774,964)
Unrealized loss on forwards exchange contracts	38	7,538,230	-
Unrealized gain on forwards exchange contracts	39	-	(701,354)
Reversal of provision against advances to staff against expenses	39	(1,568,601)	-
Provision against advances to staff against expenses	38	-	3,700,915
Advances to suppliers written off	38	-	2,120,531
Credit balances written back	39	-	(3,995,067)
Accrued markup written back	39	-	(18,872,123)
Finance cost	40	1,062,198,341	1,119,757,045
Working capital changes	44.1	(20,140,807)	(244,849,501)
		1,744,575,900	1,778,153,621

44.1 Working capital changes

Decrease / (Increase) in current assets:		
Stores, spares and loose tools	(172,921,459)	(131,009,624)
Stock-in-trade	(1,210,435,255)	64,266,757
Trade debts	557,171,422	910,396,756
Loans and advances	(109,627,171)	(149,829,443)
Short term deposits and prepayments	(5,307,196)	(821,142)
Sales tax recoverable	133,455,179	(1,090,756,229)
Other receivables	(10,545,536)	9,921,920
	(818,210,016)	(387,831,005)
Increase in trade and other payables	828,506,989	75,016,057
(Decrease) / increase in contract liabilities	(30,437,780)	67,965,447
	(20,140,807)	(244,849,501)

44.2 Reconciliation of movement of liabilities to cash flows arising from financing activities

	2026				
	Liabilities from financing activities				Total
	Lease liabilities	Long term financing	Short term borrowings	Unclaimed dividend	
	Rupees				
Balance as at 30 June 2025	21,087,179	2,094,188,761	7,409,319,105	8,423,728	9,533,018,773
Short term borrowings obtained	-	-	24,321,417,468	-	24,321,417,468
Repayment of short term borrowings	-	-	(22,546,622,231)	-	(22,546,622,231)
Lease liability recognized during the year - non cash	141,777,889	-	-	-	141,777,889
Long term financing obtained	-	1,046,905,537	-	-	1,046,905,537
Repayment of long term financing / lease liability	(29,211,812)	(944,250,474)	-	-	(973,462,286)
Impact of IFRS 9 - non-cash movement	-	49,923,263	-	-	49,923,263
	(29,211,812)	(894,327,211)	-	-	(923,539,023)
Other non-cash movements	12,452,278	-	-	-	12,452,278
Balance as at 30 June 2026	146,105,534	2,246,767,087	9,184,114,342	8,423,728	11,585,410,691

	2025				
	Liabilities from financing activities				Total
	Lease liabilities	Long term financing	Short term borrowings	Unclaimed dividend	
	Rupees				
Balance as at 30 June 2024	-	1,793,320,514	6,095,500,000	8,423,728	7,897,244,242
Short term borrowings obtained	-	-	30,237,311,055	-	30,237,311,055
Repayment of short term borrowings	-	-	(28,923,491,950)	-	(28,923,491,950)
Lease liability recognized during the year - non cash	26,400,104	-	-	-	26,400,104
Long term financing obtained	-	744,042,912	-	-	744,042,912
Repayment of long term financing / lease liability	(7,488,000)	(482,933,581)	-	-	(490,421,581)
Impact of IFRS 9 - non-cash movement	-	58,631,039	-	-	58,631,039
	(7,488,000)	(424,302,542)	-	-	(431,790,542)
Other non-cash movements	2,175,075	(18,872,123)	-	-	(16,697,048)
Balance as at 30 June 2025	21,087,179	2,094,188,761	7,409,319,105	8,423,728	9,533,018,773

45 EVENTS AFTER THE REPORTING PERIOD

The Board of Directors of the Company has proposed a cash dividend for the year ended 30 June 2026 of Rupees Nil per share (2025: Rupees Nil per share) at their meeting held on 28 September 2026. However, this event has been considered as non-adjusting events under IAS 10 'Events after the Reporting Period' and has not been recognized in these financial statements.

On 07 September 2026, there was a fire outbreak at one of the Biomass godowns of the Company. For the Company's 30 June 2026 financial statements, fire outbreak and related impacts are considered non-adjusting events, consequently there is no impact on these financial statements. Estimated loss of destroyed inventory stock is secured against insurance.

46 REMUNERATION TO CHIEF EXECUTIVE, DIRECTORS AND EXECUTIVES

Aggregate amounts charged in these financial statements for remuneration, including all benefits to chief executive officer, directors and other executives are as follows:

	2026			2025		
	Chief Executive Officer	Directors	Executives	Chief Executive Officer	Directors	Executives
	Rupees					
Managerial remuneration	20,871,552	19,469,112	305,748,089	18,974,136	15,938,268	252,014,124
House rent	3,312,000	2,993,400	90,712,989	3,105,000	2,608,200	78,257,688
Utilities	2,024,460	1,829,720	29,397,002	1,897,932	1,594,272	25,204,500
Special allowance	-	-	27,495,839	-	-	24,302,916
Contribution to provident fund	1,738,596	1,621,776	25,326,860	1,580,544	1,327,656	20,841,588
Other allowances	2,254,488	2,257,768	46,837,529	1,897,932	1,594,260	27,570,828
	30,201,096	28,171,776	525,518,308	27,455,544	23,062,656	428,191,644
Number of persons	1	2	108	1	2	90

46.1 Chief executive officer, directors and certain executives of the Company are provided with free use of the Company's owned and maintained cars.

46.2 Meeting fee of Rupees 3.850 million (2025: Rupees 4.200 million) was paid to the non-executive directors for attending meetings.

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

47 TRANSACTIONS WITH RELATED PARTIES

The related parties comprise associated undertakings, key management personnel, close members of the family of the key management personnel and provident fund trust. The Company in the normal course of business carries out transactions with related parties. Detail of transactions with related parties, other than those which have been specifically disclosed elsewhere in these financial statements are as follows:

	2026 Rupees	2025 Rupees
Repayment of loan received from chief executive officer	10,400,000	10,200,000
Repayment of loans to close relatives of the chief executive officer	6,000,000	-
Repayment of loans to legal heirs of the deceased director	3,000,000	3,000,000
Dividend received from Security General Insurance Company Limited	5,149,336	3,862,002
Security General Insurance Company Limited - Insurance premium	2,063,427	2,432,140
Salaries and other benefits of son of chief executive officer	5,019,916	3,764,940

47.1 Detail of compensation to key management personnel comprising of chief executive officer, directors and executives is disclosed in note 46.

47.2 Following are the related parties with whom the Company has arrangements / agreements in place:

Name of the related party	Basis of relationship	Transactions entered or agreements and / or arrangements in place during the financial year		Percentage of shareholding
		2026	2025	
Punjab Social Security Health Management Company	Common directorship	No	No	None
Master Wind Energy Limited	Common directorship	No	No	None
Lalpir Limited (Formerly Lalpir Power Limited)	Common directorship	No	No	None
Security General Insurance Company Limited	Common directorship	Yes	Yes	0.95%
Kohinoor Mills Limited Staff Provident Fund Trust	Post-employment benefit plan	Yes	Yes	None
Friends of Punjab Institute of Cardiology	Director is trustee of the trust	No	No	None
Mr. Aamir Fayyaz Sheikh	Director	Yes	Yes	-
Mr. Ismail Aamir Fayyaz	Director	Yes	Yes	-
Ms. Imrat Aamir Fayyaz	Director	Yes	Yes	-
Mrs. Hajra Arham	Director	Yes	Yes	-
Mr. Taimur Afzal	Director	Yes	Yes	-
Mr. Rashid Ahmed	Director	Yes	Yes	-
Mr. Matiuddin Siddiqui	Director	Yes	Yes	-
Mr. Ehsan Aamir	Son of chief executive officer	Yes	Yes	-

48 PROVIDENT FUND

As at the reporting date, the Kohinoor Mills Limited Staff Provident Fund Trust is in the process of regularizing its investments in accordance with section 218 of the Companies Act, 2017 and the regulations formulated for this purpose by Securities and Exchange Commission of Pakistan.

49 NUMBER OF EMPLOYEES

	2026	2025
Number of employees as on June 30	2,920	2,149
Average number of employees during the year	2,660	2,163

50 SEGMENT INFORMATION

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

Weaving	Production of different qualities of greige fabric using yarn.
Dyeing	Processing of greige fabric for production of dyed fabric.
Power Generation	Generation and distribution of power and steam using gas, coal and oil.
Apparel	Production of garments using processed fabric.

	Weaving		Dyeing		Power Generation		Apparel		Elimination of Inter-segment transactions		Total - Company	
	2026	2025	2026	2025	2026	2025	2026	2025	2026	2025	2026	2025
	Rupees											
Sales												
-External	11,452,672,442	10,589,584,440	13,480,412,953	16,527,695,620	-	-	663,455,124	19,997,875	-	-	25,596,540,519	27,137,277,935
-Intersegment	6,322,116,933	7,605,055,112	1,032,043,919	302,083,831	2,942,890,880	2,549,222,637	-	2,643,450	(10,297,051,732)	(10,459,005,030)	-	-
	17,774,789,375	18,194,639,552	14,512,456,872	16,829,779,451	2,942,890,880	2,549,222,637	663,455,124	22,641,325	(10,297,051,732)	(10,459,005,030)	25,596,540,519	27,137,277,935
Cost of sales	(15,836,071,210)	(16,484,346,363)	(13,220,203,108)	(14,976,920,165)	(2,715,792,645)	(2,473,332,965)	(634,636,953)	(46,976,532)	10,297,051,732	10,459,005,030	(22,109,652,184)	(23,522,570,995)
Gross profit / (loss)	1,938,718,165	1,710,293,189	1,292,253,764	1,852,859,286	227,098,235	75,889,672	28,818,171	(24,335,207)	-	-	3,486,888,335	3,614,706,940
Distribution cost	(541,578,604)	(422,869,440)	(834,571,301)	(899,949,720)	-	-	(47,128,903)	(286,067)	-	-	(1,423,278,808)	(1,323,105,227)
Administrative expenses	(443,653,294)	(357,450,344)	(458,496,222)	(396,963,998)	(33,134,780)	(27,377,514)	(87,847,479)	(2,795,169)	-	-	(1,023,131,775)	(784,587,025)
	(985,231,898)	(780,319,784)	(1,293,067,523)	(1,296,913,718)	(33,134,780)	(27,377,514)	(134,976,382)	(3,081,236)	-	-	(2,446,410,583)	(2,107,692,252)
Profit / (loss) before taxation, levy and unallocated income / expenses	953,486,267	929,973,405	(813,759)	555,945,568	193,963,455	48,512,158	(106,158,211)	(27,416,443)	-	-	1,040,477,752	1,507,014,688
Unallocated income and expenses:												
Finance cost											(1,112,121,604)	(1,178,388,084)
Other expenses											(70,334,868)	(127,175,230)
Other income											292,183,027	194,537,348
Profit before taxation and levy											150,204,307	395,988,722
Levy											(324,883,013)	(338,274,759)
(Loss) / Profit before taxation											(174,678,706)	57,713,963
Taxation											180,199,872	175,798,555
Profit after taxation											5,521,166	233,512,518

50.2 Reconciliation of reportable segment assets and liabilities

	Weaving		Dyeing		Power Generation		Apparel		Total - Company	
	2026	2025	2026	2025	2026	2025	2026	2025	2026	2025
	Rupees									
Segment assets	12,926,132,104	12,366,570,192	8,480,028,803	8,749,453,063	3,150,248,016	2,510,985,496	2,942,546,489	1,367,513,562	27,498,955,412	24,994,522,313
Unallocated assets									1,639,038,268	1,490,091,950
Total assets as per the statement of financial position									29,137,993,680	26,484,614,263
Segment liabilities	3,726,803,970	2,978,931,289	1,959,177,324	2,294,703,651	459,261,741	309,047,334	300,504,631	29,281,557	6,445,747,666	5,611,963,831
Unallocated liabilities:										
Long term financing - secured									2,246,767,087	2,094,188,761
Lease liabilities									146,105,534	21,087,179
Deferred liabilities									198,787,199	542,223,510
Deferred income - Government grant									97,029,653	130,402,994
Accrued mark-up									198,672,582	133,176,343
Short term borrowings - secured									9,184,114,342	7,409,319,105
Trade and other payables									184,306,894	210,361,509
Unclaimed dividend									8,423,728	8,423,728
Provision for taxation and levy - net									-	51,037,272
Total liabilities as per the statement of financial position									18,709,954,685	16,212,184,232

50.3 Geographical information

The Company's revenue from external customers by geographical location is detailed below:

	2026 Rupees	2025 Rupees
Australia	136,672,940	25,039,178
Asia	6,330,760,093	8,422,877,951
Europe	3,824,930,131	4,748,802,698
North America	1,027,085,608	654,052,843
South America	40,508,042	-
Africa	363,666,334	538,326,269
Pakistan	13,840,984,341	12,714,426,297
	25,564,607,489	27,103,525,236
Export rebate	31,933,030	33,752,699
	25,596,540,519	27,137,277,935

50.4 All non-current assets of the Company as at the reporting date are located and operating in Pakistan.

50.5 Revenue from major customers

The Company's revenue is earned from a large mix of customers.

