



Data Textiles
Limited



December Quarter
REPORT
2022





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Vision Statement

Our vision is:

- A leading manufacturer of cotton yarn by providing the highest quality of products and services to its customers.
- To strive for excellence through commitment, integrity, honesty and team work.
- Highly ethical company and be respected corporate citizen to continue playing due role in the social and environmental sectors of the company.
- To develop an extremely motivated and professionally trained work force, which would drive growth through innovation and renovation.
- Sustained growth in earning in real terms.

Mission Statement

Our mission is to a dynamic profitable and growth-oriented company by providing good return on investment to its shareholders, investors and quality products to its customers.



Company Information

Board of Directors

- | | |
|-----------------------------|-------------------------|
| 1. Mr. Faiz Ahmad | Chairman |
| 2. Mr. Hafiz Mudassar Alam | Chief Executive Officer |
| 3. Ms. Sara Mahmud | Non-Executive Director |
| 4. Mr. Farhan Abbas Sheikh | Non-Executive Director |
| 5. Ms. Alia Riaz | Independent Director |
| 6. Mr. Muhammad Iqbal | Independent Director |
| 7. Mr. Muhammad Nasir Mirza | Independent Director |

Audit Committee

- | | |
|-----------------------------|-------------|
| 1. Ms. Alia Riaz | Chairperson |
| 2. Mr. Muhammad Nasir Mirza | Member |
| 3. Mr. Muhammad Iqbal | Member |

Human Resource and Remuneration Committee

- | | |
|-----------------------------|----------|
| 1. Mr. Muhammad Iqbal | Chairman |
| 2. Mr. Muhammad Nasir Mirza | Member |
| 3. Ms. Sara Mahmud | Member |

Company Secretary

Mr. Inamullah

Chief Financial Officer

Mr. Muhammad Usman

Auditors

Rafaqat Mansha Mohsin Dossani Masoom
Chartered Accountants

Legal Advisor

Cornelius Lane & Mufti

Registrar

F.D. Registrar Services (Private) Limited
1705,17th Floor, Saima Trade Tower A. I.I
Chundrigar Road Karachi.
Phone: +92 (21) 35478192-93
Fax: +92 (21) 32621233

Registered Office

Office # 505, 5TH Floor, LSE Building, Aiwan-e-Iqbal, Lahore.



Directors' Report

The Directors are pleased to present the Financial Statements (Limited Reviewed) of the Company for the three months' period ending on December 31, 2022.

Data Textiles Limited (the Company) is a public listed company limited by shares, incorporated in Pakistan under the Companies Ordinance, 1984, which is listed on Pakistan Stock Exchange (PSX), having its registered office located at Office No. 505, 5th Floor, LSE Plaza, Khayaban-e-Aiwan-e-Iqbal, Lahore.

The main activity of the company had been the manufacturing and sale of yarn; however, the Company had ceased to conduct its business from 2008 onwards. Due to stoppage of business/commercial operations and various other defaults the Listed Regulations of PSX, the shares of the Company had been placed on the defaulters trading counter by the Exchange (PSX). Subsequently, on the receipt of the winding up Show Cause notice to the Company from the SECP, the trading in the shares of the Company at PSX had been suspended on August 01, 2012.

Subsequent to the failure of the Company to defend the Show Cause notice of the SECP for the winding up of the Company, the Additional Registrar of the Companies, Company Registration Office (CRO), of the SECP, Lahore, filed an application (C.O. No.19/2017) in accordance with Section 305, read with Section 309 of the then Companies Ordinance 1984, together with all enabling provisions of the law, to the Honorable Court for the winding up of the Company, which has been allowed by the Honorable Lahore High Court on March 08, 2022. Upon this, the Honorable Court also appointed an Official Liquidator (Mr. Muhammad Faizan Saleem, Advocate) for completing the process of liquidation of the Company. Accordingly, the Official Liquidator assumed the powers of the Board of Directors of the Company to pursue the liquidation process of the Company.