	2026	2025
51 PLANT CAPACITY AND PRODUCTION		
51.1 Weaving		
Number of looms in operation	272	271
Rated capacity of operative looms converted to 60 picks (square meter)	115,811,333	115,130,463
Actual production converted to 60 picks (square meter)	106,133,240	106,490,138
Number of days worked during the year (3 shifts per day)	358	365
51.2 Dyeing		
Rated capacity in 3 shifts (linear meter)	48,000,000	48,000,000
Actual production for three shifts (linear meter)	31,041,109	30,656,580
Number of days worked during the year (3 shifts per day)	336	323
51.3 Power generation		
Number of generators installed	5	6
Installed capacity (Mega Watt Hours)	170,119	236,344
Actual generation (Mega Watt Hours)	27,445	40,491
51.4 Apparel		
Total capacity	1,210,000	-
Actual production	406,325	-
Number of days worked during the year	242	-

	Unit	2026	2025
51.5 Solar			
Installed capacity at year end	MWp (DC)	10.16	-
Expected generation based on capacity available during the year	MWh	7,955	-
Actual generation during the year	MWh	6,361	-

51.6 Under-utilization of available capacity in the Dyeing and Weaving Divisions is attributable to routine maintenance and customer-specific order requirements. Actual power generation, other than solar, remained below installed capacity due to scheduled and unscheduled maintenance of generators and BMR activities. Actual production of the Apparel Division remained below installed capacity due to the progressive installation and commissioning of machinery and the gradual ramp-up of operations. Solar power generation capacity was commissioned progressively during the year and, accordingly, the year-end installed capacity was not available throughout the financial year.

52 FINANCIAL RISK MANAGEMENT

52.1 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 programme focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the Company's financial performance.

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 risk. 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 and liquidity risk.

(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 following currencies. Currently, the Company's foreign exchange risk exposure is restricted to foreign currency bank balances, short term borrowing and the amounts receivable from / payable to the foreign entities. The Company uses forward exchange contracts to hedge its foreign currency risk, when considered appropriate. The Company's exposure to currency risk was as follows

	2026	2025
Cash at bank - USD	212,202	72,969
Cash in hand - USD	4,482	10,083
Cash in hand - Euro	1,920	3,615
Cash in hand - GBP	8,180	3,475
Cash in hand - AED	5,940	5,940
Cash in hand - SAR	2,635	3,205
Trade debts - USD	2,776,123	2,924,022
Trade debts - Euro	81,242	21,772
Trade debts - CNY	-	927,585
Trade and other payable - USD	(244,737)	(446,006)
Trade and other payable - Euro	(9,480)	(1,651)
Trade and other payable - CNY	(36,401)	(34,838)
Short term borrowing - USD	(5,160,345)	(6,400,278)
Markup payable - USD	(45,810)	(94,158)
Net exposure - USD	(2,458,085)	(3,933,368)
Net exposure - Euro	73,682	23,736
Net exposure - GBP	8,180	3,475
Net exposure - CNY	(36,401)	892,747
Net exposure - AED	5,940	5,940
Net exposure - SAR	2,635	3,205

The following significant exchange rates were applied during the year:

	2026 Rupees	2025 Rupees
Rupees per USD		
Average rate	280.54	279.48
Reporting date rate	278.55	283.60
Rupees per Euro		
Average rate	326.72	304.82
Reporting date rate	317.52	332.83
Rupees per GBP		
Average rate	375.81	363.47
Reporting date rate	368.64	388.97
Rupees per AED		
Average rate	76.35	76.57
Reporting date rate	75.85	77.76
Rupees per SAR		
Average rate	74.75	74.44
Reporting date rate	74.18	75.62
Rupees per CNY		
Average rate	40.28	38.99
Reporting date rate	40.99	39.59

Sensitivity analysis

If the functional currency, at reporting date, had weakened / strengthened by 5% against the USD, GBP, Euro, AED, CNY and SAR with all other variables held constant, the impact on profit before taxation and levy for the year would have been lower / higher by Rupees 30.650 million (2025: Rupees 49.764 million) mainly as a result of exchange losses / gains 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 commodity 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 and short term borrowings and bank balances in deposit accounts. Financial instruments at variable rates expose the Company to cash flow interest rate risk. Financial instruments at fixed rate expose the Company to fair value interest rate risk.

At the reporting date the interest rate profile of the Company's interest bearing financial instruments was:

	2026 Rupees	2025 Rupees
Fixed rate instruments		
Financial liabilities		
Long term financing	1,245,265,559	1,115,804,088
Short term borrowings	2,960,500,000	2,685,500,000
Lease liabilities	13,484,544	21,087,179
Floating rate instruments		
Financial assets		
Bank balances - deposit accounts	28,283,161	256,017,748
Financial liabilities		
Long term financing	1,001,501,528	978,384,673
Short term borrowings	6,223,614,342	4,723,819,105
Lease liabilities	132,620,990	-

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

If interest rates at the year end date, fluctuate by 1% higher / lower with all other variables held constant, profit before taxation and levy for the year would have been Rupees 68.164 million lower / higher (2025: Rupees 51.268 million), mainly as a result of higher / lower interest expense / income. This analysis is prepared assuming the amounts of liabilities 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
Investments	359,281,017	539,416,189
Long term loans	24,406,125	14,720,694
Deposits	216,305,122	139,742,287
Loans and advances	1,806,685	35,581,360
Trade debts	3,542,928,189	4,096,690,353
Other receivables	14,309,434	11,909,903
Bank balances	1,000,498,645	805,191,713
	5,159,535,217	5,643,252,499

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	Rupees
National Bank of Pakistan	A1+	AAA	PACRA	228,647,026	28,429,351
Allied Bank Limited	A1+	AAA	PACRA	11,150,414	10,431,392
Askari Bank Limited	A1+	AAA	PACRA	84,905,626	124,289,684
Bank Alfalah Limited	A1+	AAA	PACRA	153,635,150	30,485,224
Faysal Bank Limited	A1+	AA+	PACRA	340,306	340,306
Habib Bank Limited	A1+	AAA	VIS	32,506,823	177,528,128
Habib Metropolitan Bank Limited	A1+	AAA	PACRA	351,420	351,453
The Bank of Punjab	A1+	AAA	PACRA	353,392,236	168,152,051
MCB Bank Limited	A1+	AAA	PACRA	61,161,854	64,557,587
MCB Islamic Bank Limited	A1	A+	PACRA	27,002,500	67,011,640
United Bank Limited	A1+	AAA	VIS	20,366,798	54,931,875
Al Baraka Bank (Pakistan) Limited	A1	AA-	VIS	100,413	100,413
Samba Bank Limited	A1+	AA	PACRA	4,600,225	4,086,383
Meezan Bank Limited	A1+	AAA	VIS	5,271,487	23,301,513
Soneri Bank Limited	A1+	AA	PACRA	17,066,367	51,194,713
				1,000,498,645	805,191,713
Investments					
Security General Insurance Company Limited	AA+ (ifs)		VIS	157,209,228	164,798,062
NBP Islamic Daily Dividend Fund	AA+ (f)		PACRA	1,214	-
NBP Money Market Fund	AA+ (f)		PACRA	15,526,694	14,461,870
MCB Cash Management Optimizer Fund	AA+ (f)		PACRA	186,543,881	360,156,257
				359,281,017	539,416,189
				1,359,779,662	1,344,607,902

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

Trade debts

The Company applies the IFRS 9 simplified approach to measure expected credit losses which uses a lifetime expected loss allowance for all trade debts.

To measure the expected credit losses, trade receivables have been grouped based on shared credit risk characteristics and the days past due. These trade receivables are netted off with the collateral obtained, if any, from these customers to calculate the net exposure towards these customers. The Company has concluded that the expected loss rates for trade debts against local sales are different from the expected loss rates for trade debts against export sales.

The expected loss rates are based on the payment profiles of sales over a period of 36 months before 30 June 2026 and the corresponding historical credit losses experienced within this period. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables. The Company has accordingly adjusted the historical loss rates based on expected changes in these factors.

On that basis, the loss allowance as at 30 June 2026 and 30 June 2025 was determined as follows:

At 30 June 2026

	Local Sales			Export Sales		
	Expected loss rate	Trade debts	Loss allowance	Expected loss rate	Trade debts	Loss allowance
	%	Rupees		%	Rupees	
Not past due	0.00%	1,139,637,208	-	0.00%	110,262,032	-
Up to 30 days	0.57%	563,767,618	3,213,475	0.49%	30,149,340	147,732
31 to 60 days	1.07%	121,218,146	1,297,034	1.02%	113,888,868	1,161,666
61 to 90 days	3.25%	38,719,181	1,258,373	2.37%	61,583,031	1,459,518
91 to 180 days	11.32%	28,318,810	3,205,689	6.46%	1,105,952	71,444
181 to 360 days	26.85%	2,649,349	711,350	33.46%	467,786	156,521
361 days and above	100.00%	92,199,303	92,199,303	100.00%	980,274	980,274
		1,986,509,615	101,885,224		318,437,283	3,977,155
Trade debts which are not subject to risk of default		117,707,006	-		1,226,136,664	-
Total		2,104,216,621	101,885,224		1,544,573,947	3,977,155

At 30 June 2025

	Local Sales			Export Sales		
	Expected loss rate	Trade debts	Loss allowance	Expected loss rate	Trade debts	Loss allowance
	%	Rupees		%	Rupees	
Not past due	0.00%	682,567,478	-	0.00%	417,914,633	-
Up to 30 days	0.22%	474,226,610	1,043,299	0.43%	95,734,230	411,657
31 to 60 days	0.60%	307,031,803	1,842,191	1.00%	887,273	8,873
61 to 90 days	2.16%	88,358,748	1,908,549	2.67%	-	-
91 to 180 days	10.85%	34,218,835	3,712,744	9.11%	125,670	11,449
181 to 360 days	26.75%	10,119,762	2,707,036	27.30%	150,426	41,066
361 days and above	100.00%	97,671,960	97,671,960	100.00%	5,843,261	5,843,261
		1,694,195,196	108,885,779		520,655,493	6,316,306
Trade debts which are not subject to risk of default		230,292,190	-		1,766,749,559	-
Total		1,924,487,386	108,885,779		2,287,405,052	6,316,306

(c) Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities.

The Company manages liquidity risk by maintaining sufficient cash and availability of funding through an adequate amount of committed credit facilities. At 30 June 2026, the Company had Rupees 3,871.364 million (2025: Rupees 3,318.009 million) available borrowing limits from financial institutions and Rupees 1,011.912 million (2025: Rupees 815.726 million) cash and bank balances. The management believes the liquidity risk to be manageable. Following are the contractual maturities of financial liabilities, including interest payments. The amount disclosed in the table are undiscounted cash flows:

Contractual maturities of financial liabilities as at 30 June 2026

	Carrying Amount	Contractual cash flows	6 month or less	6-12 month	1-2 Year	More than 2 Years
	Rupees					
Non-derivative financial liabilities						
Long term financing	2,246,767,087	2,729,075,199	350,680,492	325,427,788	638,129,840	1,414,837,079
Lease liabilities	146,105,534	191,373,300	25,022,926	25,577,253	42,613,065	98,160,056
Trade and other payables	6,296,646,006	6,296,646,006	6,296,646,006	-	-	-
Accrued mark-up	198,672,582	198,672,582	198,672,582	-	-	-
Short term borrowings	9,184,114,342	9,393,576,984	9,393,576,984	-	-	-
Unclaimed dividend	8,423,728	8,423,728	8,423,728	-	-	-
Derivative financial liability						
Fair value of forward exchange contracts	7,538,230	7,538,230	7,538,230	-	-	-
	18,088,267,509	18,825,306,029	16,280,560,948	351,005,041	680,742,905	1,512,997,135

Contractual maturities of financial liabilities as at 30 June 2025

	Carrying Amount	Contractual cash flows	6 month or less	6-12 month	1-2 Year	More than 2 Years
	Rupees					
Non-derivative financial liabilities						
Long term financing	2,094,188,761	2,812,939,181	366,983,973	316,527,109	548,456,617	1,580,971,482
Lease liability	21,087,179	25,559,040	4,992,000	5,491,200	11,531,520	3,544,320
Trade and other payables	5,477,078,207	5,477,078,207	5,477,078,207	-	-	-
Accrued mark-up	133,176,343	133,176,343	133,176,343	-	-	-
Short term borrowings	7,409,319,105	7,635,011,486	7,635,011,486	-	-	-
Unclaimed dividend	8,423,728	8,423,728	8,423,728	-	-	-
	15,143,273,323	16,092,187,985	13,625,665,737	322,018,309	559,988,137	1,584,515,802

The contractual cash flows relating to the above financial liabilities have been determined on the basis of interest rates / mark up rates effective as at 30 June. The rates of interest / mark up have been disclosed in note 7,8 and note 14 to these financial statements.

52.2 Financial instruments by categories

Assets as per the statement of financial position

	2026				2025			
	Amortised cost	FVTPL	FVTOCI	Total	Amortised cost	FVTPL	FVTOCI	Total
	Rupees				Rupees			
Investments	-	202,071,789	157,209,228	359,281,017	-	374,618,127	164,798,062	539,416,189
Long term loans	24,406,125	-	-	24,406,125	14,720,694	-	-	14,720,694
Loans and advances	1,806,685	-	-	1,806,685	35,581,360	-	-	35,581,360
Deposits	216,305,122	-	-	216,305,122	139,742,287	-	-	139,742,287
Trade debts	3,542,928,189	-	-	3,542,928,189	4,096,690,353	-	-	4,096,690,353
Other receivables	14,309,434	-	-	14,309,434	11,208,549	701,354	-	11,909,903
Cash and bank balances	1,011,912,244	-	-	1,011,912,244	815,725,638	-	-	815,725,638
	4,811,667,799	202,071,789	157,209,228	5,170,948,816	5,113,668,881	375,319,481	164,798,062	5,653,786,424

Liabilities as per the statement of financial position

	2026			2025
	At amortized cost	At fair value through profit or loss	Total	At amortized cost
	Rupees			Rupees
Long term financing	2,246,767,087	-	2,246,767,087	2,094,188,761
Lease liabilities	146,105,534	-	146,105,534	21,087,179
Accrued mark-up	198,672,582	-	198,672,582	133,176,343
Short term borrowings	9,184,114,342	-	9,184,114,342	7,409,319,105
Trade and other payables	6,296,646,006	7,538,230	6,304,184,236	5,477,078,207
Unclaimed dividend	8,423,728	-	8,423,728	8,423,728
	18,080,729,279	7,538,230	18,088,267,509	15,143,273,323

52.3 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	Non-financial assets	Total	Financial assets	Non-financial assets	Total
	Rupees			Rupees		
Assets						
Long term investments	157,209,228	-	157,209,228	164,798,062	-	164,798,062
Long term loans	10,532,481	-	10,532,481	5,758,328	-	5,758,328
Long term deposits	210,588,219	-	210,588,219	134,195,599	-	134,195,599
Loans and advances	15,680,329	441,384,906	457,065,235	44,543,726	306,099,890	350,643,616
Short term deposits and prepayments	5,716,903	24,029,372	29,746,275	5,546,688	18,892,391	24,439,079
Trade debts	3,542,928,189	-	3,542,928,189	4,096,690,353	-	4,096,690,353
Other receivables	14,309,434	50,960,858	65,270,292	11,909,903	43,123,967	55,033,870
Short term investment	202,071,789	-	202,071,789	374,618,127	-	374,618,127
Cash and bank balances	1,011,912,244	-	1,011,912,244	815,725,638	-	815,725,638
	5,170,948,816	516,375,136	5,687,323,952	5,653,786,424	368,116,248	6,021,902,672

	2026			2025		
	Financial liabilities	Non-financial liabilities	Total	Financial liabilities	Non-financial liabilities	Total
	Rupees			Rupees		
Liabilities						
Long term financing	2,246,767,087	-	2,246,767,087	2,094,188,761	-	2,094,188,761
Lease liabilities	146,105,534	-	146,105,534	21,087,179	-	21,087,179
Accrued mark-up	198,672,582	-	198,672,582	133,176,343	-	133,176,343
Short term borrowings	9,184,114,342	-	9,184,114,342	7,409,319,105	-	7,409,319,105
Trade and other payables	6,304,184,236	178,477,586	6,482,661,822	5,477,078,207	167,416,615	5,644,494,822
Unclaimed dividend	8,423,728	-	8,423,728	8,423,728	-	8,423,728
	18,088,267,509	178,477,586	18,266,745,095	15,143,273,323	167,416,615	15,310,689,938

52.4 Offsetting financial assets and financial liabilities

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

52.5 Capital risk management

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order 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 paid to shareholders, issue new shares or sell assets to reduce debt. Consistent with others in the industry and the requirements of the lenders, the Company monitors the capital structure on the basis of gearing ratio. This ratio is calculated as borrowings divided by total capital employed. Borrowings represent long term financing and short term borrowings obtained by the Company as referred to in note 7 and note 14 respectively. Total capital employed includes 'total equity' as shown in the statement of financial position plus 'borrowings'. The Company's strategy, remained unchanged from last year.

	2026 Rupees	2025 Rupees
Borrowings	11,430,881,429	9,503,507,866
Total equity	10,428,038,995	10,272,430,031
Total capital employed	21,858,920,424	19,775,937,897
Gearing ratio (Percentage)	52.29	48.06

The increase in the gearing ratio resulted primarily from increase in borrowings of the Company.

53 RECOGNIZED FAIR VALUE MEASUREMENTS - FINANCIAL INSTRUMENTS

(i) Fair value hierarchy

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

Recurring fair value measurements At 30 June 2026	Level 1	Level 2	Level 3	Total
	---------- Rupees ----------			
Financial assets				
Investment at fair value through profit or loss	202,071,789	-	-	202,071,789
Investment at fair value through other comprehensive income	-	-	157,209,228	157,209,228
Total financial assets	202,071,789	-	157,209,228	359,281,017
Financial liability				
Derivative financial liability	-	7,538,230	-	7,538,230

Recurring fair value measurements At 30 June 2025	Level 1	Level 2	Level 3	Total
	---------- Rupees ----------			
Financial assets				
Investment at fair value through profit or loss	374,618,127	-	-	374,618,127
Investment at fair value through other comprehensive income	-	-	164,798,062	164,798,062
Derivative financial assets	-	701,354	-	701,354
Total financial assets	374,618,127	701,354	164,798,062	540,117,543

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

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

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

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

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

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

(ii) Valuation techniques used to determine fair values

Specific valuation techniques used to value financial instruments include the use of quoted market prices or dealer quotes for similar instruments and the fair value of the financial instrument (equity investment in Security General Insurance Company Limited) is determined using discounted cashflow analysis (2025: dividend growth model).

(iii) Fair value measurement using significant unobservable inputs (level 3)

The following table presents the changes in level 3 item for the years ended 30 June 2026 and 30 June 2025:

	Unlisted equity investment Rupees
Balance as on 30 June 2024	22,380,302
Add : Surplus recognized in other comprehensive income	142,417,760
Balance as on 30 June 2025	164,798,062
Less : Deficit recognized in other comprehensive income	(7,588,834)
Balance as on 30 June 2026	157,209,228

(iv) Valuation inputs and relationships to fair value

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

Description	Fair value as at		Valuation technique	Un observable inputs	Range of inputs (probability-weighted average)	Relationship of unobservable inputs to fair value
	30 June 2026	30 June 2025			30 June 2026	
	Rupees	Rupees				
Investment						
Security General Insurance Company Limited	157,209,228	164,798,062	Present value techniques (2025: Dividend growth model)	Terminal growth factor	3.00%	Increase / decrease in terminal growth by 1.00% and decrease / increase in discount rate by 1.00% would increase / decrease fair value by Rupees +22.940 million / -16.961 million.
				Risk adjusted discount rate	16.06%	

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

Valuation processes

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

The main level 3 input used by the Company is derived and evaluated as follows:

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

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

54 RECOGNIZED FAIR VALUE MEASUREMENTS - NON-FINANCIAL ASSETS

(i) Fair value hierarchy

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

As at 30 June 2026	Level 1	Level 2	Level 3	Total
	---------- Rupees ----------			
Property, plant and equipment:				
- Freehold land	-	4,548,809,656	-	4,548,809,656
- Buildings	-	-	2,368,765,926	2,368,765,926
Total non-financial assets	-	4,548,809,656	2,368,765,926	6,917,575,582

As at 30 June 2025	Level 1	Level 2	Level 3	Total
	---------- Rupees ----------			
Property, plant and equipment:				
- Freehold land	-	4,426,954,725	-	4,426,954,725
- Buildings	-	-	2,392,577,645	2,392,577,645
Total non-financial assets	-	4,426,954,725	2,392,577,645	6,819,532,370

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

There were no transfers between levels 1 and 2 for recurring fair value measurements 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 valuations for the items of property, plant and equipment carried at revalued amounts every three years. The management updates the assessment of the fair value of each item of property, plant and equipment carried at revalued amount, taking into account the most recent independent valuations. The management determines the value of items of property, plant and equipment carried at revalued amounts within a range of reasonable fair value estimates. The best evidence of fair value of freehold land is current prices in an active market for similar lands. The best evidence of fair value of buildings is to calculate fair depreciated market value by applying an appropriate annual rate of depreciation on the new construction / replacement value of the same building.

Valuation processes

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

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

55 FAIR VALUE MEASUREMENTS - NON-FINANCIAL ASSETS

(i) Fair value hierarchy

Judgements and estimates are made for non-financial assets not measured at fair value in these financial statements but for which the fair value is described 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.

As at 30 June 2026	Level 1	Level 2	Level 3	Total
	---------- Rupees ----------			
Investment property:				
- Land - Non-current asset classified as held for sale	-	-	-	-
Total non-financial asset	-	-	-	-

As at 30 June 2025	Level 1	Level 2	Level 3	Total
	---------- Rupees ----------			
Investment property:				
- Land	-	5,617,000	-	5,617,000
Total non-financial asset	-	5,617,000	-	5,617,000

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

There were no transfers between levels 1 and 2 for recurring fair value measurements 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 valuations for its investment property at least annually. At the end of each reporting period, the management updates the assessment of the fair value of each property, taking into account the most recent independent valuations. The management determines a property'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 properties.

Valuation processes

The Company engages external, independent and qualified valuer to determine the fair value of the Company's investment property at the end of every financial year. As at 30 June 2025, the fair value of the investment property was determined by Hamid Mukhtar and Company (Private) Limited.

Change in fair value is analysed at the end of each year 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.

56 UNUTILIZED CREDIT FACILITIES

	Non-funded		Funded	
	2026	2025	2026	2025
	Rupees			
Total facilities	1,778,530,000	1,556,997,000	16,136,232,000	14,409,188,000
Utilized at the end of the year	793,735,000	983,970,000	12,264,867,715	11,091,178,920
Unutilized at the end of the year	984,795,000	573,027,000	3,871,364,285	3,318,009,080

57 DISCLOSURE REQUIREMENT FOR COMPANY NOT ENGAGED IN SHARIAH NON-PERMISSIBLE BUSINESS ACTIVITIES AS ITS CORE BUSINESS ACTIVITIES

Description	Note	2026 Rupees	2025 Rupees
Financing (long-term, short-term, or lease financing) obtained as per Islamic mode			
Long term financing		87,545,467	-
Short term borrowings		150,000,000	150,000,000
Interest or mark-up accrued on any conventional loan or advance			
Long term financing		213,084,281	208,990,877
Short term borrowings		730,005,131	847,663,149
Long-term and short-term Shariah compliant investments		-	-
Shariah-compliant bank deposits, bank balances, and TDRs		32,714,706	112,606,916
Revenue earned from a Shariah-compliant business segment	34	25,596,540,519	27,137,277,935
Break-up of late payments or liquidated damages		-	-
Gain or loss or dividend earned on Shariah compliant investments or share of profit from Shariah-compliant associates		-	-
Profit earned from Shariah-compliant bank deposits, bank balances, or TDRs		-	-
Exchange gain earned from actual currency		-	-
Exchange gains earned using conventional derivative financial instruments		-	-
Profit paid on islamic mode of financing		10,156,165	25,022,103
Total Interest earned on any conventional loan or advance		-	-

Description	Note	2026 Rupees	2025 Rupees
Source and detailed breakup of other income, including breakup of other or miscellaneous portions of other income into Shariah-compliant and noncompliant income			
Shariah-compliant:			
Reversal of allowance for expected credit loss	39	3,409,258	18,888,099
Reversal of provision for advances to staff against expenses	39	1,568,601	-
Credit balance written back	39	-	3,995,067
Scrap sales	39	83,116,712	44,244,957
Gain on sale of operating fixed assets	39	23,153,304	2,848,966
Gain on sale of investment property	39	8,518,393	-
Reversal of provision for doubtful sales tax recoverable	39	100,018,048	-
Gain on sale of stores	39	-	409,013
Non-shariah compliant income			
Dividend income	39	6,778,711	16,060,647
Unrealized gain on forward exchange contracts	39	-	701,354
Unrealized gain on remeasurement of FVTPL investments	39	530,755	636,815
Gain on sale of mutual funds	39	22,573,646	34,774,964
Accrued markup written back	39	-	18,872,123
Profit on deposits with banks	39	9,142,258	14,871,946
Amortization of deferred grant	39	33,373,341	38,233,397

Relationship with Shariah-compliant financial institutions, including banks, takaful operators and their windows, etc

Name	Relationship
Meezan Bank Limited	Bank balance
MCB Islamic Bank Limited	Bank balance and short term borrowings
Faysal Bank Limited	Bank balance
Al-Baraka Bank (Pakistan) Limited	Bank balance

58 AUTHORIZATION OF FINANCIAL STATEMENTS

These financial statements were authorized for issue by the Board of Directors of the Company on 28 September 2026.

59 CORRESPONDING FIGURES

Corresponding figures have been re-arranged, wherever necessary, for the purpose of comparison. However, no significant rearrangements / reclassification have been made except as detailed below for the purpose of better presentation and understanding:

Re-arranged from	Re-arranged to	30 June 2025
Trade and other payables:	Face of statement of financial position	177,830,518
- Contract liabilities		

60 GENERAL

Figures have been rounded off to nearest of Rupee.

AAMIR FAYYAZ SHEIKH
CHIEF EXECUTIVE

ISMAIL AAMIR FAYYAZ
DIRECTOR

KAMRAN SHAHID
CHIEF FINANCIAL OFFICER

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PROXY FORM

39th Annual General Meeting 2026

I/We _____

of _____ in the district of _____ being a member of

KOHINOOR MILLS LIMITED hereby appoint _____

_____ of _____ another member of the Company or failing him/her

appoint _____

of _____ another member of the Company as my / our proxy

to vote for me/us and on my/our behalf, at the 39th Annual General Meeting of the Company to be held on Wednesday, October 28, 2026 at 2:45 p.m., and at any adjournment thereof.