The Hon'ble Lahore High Court, Lahore, vide its order dated January 11, 2023, has disposed the winding up petition after recalling the winding up order dated March 08, 2022 in case titled as Additional Registrar SECP Vs. Data Textiles Limited and others bearing C.O. no. 19/2017 (certified copy of Court Order is attached).

With this Order, Board of Directors have resumed their powers from the Official Liquidators and presented the revival business plan of the Company that includes:

1. Revival of trading activities permissible under Memorandum of Association of the Company;
2. Merger with the following unlisted operating entities;
 - a. LSE PropTech Limited
 - b. LSE Ventures Limited

The Scheme of compromises, arrangement and reconstruction for amalgamation/merger of Data Textiles Limited (and its members) with and into LSE Ventures Limited (and its members) and LSE PropTech Limited (and its members) is



approved by the shareholders of the Company in their meeting held on August 10, 2022 duly convened under honorable Court's order.

The said Scheme is under approval process with the honorable Court. Sanction date of the Scheme is contingent of these approvals and admissions.

Company is in the process to implement the "Revival Business Plan" as outlined below. However, if the Scheme is approved in the meantime. The business and undertaking shall be transferred to the transferee entities as per the Scheme including trading business.

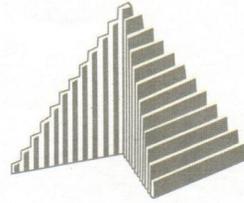
ACKNOWLEDGEMENTS

We place on record our gratitude to our stakeholders for their confidence reposed in us and assure them that we are committed to do our best to harness the development path of our Company.



Mr. Hafiz Mudassar Alam
Chief Executive Officer

February 28, 2023
Lahore



**INDEPENDENT AUDITORS' REVIEW REPORT TO THE MEMBERS
ON REVIEW OF INTERIM FINANCIAL STATEMENTS**

Introduction

We have reviewed the accompanying condensed interim statement of financial position of **DATA TEXTILES LIMITED ("the Company")** as at December 31, 2022, and the related condensed interim statement of profit or loss, condensed interim statement of comprehensive income, condensed interim statement of cash flow and condensed interim statement of changes in equity together with the notes forming part thereof (here-in-after referred to as the "condensed interim financial information"), for the half year then ended. Management is responsible for the preparation and presentation of this condensed interim financial information in accordance with approved accounting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on this condensed interim financial information based on our review.

Scope of Review

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity." A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim financial information as at and for the six months period ended December 31, 2022 is not prepared, in all material respects, in accordance with approved accounting standards as applicable in Pakistan for interim financial reporting. The figures for the quarters ended December 31, 2022 and December 31, 2021 in the condensed interim statement of profit or loss and condensed interim statement of comprehensive income have not been reviewed and we don't express a conclusion on them.

Lahore,
February 28, 2023

Rafaqat Mansha Mohsin Dossani Masoom & Co.
Chartered Accountants
Engagement Partner: Mohsin Nadeem
UDIN:RR202210048maz7TGPdr

DATA TEXTILES LIMITED
 INTERIM CONDENSED STATEMENT OF FINANCIAL POSITION (UN-AUDITED)
 AS AT DECEMBER 31, 2022

	Un-audited Decemeber 31,2022	Audited June 30,2022
	Rupees	Rupees
EQUITY AND LIABILITIES		
SHARE CAPITAL AND RESERVES		
Share Capital	99,096,160	99,096,160
Unappropriated profit / (loss)	(159,712,853)	(156,897,550)
	(60,616,693)	(57,801,390)
SURPLUS ON REVALUATION OF FIXED ASSETS		
	-	-
NON - CURRENT LIABILITIES		
Long term finances	39,222,297	39,222,297
	39,222,297	39,222,297
CURRENT LIABILITIES		
Trade and other payables	23,248,733	20,444,078
Provision for taxation	1,389,905	1,389,905
	24,638,638	21,833,983
CONTINGENCIES AND COMMITMENTS		
	-	-
TOTAL EQUITY AND LIABILITIES	3,244,242	3,254,890

The annexed notes 1 to 3 form and integral part of these financial statements.