As witness my/our hand seal this _____ day of _____, 2026

Folio No.	CDC Account Holders		No. of Ordinary Shares held
	Participant I.D. No.	Account / Sub-Account No.	

Signatures on Fifty Rupees Revenue Stamp

The Signature should agree with the specimen registered with the Company

Witness 1

Signature _____

Name _____

CNIC No. _____

Passport No. _____

Address _____

_____

Witness 2

Signature _____

Name _____

CNIC No. _____

Passport No. _____

Address _____

_____

Important Notes:

1. Proxies, in order to be effective, must be received at the Company's Registered Office situated at 8th K.M. Manga Raiwind Road, District Kasur, not later than 48 hours before the time for holding the meeting and must be duly stamped, signed and witnessed.

2. If a member appoints more than one proxy and more than one instruments of proxies are deposited by a member with the Company, all such instruments of proxy shall be rendered invalid.

3. No person can act as proxy unless he / she is member of the Company, except that a corporation may appoint a person who is not a member.

4. For CDC Account Holders / Corporate entities

   In addition to the above, the following requirements have to be met.

   a) The proxy form shall be witnessed by two persons whose name, address and Computerized National Identity Card (CNIC) number shall be mentioned on the form.
   b) Attested copies of CNIC or the passport of the beneficial owners and the proxy shall be provided with the proxy form.
   c) The proxy shall produce original CNIC or passport at the time of attending the meeting.
   d) In case of the 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.

AFFIX
CORRECT
POSTAGE

The Company Secretary

KOHINOOR MILLS LIMITED
8-KM, Manga Raiwind Road,
Distt. Kasur,
Pakistan.

پراکسی (مختارنامہ) فارم 2026

39واں سالانہ جنرل اجلاس

میں /ہم ----------

ساکن ---------- ضلع ---------- کا/کے رہائشی ہوں/ہیں۔ کوہ نور ملز لمیٹڈ کا ممبر ہونے کے ناطے

میں /ہم ---------- ساکن ----------

کے رہائشی کو جو کہ کمپنی کا ایک اور ممبر ہے اپنا/اپنے متبادل مقرر کرتا ہوں/ کرتے ہیں یا ----------

ساکن ---------- کے رہائشی کو جو کہ کمپنی کا ایک اور ممبر ہے اپنا/اپنے متبادل مقرر کرتا ہوں/ کرتے ہیں۔ جو میرے /ہمارے لئے اور میری /ہماری طرف سے 28 اکتوبر 2026ء بروز بدھ دوپہر 2:45 بجے ہونے والے کمپنی کے 39ویں سالانہ جنرل اجلاس میں میری /ہمارے طرف سے بحیثیت پراکسی ووٹ دینے کا مجاز ہوگا۔

آج مورخہ ---------- 2026

فولیو نمبر	سی ڈی سی اکاؤنٹ/ذیلی اکاؤنٹ نمبر	عام حصص کی تعداد

-/50 روپے کی ریونیو ٹکٹ
پر دستخط کریں
(دستخط کمپنی کے ساتھ رجسٹرڈ نمونہ کیساتھ اتفاق کرنا چاہئے)

گواہ شدگان 1	گواہ شدگان 2
دستخط ----------	دستخط ----------
نام ----------	نام ----------
شناختی کارڈ نمبر ----------	شناختی کارڈ نمبر ----------
پاسپورٹ نمبر ----------	پاسپورٹ نمبر ----------
پتہ ----------	پتہ ----------

نوٹ:

1۔ اجلاس شروع ہونے سے 48 گھنٹے پہلے 8 کلومیٹر مانگا رائیونڈ روڈ ضلع قصور میں واقع کمپنی کے رجسٹرڈ آفس میں پہنچنے والا دستخط شدہ اور مہر لگا ہوا پراکسی فارم (مختارنامہ) موثر تصور کیا جائے گا۔

2۔ اگر ایک ممبر نے کمپنی میں ایک سے زیادہ پراکسی (متبادل رکن) مقرر کئے یا فارم جمع کروائے تو اس کے وہ تمام فارم غلط قرار دیئے جائینگے۔

3۔ کوئی بھی فرد اس وقت تک متبادل رکن کے طور پر کام نہیں کرسکتا جب تک وہ کمپنی کا ممبر نہ ہو، سوائے کارپوریشن کے جو کسی بھی شخص کو متبادل رکن مقرر کرسکتی ہے۔

سی ڈی سی اکاؤنٹ ہولڈرز اور کارپوریٹ اداروں کیلئے

مذکورہ بالا کے علاوہ مندرجہ ذیل ضروریات کو بھی مدنظر رکھا جائے

1۔ پراکسی فارم دو افراد سے دستخط شدہ ہو اور ان کے نام، پتہ اور شناختی کارڈ نمبر واضح لکھے ہوئے ہوں۔

2۔ اصل مالکان اور متبادل اراکین کے شناختی کارڈ یا پاسپورٹ کی نقول پراکسی فارم کیساتھ منسلک کی جائیں۔

3۔ متبادل رکن کو اجلاس کے وقت اصل شناختی کارڈ یا پاسپورٹ دکھانا ہوگا۔

4۔ کارپوریٹ ادارے کی صورت میں بورڈ آف ڈائریکٹرز کی دستخط شدہ قرارداد/پاور آف اٹارنی (مختار عام) پراکسی فارم کیساتھ کمپنی کو جمع کرانا ہوگا۔

AFFIX
CORRECT
POSTAGE

The Company Secretary

KOHINOOR MILLS LIMITED
8-KM, Manga Raiwind Road,
Distt. Kasur,
Pakistan.

آڈیٹرز نے بتایا ہے کہ انسٹی ٹیوٹ آف چارٹرڈ اکاؤنٹنٹس آف پاکستان کے کوالٹی کنٹرول ریویو پروگرام کے تحت انہیں تسلی بخش درجہ دیا گیا ہے اور وہ آڈٹ اوورسائٹ بورڈ آف پاکستان میں رجسٹرڈ ہیں۔ یہ فرم انٹرنیشنل فیڈریشن آف اکاؤنٹنٹس (آئی ایف اے سی) کے جاری کردہ ضابطۂ اخلاق کی مکمل پابندی کرتی ہے۔ مزید یہ کہ وہ کمپنی کو کوئی متعلقہ خدمات بھی فراہم نہیں کر رہے۔ آڈیٹرز نے یہ بھی تصدیق کی ہے کہ سال کے دوران کسی وقت بھی نہ فرم اور نہ اس کے کسی پارٹنر، ان کے شریکِ حیات یا نابالغ بچوں نے کمپنی کے شیئرز رکھے یا ان کی خرید و فروخت کی، اور فرم کا کوئی پارٹنر یا آڈٹ میں شامل کوئی فرد سی ای او، سی ایف او، انٹرنل آڈٹ کے سربراہ، کمپنی سیکریٹری یا کمپنی کے کسی ڈائریکٹر کا قریبی رشتہ دار نہیں ہے، یعنی شریکِ حیات، والدین، زیرِ کفالت یا غیر زیرِ کفالت بچے۔

اظہارِ تشکر

بورڈ اپنے معزز شیئر ہولڈرز، بینکوں، مالیاتی اداروں اور گاہکوں کا تہِ دل سے شکریہ ادا کرتا ہے، جن کے تعاون، مسلسل حمایت اور سرپرستی نے کمپنی کو مسلسل بہتری کی جانب پیش رفت کے قابل بنایا۔ زیرِ جائزہ مدت کے دوران انتظامیہ اور ملازمین کے تعلقات خوشگوار رہے، اور ہم کمپنی کے ملازمین کی لگن، ثابت قدمی اور استقامت کو سراہتے ہیں۔

منجانب بورڈ آف ڈائریکٹرز

عامر فیاض شیخ	اسمٰعیل عامر فیاض	قصور
چیف ایگزیکٹو	ڈائریکٹر	28 ستمبر 2026ء

ضابطہ اخلاق

بورڈ، سینئر انتظامیہ اور دیگر ملازمین میں دیانت داری کو فروغ دینے کے لیے بورڈ نے ضابطۂ اخلاق تیار کیا ہے اور اسے کمپنی کی ویب سائٹ پر شائع کیا ہے، تا کہ کمپنی سے وابستہ یا اس کے ساتھ معاملات کرنے والے ہر شخص سے متوقع پیشہ ورانہ معیارات اور کارپوریٹ اقدار کو سمجھا جا سکے۔

شیئر ہولڈنگ کا پیٹرن

کمپنیز ایکٹ، 2017 اور لسٹڈ کمپنیز (کوڈ آف کارپوریٹ گورننس) ریگولیشنز، 2019 کے تقاضوں کے مطابق، 30 جون 2026 تک کمپنی کے شیئر ہولڈرز کی اقسام کے ساتھ شیئر ہولڈنگ کے پیٹرن کا گوشوارہ اس رپورٹ کے ساتھ منسلک ہے۔

مستقبل کا جائزہ

مالی سال 2027 کے دوران پاکستان کی ٹیکسٹائل صنعت میں مسابقت برقرار رہنے کی توقع ہے، اور کارکردگی پر عالمی طلب، جغرافیائی و سیاسی حالات، توانائی اور خام مال کی لاگت، مال برداری کے حالات اور بین الاقوامی تجارتی پالیسیوں میں تبدیلیوں کا اثر پڑتا رہے گا۔ اگرچہ مالی سال 2026 میں ٹیکسٹائل برآمدی آمدنی میں معمولی نمو ہوئی، تاہم اس سال نے منڈیوں اور گاہکوں میں تنوع، بہتر پیداواری صلاحیت اور زیادہ ویلیو ایڈیشن کی اہمیت بھی واضح کی۔ مواقع خاص طور پر ملبوسات اور دیگر تیار ٹیکسٹائل مصنوعات میں مضبوط ہیں، جہاں بین الاقوامی برانڈز اور ریٹیلرز کے ساتھ قریبی ہم آہنگی پائیدار برآمدی نمو میں مدد دے سکتی ہے۔

کمپنی کے لیے مالی سال 2027 میں توجہ آپریشنل کارکردگی بہتر بنانے، برآمدی منڈیوں اور گاہکوں کا دائرہ وسیع کرنے، کمپلائنس اور ٹریس ایبلٹی کو مضبوط کرنے، اور ویلیو ایڈڈ مصنوعات کا حصہ بڑھانے پر رہے گی۔ ڈائنگ ڈویژن نئی منڈیوں میں مواقع تلاش کرتا رہے گا، جبکہ ویونگ ڈویژن اپنے موجودہ اثاثوں سے بہتر استعمال اور کارکردگی حاصل کرنے پر توجہ مرکوز رکھے گا۔ انتظامیہ سولر کی مزید صلاحیت اور بیٹری انرجی اسٹوریج سسٹم (بی ای ایس ایس) کے مواقع کا جائزہ بھی جاری رکھے گی، جو تکنیکی اور مالیاتی عملی امکان سے مشروط ہو گا۔

ایپیرل ڈویژن کی توسیع کمپنی کی ترقیاتی حکمتِ عملی کا اہم حصہ ہے۔ انتظامیہ مالی سال 2027 کے اختتام تک پیداواری صلاحیت بتدریج بڑھا کر 17,000 پیسز فی شفٹ فی دن کی طرف لے جانے کا ارادہ رکھتی ہے، جو گاہکوں کے آرڈرز کی وضاحت، ہنر مند افرادی قوت کی دستیابی اور کامیاب عملدرآمد سے مشروط ہے۔ متوقع ہے کہ یہ توسیع کمپنی کی ویلیو ایڈڈ مصنوعات کو مضبوط کرے گی اور آئندہ برآمدی فروخت کی نمو میں مدد دے گی۔

ایپیرل ڈویژن کی ترقی کمپنی کے عمودی طور پر مربوط کاروباری ماڈل کو مزید مضبوط بنانے کی جانب بھی ایک اہم قدم ہے۔ ویونگ، ڈائنگ، فنشنگ اور ملبوسات کی تیاری کی صلاحیتیں ایک ہی مربوط مینوفیکچرنگ کمپلیکس میں موجود ہونے کی وجہ سے کمپنی اس پوزیشن میں آتی جا رہی ہے کہ گاہکوں کو ایک ہی چھت تلے مکمل مصنوعاتی حل فراہم کر سکے۔ اس انضمام سے ترسیل کا وقت کم کرنے، پیداواری عمل کے مختلف مراحل میں ہم آہنگی بہتر بنانے، پروڈکٹ ڈویلپمنٹ اور معیار کے کنٹرول کو بہتر کرنے، اور پوری ویلیو چین میں لاگت اور آپریٹنگ ہم آہنگی کے فوائد حاصل کرنے کے مواقع ملتے ہیں۔

جیسے جیسے یہ صلاحیتیں ترقی کریں گی، کمپنی اپنے گاہکوں کے ساتھ پروڈکٹ ڈویلپمنٹ، خریداری، پیداوار اور ترسیل میں قریبی تعاون کر کے اسٹریٹجک شراکت داریاں گہری کرنا چاہتی ہے۔ انتظامیہ کا خیال ہے کہ عمودی انضمام، آپریشنل پیمانہ اور بڑھتی ہوئی ویلیو ایڈڈ مصنوعات کا امتزاج گاہکوں کی بدلتی ضروریات پر ردِعمل دینے اور پائیدار طویل مدتی نمو کو سہارا دینے کی کمپنی کی صلاحیت کو مضبوط کرے گا۔