 Chief Executive

RMDM


 Director

DATA TEXTILES LIMITED
 INTERIM CONDENSED STATEMENT OF FINANCIAL POSITION (UN-AUDITED)
 AS AT DECEMBER 31, 2022

	Un-audited Decemeber 31,2022	Audited June 30,2022
	Rupees	Rupees
ASSETS		
NON - CURRENT ASSETS		
Property, plant and equipment	132,849	143,497
	132,849	143,497
CURRENT ASSETS		
Tax refund due from the Government	3,111,393	3,111,393
Cash and bank balances	-	-
	3,111,393	3,111,393
TOTAL ASSETS	3,244,242	3,254,890

The annexed notes 1 to 3 form and integral part of these financial statements.

RMDM


 Chief Executive


 Director

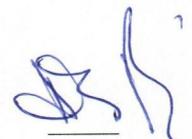
DATA TEXTILES LIMITED
 INTERIM CONDENSED STATEMENT OF PROFIT OR LOSS (UN-AUDITED)
 FOR THE HALF YEAR ENDED DECEMBER 31, 2022

	Half year ended		Quarter ended	
	31-12-2022 Rupees	31-12-2021 Rupees	31-12-2022 Rupees	31-12-2021 Rupees
Sales - Net	-	-	-	-
Cost of sales	-	-	-	-
Gross (Loss)	-	-	-	-
Fee & Subscription Administrative expenses	(2,815,303)	(235,383)	(1,609,979)	(69,410)
Operating (Loss)	(2,815,303)	(235,383)	(1,609,979)	(69,410)
Finance Cost	-	-	-	-
	(2,815,303)	(235,383)	(1,609,979)	(69,410)
Other income / (loss)	-	-	-	-
(Loss) before taxation	(2,815,303)	(235,383)	(1,609,979)	(69,410)
Provision for Taxation	-	-	-	-
(Loss) after taxation	(2,815,303)	(235,383)	(1,609,979)	(69,410)
Earning/(Loss) per share basic and diluted	(0.284)	(0.024)	(0.162)	(0.007)

The annexed notes 1 to 3 form and integral part of these financial statements.

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 Chief Executive


 Director

DATA TEXTILES LIMITED
INTERIM CONDENSED STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE HALF YEAR ENDED DECEMBER 31, 2022

	Half year ended		Quarter ended	
	Dec-2022	Dec-2021	Dec-2022	Dec-2021
	Rupees	Rupees	Rupees	Rupees
PROFIT/ (LOSS) FOR THE YEAR	(2,815,303)	(235,383)	(1,609,979)	(69,410)
Other comprehensive income for the period	-	-	-	-
Total comprehensive Income/(Loss) for the period	(2,815,303)	(235,383)	(1,609,979)	(69,410)

The annexed notes 1 to 3 form and integral part of these financial statements. *RMDM*


 Chief Executive


 Director

DATA TEXTILES LIMITED
 INTERIM CONDENSED STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)
 FOR THE HALF YEAR ENDED DECEMBER 31, 2022

PARTICULARS	SHARE CAPITAL (Rs.)	REVENUE RESERVES (Rs.)	TOTAL (Rs.)
Balance as at June 30, 2021	99,096,160	(155,751,519)	(56,655,359)
Total comprehensive Income	-	(235,383)	(235,383)
Balance as at December 31, 2021	99,096,160	(155,986,902)	(56,890,742)
Balance as at January 01, 2022	99,096,160	(155,986,902)	(56,890,742)
Total comprehensive Income	-	(910,648)	(910,648)
Balance as at June 30, 2022	99,096,160	(156,897,550)	(57,801,390)
Balance as at July 01, 2022	99,096,160	(156,897,550)	(57,801,390)
Total comprehensive Income	-	(2,815,303)	(2,815,303)
Balance as at December 31, 2022	99,096,160	(159,712,853)	(60,616,693)

The annexed notes 1 to 3 form and integral part of these financial statements.