اندرونی مالی کنٹرولز کی موزونیت

کمپنی نے اندرونی اور مالی کنٹرولز کا ایک مضبوط نظام نافذ کیا ہے تا کہ اپنے اثاثوں کی حفاظت کی جائے، دھوکہ دہی کو روکا جائے اور قانونی تقاضوں کی تعمیل یقینی بنائی جائے۔ اندرونی کنٹرول کے اس ڈھانچے کا باقاعدگی سے جائزہ اور نگرانی انٹرنل آڈٹ کا شعبہ کرتا ہے، جو بورڈ نے قائم کیا ہے۔ آڈٹ کمیٹی اپنے دائرۂ کار (ٹرمز آف ریفرنس) کے مطابق اس نظام کا ہر سہ ماہی میں جائزہ لیتی ہے۔

آڈیٹرز

کمپنی کے بیرونی آڈیٹرز، میسرز ریاض احمد اینڈ کمپنی، چارٹرڈ اکاؤنٹنٹس، آنے والے سالانہ اجلاسِ عام کے اختتام پر ریٹائر ہو جائیں گے۔ کمپنیز ایکٹ، 2017 کے تحت دوبارہ تقرری کے اہل ہونے کی بنا پر انہوں نے 30 جون 2027 کو ختم ہونے والے سال کے لیے کمپنی کے آڈیٹرز کے طور پر اپنی خدمات پیش کی ہیں۔ بورڈ آف ڈائریکٹرز نے آڈٹ کمیٹی کی اس سفارش کی توثیق کر دی ہے کہ انہیں دوبارہ مقرر کیا جائے۔

نمبر شمار	ممبرز کا نام	شرکت کردہ اجلاس کی تعداد
1	محترمہ ہاجرہ ارحم	4
2	جناب رشید احمد	4
3	جناب تیمور افضل	4

انسانی وسائل اور معاوضہ کمیٹی

بورڈ نے درج ذیل ارکان پر مشتمل ہیومن ریسورس اینڈ ریمیونریشن کمیٹی قائم کی ہے:

نمبر شمار	ممبرز کا نام
1	جناب تیمور افضل - چیئرمین
2	جناب رشید احمد - ممبر
3	محترمہ ہاجرہ ارحم - ممبر

ہیومن ریسورس اینڈ ریمیونریشن کمیٹی (ایچ آر اینڈ آر) بورڈ آف ڈائریکٹرز کی منظور شدہ شرائطِ کار کے مطابق کام کرتی ہے، جو لسٹڈ کمپنیز (کوڈ آف کارپوریٹ گورننس) ریگولیشنز،2019 کے تقاضوں کے مطابق ہیں۔

زیرِ جائزہ سال کے دوران ایچ آر اینڈ آر کمیٹی کے چار (4) اجلاس منعقد ہوئے۔ ارکان کی حاضری درج ذیل ہے:

نمبر شمار	ممبرز کا نام	شرکت کردہ اجلاس کی تعداد
1	جناب تیمور افضل	4
2	جناب رشید احمد	4
3	محترمہ ہاجرہ ارحم	4

نان ایگزیکٹو / انڈیپنڈنٹ ڈائریکٹرز کا معاوضہ

بورڈ آف ڈائریکٹرز نے ڈائریکٹرز کے معاوضے سے متعلق پالیسی کی توثیق کی ہے۔ اس کی اہم خصوصیات درج ذیل ہیں:

- بورڈ کا کوئی بھی رکن اپنا معاوضہ خود طے نہیں کرسکتا۔
- نان ایگزیکٹو ڈائریکٹرز، بشمول انڈیپنڈنٹ ڈائریکٹرز، کا معاوضہ اس بات کو مدنظر رکھتے ہوئے طے کیا جاتا ہے کہ کمپنی کو بورڈ میں مناسب تجربہ کار اور اہل ارکان برقرار رکھنے کی ضرورت ہے، اور یہ مارکیٹ کے رواج کے مطابق ہو گا۔ ہیومن ریسورس اینڈ ریمیونریشن کمیٹی ہر مالی سال کے اختتام تک یا اس سے پہلے، بیرونی مارکیٹ میں موازنہ کے قابل معاوضوں کے سروے کی بنیاد پر، بورڈ کو سفارشات پیش کرتی ہے۔
- ڈائریکٹرز کمپنی کی متعلقہ پالیسی کے مطابق اجلاسوں میں شرکت اور دیگر کاروباری امور کی انجام دہی کے دوران ہونے والے تمام معقول اخراجات، بشمول سفر، ہوٹل کے اخراجات اور دیگر خرچ، کی ادائیگی کے حق دار ہوں گے۔
- معاوضے پر عائد ٹیکس کی ذمہ داری کمپنی برداشت کرے گی۔

ڈائریکٹرز کے تربیتی پروگرام

درج ذیل ڈائریکٹرز نے ڈائریکٹرز ٹریننگ پروگرام مکمل کرلیا ہے:

نمبر شمار	نام ڈائریکٹرز
1	جناب اسماعیل عامر فیاض
2	محترمہ عمرت عامر فیاض
3	جناب تیمور افضل
4	جناب مطیع الدین صدیقی (NIT نامزدہ)

درج ذیل ڈائریکٹرز 14 سال کی تعلیم اور لسٹڈ کمپنیوں کے بورڈز پر کم از کم 15 سال کے تجربے کی شرط پوری کرتے ہیں، اس لیے انہیں ڈائریکٹرز ٹریننگ پروگرام سے استثنا حاصل ہے:

نمبر شمار	نام ڈائریکٹرز
1	جناب عامر فیاض شیخ – چیف ایگزیکٹو
2	جناب رشید احمد – ڈائریکٹر

محترمہ ہاجرہ ارحم مالی سال 27-2026 میں ڈائریکٹرز ٹریننگ پروگرام میں شرکت کریں گی۔

آڈٹ کمیٹی

بورڈ نے درج ذیل ارکان پر مشتمل آڈٹ کمیٹی قائم کی ہے:

نمبر شمار	ممبرز کا نام
1	محترمہ ہاجرہ ارحم – چیئرپرسن
2	جناب رشید احمد – ممبر
3	جناب تیمور افضل – ممبر

آڈٹ کمیٹی بورڈ آف ڈائریکٹرز کی طے کردہ شرائطِ کار کے مطابق کام کرتی ہے۔ اس کی توجہ کوڈ آف کارپوریٹ گورننس کے بہترین طریقوں اور متعلقہ قانونی تقاضوں کی تعمیل، اکاؤنٹنگ پالیسیاں اور طریقوں میں تبدیلیوں، قابلِ اطلاق اکاؤنٹنگ معیارات اور لسٹنگ ریگولیشنز کی تعمیل کی نگرانی پر مرکوز ہے۔

یہ کمیٹی بورڈ آف ڈائریکٹرز کو بیرونی آڈیٹرز کی تقرری کی شرائط کی سفارش کرتی ہے اور آڈٹ سے متعلق ان کی سفارشات کا جائزہ لیتی ہے۔ اس کی دیگر ذمہ داریوں میں اندرونی آڈٹ کے شعبے کی نگرانی، مناسب اندرونی کنٹرول نظاموں کے ذریعے کمپنی کے اثاثوں کا تحفظ (جن میں مالیاتی اور آپریشنل کنٹرولز، اکاؤنٹنگ سسٹمز اور رپورٹنگ کا ڈھانچہ شامل ہیں)، اور کاروباری منصوبوں اور سہ ماہی، ششماہی اور سالانہ نتائج کا، بورڈ کی منظوری اور اشاعت سے پہلے، ابتدائی جائزہ شامل ہیں۔

زیرِ جائزہ سال کے دوران آڈٹ کمیٹی کے چار (4) اجلاس منعقد ہوئے۔ ہر رکن کی حاضری درج ذیل رہی:

b)۔خاتون	کیٹگری
vi۔محترمہ امرت عامر فیاض	ایگزیکٹو ڈائریکٹر
vii۔محترمہ ہاجرہ ارحم	انڈیپینڈنٹ ڈائریکٹر

ترکیب:

انڈیپینڈنٹ ڈائریکٹر *	02
نان ایگزیکٹو ڈائریکٹر	02
ایگزیکٹو ڈائریکٹر (بشمول چیف ایگزیکٹو آفیسر)*	03

*خواتین ڈائریکٹرز کی تعداد 02 ہے، جو انڈیپینڈنٹ اور ایگزیکٹو ڈائریکٹرز کی کیٹیگریز میں شامل ہیں۔

بورڈ کی تبدیلیاں

30 جون 2026 کو ختم ہونے والے سال کے دوران ڈائریکٹرز کی تعداد اور ناموں میں کوئی تبدیلی نہیں ہوئی۔

زیرِ جائزہ سال کے دوران بورڈ آف ڈائریکٹرز کے پانچ (5) اجلاس منعقد ہوئے۔ ہر ڈائریکٹر کی حاضری درج ذیل ہے:

نمبر شمار	ڈائریکٹرز کے نام	اجلاس میں شرکت کی تعداد
1	جناب رشید احمد	5
2	جناب عامر فیاض شیخ	5
3	جناب اسماعیل عامر فیاض	5
4	محترمہ عمرت عامر فیاض	5
6	محترمہ ہاجرہ ارحم	5
6	جناب تیمور افضل	5
7	جناب مطیع الدین صدیقی	5

جو ڈائریکٹرز اجلاس میں شریک نہ ہو سکے انہیں رخصت دی گئی۔

زیرِ جائزہ سال کے دوران ڈائریکٹرز، ایگزیکٹوز، ان کے شریکِ حیات اور نابالغ بچوں نے کمپنی کے شیئرز کی کوئی خرید و فروخت نہیں کی۔

بورڈ کی سالانہ کارکردگی کا جائزہ

بورڈ اپنی کارکردگی کے جائزے کو اچھے نظم و نسق کا اہم ذریعہ سمجھتا ہے، کیونکہ اس سے ڈائریکٹرز کی رائے معلوم ہوتی ہے کہ بورڈ اپنا کردار اور ذمہ داریاں کس طرح ادا کر رہا ہے۔ اسی مقصد کے تحت بورڈ نے جدید اور نمایاں طریقوں کی بنیاد پر اندرونِ ادارہ سوالنامے تیار کیے ہیں تاکہ مجموعی طور پر بورڈ، اس کی کمیٹیوں اور اس کے ارکان کی کارکردگی جانچی جا سکے۔ کمپنی سیکریٹری ہر سال بورڈ کے غور اور جائزے کے لیے خلاصہ رپورٹ پیش کرتا ہے۔

ڈائریکٹرز کا معاوضہ

بورڈ کے ارکان کے معاوضے کی منظوری بورڈ خود دیتا ہے۔ تاہم کوڈ آف کارپوریٹ گورننس کے مطابق یقینی بنایا جاتا ہے کہ کوئی ڈائریکٹر اپنے معاوضے کے فیصلے میں حصہ نہ لے۔ کمپنی نان ایگزیکٹو ڈائریکٹرز، بشمول انڈیپینڈنٹ ڈائریکٹرز، کو اجلاسوں میں شرکت کی فیس کے سوا کوئی معاوضہ ادا نہیں کرتی۔ بہترین صلاحیتوں کو برقرار رکھنے کے لیے کمپنی کی معاوضے کی پالیسیاں صنعت کے موجودہ رجحانات اور کاروباری طریقوں کے مطابق بنائی گئی ہیں۔ ڈائریکٹرز اور سی ای او کے معاوضے کی معلومات کے لیے براہِ کرم مالیاتی گوشوارے کے نوٹس ملاحظہ کریں۔

ویلیو ایڈیشن کا بیان اور رسک مینجمنٹ

ویلیو ایڈیشن اور اس کی تقسیم کا گوشوارہ اس رپورٹ کے ساتھ منسلک ہے۔

فنانشل رپورٹنگ اور کارپوریٹ تعمیل

کمپنی کے ڈائریکٹرز کا بورڈ سیکیورٹیز اینڈ ایکسچینج کمیشن آف پاکستان کے جاری کردہ کوڈ آف کارپوریٹ گورننس میں بیان کردہ اپنی ذمہ داری سے پوری طرح آگاہ ہے۔ درج ذیل بیانات کوڈ آف کارپوریٹ گورننس کے بہترین طریقوں کی تعمیل کے عزم کا اظہار ہیں:

- مالیاتی گوشوارے اور ان کے نوٹس کمپنیز ایکٹ، 2017 کے مطابق تیار کیے گئے ہیں۔ کمپنی کی انتظامیہ کے تیار کردہ یہ گوشوارے کمپنی کے معاملات کی صورتحال، آپریشنز کے نتائج، کیش فلوز اور ایکویٹی میں تبدیلیوں کو درست طور پر پیش کرتے ہیں۔
- کمپنی نے حساباتی کھاتے مناسب طریقے سے رکھے ہیں۔
- مالیاتی گوشوارے کی تیاری میں مناسب اکاؤنٹنگ پالیسیاں مسلسل لاگو کی گئی ہیں۔ اکاؤنٹنگ تخمینے معقول اور محتاط اندازِ فکر پر مبنی ہیں۔
- مالیاتی گوشوارے کی تیاری میں پاکستان میں قابلِ اطلاق انٹرنیشنل فنانشل رپورٹنگ اسٹینڈرڈز کی پیروی کی گئی ہے، اور ان سے کسی بھی انحراف کو مناسب طور پر ظاہر اور واضح کیا گیا ہے۔
- اندرونی کنٹرول کا نظام مضبوط ڈیزائن کا حامل ہے اور اس پر مؤثر طور پر عمل اور نگرانی کی جارہی ہے۔
- کمپنی کے گوئنگ کنسرن کے طور پر جاری رہنے کی صلاحیت پر کوئی نمایاں شبہ نہیں ہے۔
- لسٹڈ کمپنیز (کوڈ آف کارپوریٹ گورننس) ریگولیشنز، 2019 میں بیان کردہ کارپوریٹ گورننس کے بہترین طریقوں سے کوئی مادی انحراف نہیں کیا گیا۔
- گزشتہ چھ سال کا آپریٹنگ اور مالیاتی ڈیٹا اس رپورٹ کے ساتھ منسلک ہے۔
- واجب الادا ٹیکسوں، ڈیوٹیوں، لیویز اور دیگر چارجز (اگر کوئی ہوں) کی قانونی ادائیگیوں سے متعلق معلومات آڈٹ شدہ اکاؤنٹس کے متعلقہ نوٹس میں دی گئی ہیں۔
- کمپنی حفاظتی قواعد وضوابط کے معیار کی سختی سے پابندی کرتی ہے اور ماحول دوست پالیسیوں پر بھی عمل کرتی ہے۔
- ملازمین کے ریٹائرمنٹ بینیفٹ فنڈ (پروویڈنٹ فنڈ) کی سرمایہ کاری کی، ان کے متعلقہ اکاؤنٹس کی بنیاد پر، ویلیو ایشن درج ذیل ہے:

30 جون 2026	741.143 ملین روپے (غیر نظر ثانی شدہ)
30 جون 2025	523.801 ملین روپے (نظر ثانی شدہ)

بورڈ آف ڈائریکٹرز

بورڈ آف ڈائریکٹرز کمپنی کے مجموعی نظم ونسق اور انتظام کا ذمہ دار ہے۔ تمام ڈائریکٹرز اپنے فرائض اور اختیارات سے آگاہ ہیں۔ وہ اپنی امانت داری کی ذمہ داریاں بورڈ میٹنگز کے ذریعے ادا کرتے ہیں، جو ہر سہ ماہی میں منعقد ہوتی ہیں۔ ان میں کمپنی کے مالیاتی گوشوارے کا جائزہ اور منظوری، اور ذیلی کمیٹیوں کی سفارشات کو مدنظر رکھتے ہوئے کمپنی کے اہم منصوبوں، فیصلوں، تخمینوں، پیش گوئیوں اور بجٹ کا جائزہ اور منظوری شامل ہے۔ ان کی ذمہ داریوں میں کمپنی کے حکمتِ عملی کے مقاصد طے کرنا، قیادت فراہم کرنا، کاروبار کے انتظام کی نگرانی کرنا اور شیئر ہولڈرز کو اپنی نگہبانی کے بارے میں رپورٹ دینا شامل ہے۔

کل ڈائریکٹرز کی تعداد سات ہے۔ بورڈ کی تشکیل درج ذیل ہے:

a) مرد حضرات	کیٹگری
i۔ جناب رشید احمد	نان ایگزیکٹو ڈائریکٹر
ii۔ جناب عامر فیاض شیخ	ایگزیکٹو ڈائریکٹر
iii۔ جناب اسمٰعیل عامر فیاض	ایگزیکٹو ڈائریکٹر
iv۔ جناب تیمور افضل	انڈیپنڈنٹ ڈائریکٹر
v۔ جناب مطیع الدین صدیقی (NIT نامزدہ)	نان ایگزیکٹو ڈائریکٹر

انسانی وسائل اور تربیت

اوسطاً تقریباً 2,660 ملازمین کی افرادی قوت کے ساتھ، کمپنی سمجھتی ہے کہ ملازمین ادارے کے مستقبل کی تشکیل کے لیے ناگزیر ہیں اور ہر فرد ادارے کی کامیابی میں براہِ راست کردار ادا کرتا ہے۔

آپ کی کمپنی کی ایچ آر ٹیم اعلیٰ مہارت اور تجربہ رکھنے والے پیشہ ور افراد پر مشتمل ہے۔ یہ ٹیم کاروباری ٹیموں کے ساتھ قریبی تعاون سے ایسے مؤثر انسانی وسائل کے حل تیار کرتی ہے جو کاروباری اہداف کو پورا کریں۔

آپ کی کمپنی افراد کے احترام، مساوی مواقع، میرٹ پر ترقی، مؤثر رابطے اور کارکردگی پر مبنی کلچر کے فروغ کو خاص اہمیت دیتی ہے۔ کمپنی ہر سطح پر مسلسل بہتری پر فخر کرتی ہے اور کوشش کرتی ہے کہ تمام ملازمین کو ترقی کے مواقع اور مختلف کیریئر تجربات میسر آئیں۔

آپ کی کمپنی مساوی مواقع فراہم کرنے والا ادارہ ہے، اور اس پر بھرتی اور ملازمت سمیت کمپنی کی تمام کاروباری سرگرمیوں میں عمل کیا جاتا ہے۔

کمپنی کی اقدار، جدید ٹیکنالوجی اور ایچ آر انفارمیشن سسٹمز مل کر ایسا اعلیٰ کارکردگی کا ماحول بناتے ہیں جس میں ہر فرد اپنے پیشہ ورانہ اور ذاتی خواب پورے کر سکتا ہے۔

تربیت اور ترقی

آپ کی کمپنی کا یقین ہے کہ تربیت اور ترقی کے ذریعے انسانی وسائل کو بہتر بنایا جا سکتا ہے، اور پیداواری عمل کے ہر شعبے میں تربیت پر پوری توجہ دی جاتی ہے۔ سال کے دوران کمپنی نے تمام اہم تکنیکی شعبوں، جیسے ویورز، ٹیکنالوجسٹس اور کوالٹی کنٹرول انسپکٹرز کے لیے مرکوز اور کم لاگت والے تربیتی پروگرام منعقد کرنے کی کوشش کی۔

امیدواروں کو ٹرینی اسکیم کے ذریعے بھرتی کیا جاتا ہے اور اپنی اپنی ٹیموں میں شامل ہونے سے پہلے انہیں 6 ماہ تک کمپنی کے اندر تربیت دی جاتی ہے۔ اس سے کمپنی کو ہنرمند افرادی قوت تیار کرنے میں مدد ملی ہے اور ملازمین کے چھوڑ جانے کی صورت میں متبادل بھی دستیاب ہو جاتے ہیں۔

کمپنی کے اندر باقاعدگی سے تربیتی سیشن منعقد کیے جاتے ہیں، جن میں جنرل مینجمنٹ، آگ بجھانے، ابتدائی طبی امداد، صحت و حفاظت، کمپیوٹر اور تکنیکی شعبے شامل ہیں۔

حفاظت، صحت اور ماحولیات

آپ کی کمپنی اپنے تمام ملازمین کو محفوظ اور صحت مند کام کی جگہ فراہم کرنے پر توجہ دیتی ہے اور جن معاشروں اور ماحول میں کام کرتی ہے ان کے ساتھ ذمہ دارانہ رویہ اپنانے کے لیے پرعزم ہے۔ یہ مقصد کمپنی کی قیادت، عملے کی لگن اور کام کی جگہ پر اعلیٰ ترین پیشہ ورانہ معیارات کے اطلاق کے ذریعے، حفاظت، صحت اور ماحول کی کارکردگی میں مسلسل بہتری سے حاصل کیا جائے گا۔

کارپوریٹ سماجی ذمہ داری (سی ایس آر)

آپ کی کمپنی کی کارپوریٹ سوشل ریسپانسبلٹی (سی ایس آر) پالیسی نہایت واضح ہے، جس کا مقصد اس معاشرے کے تحفظ اور بہبود کی ذمہ داریاں پوری کرنا ہے جس میں کمپنی کام کرتی ہے۔ اس کی فلاحی سرگرمیوں میں صحت اور تعلیم کے شعبوں کے اقدامات میں شرکت شامل ہے۔

کارپوریٹ گورننس کے ضابطے کی تعمیل

آپ کی کمپنی کارپوریٹ گورننس کے اعلیٰ معیارات برقرار رکھنے کے لیے پرعزم ہے۔ بورڈ اور اس کی ذیلی کمیٹیاں اس سلسلے میں اپنی ذمہ داریوں سے آگاہ ہیں۔ لسٹڈ کمپنیز (کوڈ آف کارپوریٹ گورننس) ریگولیشنز، 2019 کی تعمیل کا بیان اور اس پر آڈیٹرز کی جائزہ رپورٹ اس رپورٹ کے ساتھ منسلک ہے۔

توانائی کی دستیابی اور لاگت

ٹیکسٹائل کارخانے کے لیے مسابقتی نرخوں پر توانائی کی دستیابی نہایت اہم ہے، خاص طور پر بھارت اور بنگلہ دیش جیسے خطے کے پیداوار کنندگان کے مقابلے میں، جنہیں نسبتاً سستی توانائی میسر ہے۔ اس خطرے کو کم کرنے کے لیے کمپنی نے توانائی کے ذرائع میں تنوع رکھا ہے، یعنی فرنس آئل، بایوماس، ڈیزل اور شمسی توانائی؛ توانائی کی بچت کے جامع اقدامات کیے ہیں؛ اپنا کیپٹو پاور پلانٹ نصب کیا ہے؛ اور جہاں ممکن ہوا گرڈ کنکشن حاصل کیے ہیں۔ طویل مدت میں لاگت کو مستحکم رکھنے اور مسابقت برقرار رکھنے کے لیے قابلِ تجدید توانائی کی صلاحیت میں مسلسل اضافہ اور توانائی کی بچت کے اقدامات بدستور اولین ترجیح ہیں۔

مالی خطرات

بورڈ مالی خطرات کے انتظام کی پالیسیاں بناتا ہے اور فنانس ڈیپارٹمنٹ ان پر عمل کرتا ہے۔ اہم مالی خطرات اور ان کے حل کا خلاصہ یہ ہے:

- کرنسی کا خطرہ: کمپنی کی وصولیاں اور ادائیگیاں امریکی ڈالر، اماراتی درہم، یورو، جاپانی ین، برطانوی پاؤنڈ، سعودی ریال اور چینی یوان میں ہیں، جس سے زرِ مبادلہ کے نرخوں کا خطرہ پیدا ہوتا ہے۔ اسے کرنسیوں کی باہمی مطابقت، جہاں کاروباری لحاظ سے مناسب ہو مختصر مدت کے ہیجنگ (نرخوں کے تحفظ)، اور خزانہ شعبے کی قریبی نگرانی کے ذریعے سنبھالا جاتا ہے۔
- شرحِ سود کا خطرہ: شرحِ سود میں اتار چڑھاؤ سے قرضوں کی لاگت متاثر ہوتی ہے۔ کمپنی اس خطرے کو قرضوں کی دوبارہ تشکیل (ری فنانسنگ) کے متبادل ذرائع کا جائزہ لے کر سنبھالتی ہے۔
- کریڈٹ (ادھار) کا خطرہ: ادھار پر دیے گئے مال کی وصولیوں کی نگرانی کریڈٹ کی حدود اور بقایاجات کی عمر کے جائزے کے ذریعے کی جاتی ہے۔ پرانے اور دیرینہ خریداروں سے تعلقات کی وجہ سے ڈوبنے والی رقوم کا امکان کم رہتا ہے۔
- لیکویڈیٹی (نقدی) کا خطرہ: مشکل حالات میں بھی مناسب نقدی کی دستیابی یقینی بنانے کے لیے بینکوں کی منظور شدہ سہولیات، نقد بہاؤ کی محتاط پیش گوئی اور ورکنگ کیپیٹل پر کنٹرول برقرار رکھے جاتے ہیں۔
- سرمائے کا خطرہ: سرمائے کی ساخت کو اس طرح سنبھالا جاتا ہے کہ کمپنی کی کاروباری بقا (گوئنگ کنسرن) قائم رہے اور سرمائے کی لاگت بہترین سطح پر رہے۔

مواقع

ایک نمایاں عمودی طور پر مربوط (ویرٹیکلی انٹیگریٹڈ) ٹیکسٹائل کمپنی کے طور پر ہم کئی مواقع سے فائدہ اٹھانے کی پوزیشن میں ہیں:

- دنیا بھر کے مختلف خطوں میں پھیلا ہوا گاہکوں کا حلقہ برآمدی فروخت میں پائیدار اضافہ دیتا ہے اور کسی ایک منڈی پر انحصار کم کرتا ہے۔
- مصنوعات کی متنوع رینج کمپنی کو بین الاقوامی ٹیکسٹائل خریداروں کی ایک وسیع تعداد کی توجہ حاصل کرنے اور انہیں برقرار رکھنے میں مدد دیتی ہے۔
- عمودی انضمام (دھاگے سے تیار مال تک سارے مراحل ایک ہی کمپنی میں ہونا) سے آپریشنل فوائد حاصل ہوتے ہیں، پوری کڑی میں معیار پر کنٹرول رہتا ہے اور مال کی ترسیل کا وقت کم ہوتا ہے۔
- پاکستان کی بلند آبادی کی شرحِ نمو مناسب افرادی قوت کی مستقل فراہمی یقینی بناتی ہے۔
- اعلیٰ درجے کے ہوم ٹیکسٹائل، گارمنٹس اور ٹیری مصنوعات جیسے ویلیو ایڈڈ شعبوں میں توسیع سے زیادہ منافع اور گاہکوں کی طویل مدتی وفاداری حاصل ہوتی ہے۔
- توانائی کی منتقلی اور قابلِ تجدید توانائی پیداواری لاگت گھٹانے، پائیداری کی ساکھ بہتر بنانے اور ESG (ماحول، معاشرہ اور نظم و نسق) سے متعلق خریداروں کی توقعات پوری کرنے کا موقع فراہم کرتی ہیں۔

انفارمیشن ٹیکنالوجی

آپ کی کمپنی مؤثر آئی ٹی نظام قائم رکھنے کی مسلسل کوشش کر رہی ہے تاکہ بروقت اور مؤثر فیصلوں میں مدد ملے۔ کمپنی نے اپنے ملازمین کو جدید ترین سہولیات فراہم کی ہیں تاکہ وہ بہترین کارکردگی حاصل کر سکیں۔ پیداواری عمل میں استعمال ہونے والی زیادہ تر مشینری اور آلات جدید ٹیکنالوجی کے سافٹ ویئر سے لیس ہیں، جو پیداواری عمل کی معلومات اسی وقت فراہم کرتے ہیں۔

کمپنی کا انٹرانیٹ ایک مفید معلوماتی ذریعہ ہے، جو کمپنی کی پالیسیوں اور طریقۂ کار کے بارے میں تفصیلی معلومات کے ساتھ ملازمین کے لیے دیگر مفید معلومات بھی فراہم کرتا ہے۔

سال ختم ہونے کے بعد ڈویژن پانچ پیداواری لائنوں پر کام کر رہا ہے جن کی مجموعی صلاحیت تقریباً 5,000 پیسز فی شفٹ فی دن ہے۔ انتظامیہ کا ارادہ ہے کہ کاروبار کی ترقی اور گاہکوں کے آرڈرز بڑھنے کے ساتھ ساتھ صلاحیت بتدریج بڑھائی جائے۔

ڈیویڈینڈ

کمپنی کے ورکنگ کیپیٹل کو دوبارہ مضبوط بنانے اور بعض حکومتی پالیسیوں کے باعث پیش آنے والے غیر متوقع حالات سے نمٹنے کے لیے، ڈائریکٹرز نے افسوس کے ساتھ اس سال ڈیویڈنڈ ادا نہ کرنے کا فیصلہ کیا ہے۔

خطرات اور مواقع

کمپنی کی انتظامیہ خطرات کو مسلسل جانچتی اور سنبھالتی رہتی ہے تا کہ اسٹیک ہولڈرز (متعلقہ فریقوں) کی قدر محفوظ رہے اور قابلِ عمل مواقع سے فائدہ اٹھایا جا سکے۔ اہم خطرات اور غیر یقینی عوامل درج ذیل ہیں:

حکمتِ عملی کے خطرات

مسابقت میں قائم رہنے کے لیے مصنوعات اور منڈیوں میں تنوع (مختلف اقسام) ضروری ہے، کیونکہ گاہک اعلیٰ معیار کی جدید مصنوعات کم سے کم وقت میں مانگتے ہیں۔ ڈویژنوں کے سربراہ باقاعدگی سے مل بیٹھتے ہیں تا کہ حکمتِ عملی اور کام کاج میں ہم آہنگی رہے۔ کمپنی نئے منصوبوں اور BMR میں سرمایہ کاری اور گاہکوں سے مضبوط تر رابطے کے ذریعے حکمتِ عملی کے خطرے کو کم کرتی ہے۔

کاروباری خطرات

کپاس اور دھاگے (یارن) کی دستیابی اور قیمت

موسم کی خرابی اور فصل کی پیداوار میں اتار چڑھاؤ کی وجہ سے کپاس کی دستیابی اور قیمت ایک بڑا کاروباری خطرہ ہے۔ دھاگے کی کمی اور قیمتوں کا اتار چڑھاؤ تیار مال کی لاگت کو خاصا بڑھا سکتا ہے اور پیداوار میں رکاوٹ ڈال سکتا ہے۔ اس خطرے سے نمٹنے کے لیے کمپنی مرحلہ وار خریداری کرتی ہے، سپلائرز میں تنوع رکھتی ہے، معیار کی سخت جانچ کرتی ہے اور متبادل ریشوں کے امتزاج کا مسلسل جائزہ لیتی ہے۔ ان اقدامات کا مقصد خریداری کی لاگت کو متوازن رکھنا، سپلائی کو جاری رکھنا اور منافع کے مارجن کو محفوظ رکھنا ہے۔

برآمدی طلب اور قیمت

کمپنی کا کاروبار برآمد پر مبنی ہے، اس لیے وہ عالمی طلب میں اتار چڑھاؤ، خریداروں کی خریداری پالیسیوں میں تبدیلی، اور ملک کے اندر اور باہر کم لاگت والے پیداوار کنندگان کے مقابلے سے متاثر ہو سکتی ہے۔ اس سے بچاؤ کے لیے کمپنی بین الاقوامی خریداروں سے تعلقات مزید گہرے کرتی ہے، زیادہ منافع والی مصنوعات کی طرف بڑھتی ہے، مصنوعات کے ماخذ کی نشاندہی (ٹریسیبلٹی) اور قواعد کی پابندی کو مضبوط بناتی ہے، اور نئے خطوں میں منڈیاں تلاش کرتی ہے تا کہ چند گاہکوں اور منڈیوں پر انحصار کم ہو۔

سائبر سکیورٹی اور انفارمیشن سسٹمز کا خطرہ

کمپنی اپنے آپریشنز اور مالی نظام کے لیے کمپیوٹر سسٹمز پر انحصار کرتی ہے، جس کی وجہ سے سائبر سکیورٹی کے خطرات لاحق ہیں۔ سائبر حملوں سے مالی نقصان، پیداوار کی بندش، حساس معلومات کا افشا اور گاہکوں کے اعتماد کو نقصان پہنچ سکتا ہے۔ ان خطرات سے بچنے کے لیے کمپنی نے کئی تہوں پر مشتمل حفاظتی نظام نافذ کیا ہے، عملے کو باقاعدگی سے آگاہی کی تربیت دی جاتی ہے، اور کسی حادثے کی صورت میں ردِ عمل کا باقاعدہ طریقۂ کار موجود ہے۔

قواعد و ضوابط اور منڈی تک رسائی کا خطرہ

درآمدی محصولات (ٹیرف) میں تبدیلی اور خریداروں کی وہ شرائط جو مزدوروں کے معیارات، ماحولیاتی طریقوں اور کیمیکل کی حفاظت سے متعلق ہوں، قیمتوں اور منڈیوں تک رسائی پر نمایاں اثر ڈال سکتی ہیں۔ اس خطرے سے نمٹنے کے لیے کمپنی تمام مطلوبہ سرٹیفکیٹ برقرار رکھتی ہے، تجارتی اداروں اور ریگولیٹری حکام سے فعال رابطہ رکھتی ہے، اور اپنی منڈیوں اور گاہکوں میں تنوع لاتی رہتی ہے۔

سال کے دوران ڈویژن میں کوئی قابلِ ذکر سرمایہ جاتی خرچ نہیں کیا گیا۔ انتظامیہ کی توجہ موجودہ اثاثوں کے بہتر استعمال، آپریٹنگ کارکردگی، لاگت پر قابو اور پروڈکٹ اور مارکیٹ مکس کو بہتر بنانے پر رہی، ساتھ ہی معیار، پیداواری صلاحیت اور گاہکوں کی ضروریات پر فوری ردِعمل پر بھی زور دیا جاتا رہا۔

مستقبل کی طرف بڑھتے ہوئے، بہتر معاشی صورتحال، جیسے کہ افراط زر کی مستحکم شرح اور اسٹیٹ بینک آف پاکستان کی مانیٹری پالیسی میں کمی ، منافع مارجن پر دباؤ کو کم کرے گی۔ مزید برآں، ہم اخراجات کو کم سے کم کرنے، مارکیٹ میں اپنی موجودگی کو بڑھانے، اور ان رکاوٹوں کو دور کرنے اور مستقبل میں اپنے منافع کو بڑھانے کے لئے فعال طریقوں کو نافذ کرنے کے لئے کوشاں ہیں۔

ڈائینگ ڈویژن

مالی سال 2026 میں ڈائنگ ڈویژن کو مشکل منڈی کا سامنا رہا، جہاں قیمتوں پر مسلسل دباؤ رہا، گاہکوں کی جانب سے مال کی ترسیل کا وقت کم ہوا اور خریداری میں زیادہ لچک کا مطالبہ کیا گیا۔ بیرونی فروخت 18.4٪ کمی کے ساتھ Rs. 13.48 billion رہی، جو مالی سال 2025 میں Rs. 16.53 billion تھی، جبکہ کل شعبہ جاتی فروخت گزشتہ سال کے Rs. 16.83 billion سے کم ہو کر Rs. 14.51 billion رہی۔ مجموعی منافع Rs. 1.85 billion سے کم ہو کر Rs. 1.29 billion رہ گیا، اور مجموعی منافع کا مارجن مالی سال 2025 کے 11.0٪ سے گھٹ کر تقریباً 8.9٪ ہو گیا۔

مالی سال 2026 کی آخری سہ ماہی میں حالات خاص طور پر مشکل ہو گئے، کیونکہ مشرقِ وسطیٰ میں جغرافیائی و سیاسی رکاوٹوں نے شپنگ اور آرڈرز کی تکمیل کو متاثر کیا، جس کے نتیجے میں بعض برآمدی شپمنٹس اور گاہکوں کو ترسیلات مؤخر کرنا پڑیں۔ اس کے جواب میں انتظامیہ نے پیداواری منصوبہ بندی، پروسیس کی بہتری، ییلڈ میں اضافے اور توانائی، رنگوں اور کیمیکلز کے مؤثر استعمال پر توجہ جاری رکھی۔

ڈویژن نئی برآمدی منڈیوں اور گاہکوں کے مواقع بھی تلاش کر رہا ہے تاکہ اپنی جغرافیائی موجودگی بڑھائے اور کسی ایک منڈی یا تجارتی راستے میں رکاوٹ کے اثرات کم کیے جا سکیں۔ انتظامیہ کو توقع ہے کہ جغرافیائی و سیاسی اور لاجسٹکس حالات معمول پر آنے کی صورت میں مالی سال 2027 کے دوران شپمنٹس اور منڈی کے حالات بہتر ہوں گے۔

جنریٹک ڈویژن

مالی سال 2026 کے دوران کمپنی نے اپنے توانائی کے ذرائع کو بہتر بنانے اور روایتی توانائی پر انحصار کم کرنے میں مزید پیش رفت کی۔ سولر فوٹوولٹک کی کل نصب شدہ صلاحیت 10.2 MW تک پہنچ گئی ہے اور مینوفیکچرنگ پلانٹ پر مکمل طور پر فعال ہے۔ سولر صلاحیت بڑھنے سے گرڈ کی بجلی پر انحصار کم ہوا ہے اور مجموعی توانائی لاگت میں بہتری آئی ہے۔

اس کے ساتھ ساتھ سال کے دوران کمپنی کی پروسیس ہیٹ کی ضروریات کا ایک بڑا حصہ قدرتی گیس سے بائیو ماس پر چلنے والے تھرمل آئل ہیٹنگ سسٹم پر منتقل کر دیا گیا۔ یہ نظام موجودہ پروسیس ہیٹ کے ڈھانچے کے ساتھ جوڑ دیا گیا ہے اور گیس کی فراہمی میں رکاوٹوں اور ٹیرف کے اتار چڑھاؤ کے اثرات کم کرنے کے ساتھ توانائی کی لاگت کو زیادہ قابلِ پیش گوئی بنا رہا ہے۔

کمپنی سولر کی مزید توسیع اور بیٹری انرجی اسٹوریج سسٹم (بی ای ایس ایس) کے امکانات کا بھی جائزہ لے رہی ہے۔ کمپنی کے پاس اضافی سولر تنصیبات کے لیے کافی زمین موجود ہے، جبکہ مجوزہ بی ای ایس ایس دن کے وقت پیدا ہونے والی اضافی سولر بجلی کو ذخیرہ کرے گا تاکہ اسے اُن اوقات میں استعمال کیا جا سکے جب سولر بجلی دستیاب نہیں ہوتی۔

ایپیرل ڈویژن

ایپیرل ڈویژن نے مالی سال 2026 کے دوران تجارتی پیداوار شروع کی اور سال بھر پیداوار میں بتدریج اضافہ کرتا رہا۔ یہ ڈویژن کمپنی کی اس حکمتِ عملی میں ایک اہم قدم ہے جس کے تحت وہ زیادہ ویلیو ایڈڈ ٹیکسٹائل مصنوعات کی طرف بڑھ رہی ہے۔ سال کے دوران انتظامیہ کی توجہ افرادی قوت کی تربیت، پیداواری کارکردگی، معیار، کمپلائنس، گاہکوں کی تلاش اور ڈویژن کو کمپنی کے موجودہ ٹیکسٹائل شعبوں کے ساتھ جوڑنے پر رہی۔

مالی سال 2026 میں بین الاقوامی ٹیکسٹائل اور ملبوسات کی منڈیوں میں سخت مقابلہ رہا۔ خریدار قیمتوں میں مسابقت، مال کی ترسیل کے کم وقت، انوینٹری کے نظم و ضبط اور سپلائی چین کی مضبوطی پر مسلسل زور دیتے رہے۔ ساتھ ہی ٹریس ایبلٹی، کیمیکلز، گندے پانی کے نظم، ماحولیاتی معیارات اور ذمہ دارانہ خریداری سے متعلق کمپلائنس تقاضے بھی خریداری کے فیصلوں پر اثر انداز ہوتے رہے۔ یہ رجحانات ان صنعت کاروں کے حق میں جا رہے ہیں جو مربوط پیداوار، قابلِ اعتماد عملدرآمد، مضبوط کمپلائنس نظام اور زیادہ قیمت والی مصنوعات فراہم کر سکتے ہیں، نہ کہ صرف قیمت پر مقابلہ کرنے والوں کے حق میں۔

مانیٹری حالات پچھلے برسوں کے مقابلے میں کہیں زیادہ سازگار رہے، تاہم مہنگائی کے نئے دباؤ اور جغرافیائی و سیاسی غیر یقینی صورتحال کی وجہ سے اسٹیٹ بینک آف پاکستان نے مالی سال 2026 کے اختتام پر پالیسی ریٹ 11.5٪ پر برقرار رکھا۔ اس کے باوجود ٹیکسٹائل شعبہ توانائی کی بلند لاگت، درآمدی خام مال اور کیمیکلز، مال برداری کے نرخ میں اتار چڑھاؤ اور ورکنگ کیپیٹل کی ضروریات کے دباؤ کا سامنا کرتا رہا۔ آگے چل کر شعبے کی مسابقت کا انحصار پیداواری صلاحیت میں مسلسل بہتری، توانائی کے بہتر استعمال، سستی فنانسنگ تک رسائی اور مستحکم و قابلِ پیش گوئی پالیسی ماحول پر ہوگا۔

مالی سال 2026 میں پاکستان کی زرمبادلہ کی پوزیشن مزید مضبوط ہوئی۔ 3 جولائی 2026 تک اسٹیٹ بینک آف پاکستان کے زرمبادلہ کے ذخائر بڑھ کر تقریباً USD 18.47 billion ہو گئے، جبکہ ملک کے مجموعی نقد زرمبادلہ کے ذخائر تقریباً USD 23.99 billion رہے۔ سال کے دوران شرحِ تبادلہ بھی نسبتاً مستحکم رہا اور 30 جون 2026 کو تقریباً Rs. 278.55 فی امریکی ڈالر پر بند ہوا، جو مالی سال 2025 کے اختتام پر Rs. 283.60 تھا۔ ذخائر میں بہتری اور شرحِ تبادلہ کے استحکام نے ایسے وقت میں بیرونی پوزیشن کو زیادہ سہارا دیا جب عالمی اجناس اور مالیاتی منڈیوں میں غیر یقینی صورتحال برقرار تھی۔

آگے چل کر ٹیکسٹائل شعبے کی کارکردگی کا انحصار زیادہ تر منڈیوں اور مصنوعات میں تنوع، ویلیو ایڈیشن، لاگت کے لحاظ سے مسابقت اور سپلائی چین کی مضبوطی پر ہو گا۔ جغرافیائی و سیاسی ماحول نے ظاہر کیا ہے کہ چند مخصوص منڈیوں اور تجارتی راستوں پر انحصار کتنا خطرناک ہو سکتا ہے۔ اس لیے کمپلائنس، پائیداری، پیداواری کارکردگی، قابلِ تجدید توانائی، ڈیجیٹل پلاننگ اور گاہکوں میں تنوع میں مسلسل سرمایہ کاری، منڈیوں تک رسائی برقرار رکھنے اور مارجن کے تحفظ کے لیے اہم رہے گی، خاص طور پر عالمی خریداری کے اس ماحول میں جہاں مقابلہ بڑھتا جا رہا ہے۔

آپریٹنگ اور مالیاتی نتائج

زیرِ جائزہ سال کے دوران کمپنی کی آمدنی Rs. 25.59 billion رہی جو مالی سال 2025 میں Rs. 27.14 billion تھا، جبکہ مجموعی منافع Rs. 3.49 billion رہا، جو گزشتہ سال Rs. 3.61 billion تھا۔ کاروباری حجم میں کمی کے باوجود مجموعی منافع کا مارجن معمولی بہتری کے ساتھ 13.3٪ سے بڑھ کر تقریباً 13.6٪ ہو گیا۔ یہ مشکل کاروباری ماحول میں پروڈکٹ مکس، آپریٹنگ کارکردگی اور لاگت کے نظم پر مسلسل توجہ کا نتیجہ ہے۔

مالیاتی لاگت، مالی سال 2025 کے Rs. 1.18 billion کے مقابلے میں، Rs. 1.11 billion کے ساتھ مجموعی طور پر مستحکم رہی۔ سال کے دوران کمائی میں کمی کی بڑی وجہ آپریٹنگ منافع میں کمی اور ڈسٹری بیوشن اور انتظامی اخراجات میں اضافہ تھا۔ ٹیکس اور لیوی سے پہلے منافع تقریباً Rs. 150.2 million رہا۔ لیوی اور ٹیکس کے بعد کمپنی کا خالص منافع Rs. 5.52 million رہا، جو گزشتہ سال Rs. 233.5 million تھا، اور فی شیئر آمدنی تقریباً Re. 0.01 رہا، جو مالی سال 2025 میں Re. 0.46 تھا۔

کارکردگی کا جائزہ

30 جون 2026 کو ختم ہونے والے سال کے لیے آپ کی کمپنی کی کارکردگی کا مختصر جائزہ درج ذیل ہے:

ویونگ ڈویژن

مالی سال 2026 کے دوران ویونگ ڈویژن مسابقتی منڈی میں کام کرتا رہا، جہاں فروخت کی قیمتوں پر دباؤ رہا اور ملکی و برآمدی منڈیوں میں طلب بدلتی رہی۔ بیرونی فروخت 8.2٪ بڑھ کر Rs. 11.45 billion ہو گئی، جو مالی سال 2025 میں Rs. 10.59 billion تھی۔ تاہم شعبوں کے درمیان فروخت کم ہونے کی وجہ سے کل شعبہ جاتی فروخت Rs. 17.77 billion رہی، جو گزشتہ سال Rs. 18.19 billion تھی۔ مجموعی شعبہ جاتی فروخت میں معمولی کمی کے باوجود مجموعی منافع بڑھ کر Rs. 1.94 billion ہو گیا، جو پہلے Rs. 1.71 billion تھا، اور مجموعی منافع کا مارجن مالی سال 2025 کے 9.4٪ سے بڑھ کر تقریباً 10.9٪ ہو گیا۔

ڈائریکٹرز کی رپورٹ

کمپنی کے ڈائریکٹرز، 30 جون 2026 کو ختم ہونے والے سال کی سالانہ رپورٹ، آڈٹ شدہ مالیاتی گوشوارے اور آڈیٹرز کی رپورٹ کے ساتھ، پیش کرتے ہوئے خوشی محسوس کرتے ہیں۔

عالمی معیشت کا جائزہ

2025 میں جغرافیائی و سیاسی کشیدگی اور بین الاقوامی تجارتی پالیسیوں کے بارے میں غیر یقینی صورتحال کے باوجود عالمی معیشت کی نمو مضبوط رہی۔ آئی ایم ایف کی جولائی 2026 کی ورلڈ اکنامک آؤٹ لک اپڈیٹ کے مطابق عالمی نمو 2026 میں کم ہو کر 3.0٪ رہنے کی توقع ہے، جبکہ 2027 میں یہ بہتر ہو کر 3.4٪ ہو جائے گی۔ ترقی یافتہ معیشتوں کے 2026 میں 1.7٪ کی شرح سے بڑھنے کا اندازہ ہے، جس میں امریکہ کی 2.3٪ اور یورو ایریا کی 0.9٪ نمو شامل ہے، جبکہ ابھرتی ہوئی اور ترقی پذیر معیشتوں کے 3.8٪ کی شرح سے بڑھنے کی توقع ہے۔ عالمی تجارت کی نمو بھی 2025 کے 5.0٪ سے سست ہو کر 2026 میں 3.5٪ رہنے کی توقع ہے، جس کی وجوہات جغرافیائی وسیاسی رکاوٹیں، بدلتی ہوئی تجارتی پالیسیاں اور عالمی سپلائی چین میں جاری تبدیلیاں ہیں۔

2026 میں عالمی سطح پر مہنگائی کا دباؤ بڑھا، جس کی بڑی وجہ توانائی اور خوراک کی بلند قیمتیں ہیں۔ آئی ایم ایف کے اندازے کے مطابق مجموعی مہنگائی 2025 میں 4.1٪ تھی اور 2026 میں بڑھ کر 4.7٪ ہونے کا امکان ہے، جبکہ 2027 میں یہ کم ہو کر 3.9٪ رہ جائے گی۔ آنے والے وقت میں جغرافیائی و سیاسی حالات، اجناس کی قیمتوں میں اتار چڑھاؤ، تجارت کے بکھراؤ، سپلائی چین میں رکاوٹوں اور عالمی مالیاتی حالات کے مزید سخت ہونے کے خطرات موجود ہیں۔

پاکستان کی معیشت کا جائزہ

مالی سال 2026 کے دوران پاکستان کی معیشت میں بحالی کا سلسلہ جاری رہا۔ عارضی اندازوں کے مطابق حقیقی جی ڈی پی میں 3.70٪ نمو ہوئی، جبکہ مالی سال 2025 میں نظرثانی شدہ نمو 3.18٪ تھی۔ معیشت کا حجم بڑھ کر تقریباً Rs. 126.9 trillion ہو گیا، جو USD 452.1 billion کے برابر ہے، اور فی کس آمدنی بڑھ کر USD 1,901 ہو گئی۔ اس بہتری میں صنعتی سرگرمیوں میں اضافے، خدماتی شعبہ کی مسلسل نمو اور معاشی استحکام کے جاری اقدامات نے مدد دی۔ بین الاقوامی مالیاتی اداروں کے ساتھ مسلسل رابطے اور آئی ایم ایف پروگرام میں پیش رفت نے بھی سال کے دوران بیرونی فنانسنگ اور مجموعی معاشی اعتماد کو سہارا دیا۔

مالی سال 2026 کے زیادہ تر حصے میں مہنگائی نسبتاً معتدل رہی، لیکن سال کے آخر میں توانائی کی بلند قیمتوں اور لاگت کے نئے دباؤ کی وجہ سے بڑھ گئی۔ سال کی اوسط سی پی آئی مہنگائی 7.05٪ رہی، جو مالی سال 2025 میں 4.49٪ تھی، جبکہ سالانہ بنیاد پر مہنگائی جون 2025 کے 3.23٪ سے بڑھ کر جون 2026 میں 11.07٪ ہو گئی۔ سال کے اختتام کی طرف مہنگائی میں اضافہ، خاص طور پر توانائی اور دیگر بیرونی لاگت کے دباؤ کی وجہ سے، مانیٹری پالیسی اور کاروباری اخراجات کے لیے ایک اہم عنصر رہا۔

مالی سال 2026 میں پاکستان کی بیرونی صورتحال مجموعی طور پر قابو میں رہی، اگرچہ کرنٹ اکاؤنٹ، مالی سال 2025 کے نظرثانی شدہ USD 1.84 billion کے سرپلس کے مقابلے میں، تقریباً USD 0.30 billion کے معمولی خسارہ میں چلا گیا۔ ورکرز کی ترسیلاتِ زر بڑا سہارا بنی رہیں اور گزشتہ سال کے USD 38.30 billion سے بڑھ کر USD 41.59 billion ہو گئیں۔ اشیاء کی برآمدات 4.71٪ کمی کے ساتھ USD 30.82 billion رہیں، جبکہ درآمدات 9.00٪ بڑھ کر USD 64.47 billion ہو گئیں، جس سے تجارتی خسارہ مالی سال 2025 کے USD 26.80 billion سے بڑھ کر USD 33.65 billion ہو گیا۔

ٹیکسٹائل صنعت کا جائزہ

مالی سال 2026 میں پاکستان کی ٹیکسٹائل برآمدی آمدنی 1.85٪ بڑھ کر USD 17.59 billion ہو گئیں، جو مالی سال 2025 میں USD 17.27 billion تھیں۔ مختلف مصنوعات کی کارکردگی ملی جلی رہی۔ ریڈی میڈ گارمنٹس 5.49٪ بڑھ کر USD 4.18 billion، نِٹ ویئر 4.12٪ بڑھ کر USD 4.69 billion اور کاٹن یارن 5.95٪ بڑھ کر USD 0.73 billion ہو گئی۔ دوسری طرف کاٹن کلاتھ 7.03٪ کمی کے ساتھ USD 1.70 billion اور تولیے 6.06٪ کمی کے ساتھ USD 0.99 billion رہے، جبکہ بیڈ ویئر میں 1.91٪ کی معمولی نمو ہوئی اور یہ USD 3.14 billion رہی۔ مجموعی رجحان پاکستان کی ٹیکسٹائل برآمدات میں ویلیو ایڈڈ مصنوعات کی بڑھتی ہوئی اہمیت کو ظاہر کرتا ہے۔

CONTACT US

We'd love to hear from you!
for inquiries, orders, or more information, reach out to us at:

+92 42 111 941 941

info@kohinoormills.com

www.kohinoormills.com

8 KM Manga - Raiwind Road, Raiwind, 55050, Pakistan

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