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Chief Executive



Director

DATA TEXTILES LIMITED
 INTERIM CONDENSED CASH FLOW STATEMENT (UN-AUDITED)
 FOR THE HALF YEAR ENDED DECEMBER 31, 2022

	Dec-2022	Dec-2021
	Rupees	Rupees
CASH FLOW FROM OPERATING ACTIVITIES		
(Loss) before taxation	(2,815,303)	(235,383)
Adjustments for non cash charges & other items		
Depreciation	10,648	10,649
Financial charges	-	-
Operating profit /(loss) before working capital changes	(2,804,655)	(224,734)
Working capital changes		
(Increase) /Decrease in current assets		
Trade debts	-	-
Tax refund due from the Government	-	-
Increase /(Decrease) in current liabilities		
Trade and other payables	2,804,655	-
Cash generated from /(utilized in) operation	-	(224,734)
Financial charges paid	-	-
Income tax paid	-	-
Net cash flow from /(utilized in) operating activities	-	(224,734)
CASH FLOW FROM INVESTING ACTIVITIES		
Security deposits	-	-
Proceeds from disposal of fixed assets	-	-
Net Cash flow from /(utilized in) investing activities	-	-
CASH FLOW FROM FINANCING ACTIVITIES		
Receipts/ (payments) of long term loans	-	-
Net Cash flow from /(utilized in) financing activities	-	-
Net Increase / (Decrease) in cash and cash equivalents	-	(224,734)
Cash and cash equivalents at the beginning of the year	-	224,734
Cash and cash equivalents at the end of the year	-	-

The annexed notes 1 to 3 form and integral part of these financial statements.

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 Chief Executive


 Director

DATA TEXTILES LIMITED
NOTES TO THE INTERIM CONDENSED FINANCIAL INFORMATION- (UN-AUDITED)
FOR THE HALF YEAR ENDED DECEMBER 31, 2022

1 THE COMPANY, OPERATIONS AND REGISTERED OFFICE

Data Textiles Limited (the Company) is a public listed company limited by shares, incorporated in Pakistan under the Companies Ordinance, 1984, which is listed on Pakistan Stock Exchange (PSX), having its registered office located at Office No. 505, 5th Floor, LSE Plaza, Khayaban-e-Aiwan-e-Iqbal, Lahore. The main activity of the company had been the manufacturing and sale of yarn; however, the Company had ceased to conduct its business from 2008 onwards. Due to stoppage of business/commercial operations and various other defaults the Listed Regulations of PSX, the shares of the Company had been placed on the defaulters trading counter by the Exchange (PSX). Subsequently, on the receipt of the winding up Show Cause notice to the Company from the SECP, the trading in the shares of the Company at PSX had been suspended on August 01, 2012. Subsequent to the failure of the Company to defend the Show Cause notice of the SECP for the winding up of the Company, the Additional Registrar of the Companies, Company Registration Office (CRO), of the SECP, Lahore, filed an application (C.O. No.19/2017) in accordance with Section 305, read with Section 309 of the then Companies Ordinance 1984, together with all enabling provisions of the law, to the Honorable Court for the winding up of the Company, which has been allowed by the Honorable Lahore High Court on March 08, 2022. Upon this, the Honorable Court also appointed an Official Liquidator (Mr. Muhammad Faizan Saleem, Advocate) for completing the process of liquidation of the Company. Accordingly, the Official Liquidator assumed the powers of the Board of Directors of the Company to pursue the liquidation process of the Company.

1.1 Going concern Assumption

The Hon'ble Lahore High Court, Lahore, vide its order dated January 11, 2023, has disposed the winding up petition after recalling the winding up order dated March 08, 2022 in case titled as Additional Registrar SECP Vs. Data Textiles Limited and others bearing C.O. no. 19/2017 (certified copy of Court Order is attached). With this Order, Board of Directors have resumed their powers from the Official Liquidators and presented the revival business plan of the Company that includes:

1. Revival of trading activities permissible under Memorandum of Association of the Company;
2. Merger with the following unlisted operating entities;
 - a. LSE Proptech Limited
 - b. LSE Ventures Limited

The Scheme of compromises, arrangement and reconstruction for amalgamation/merger of Data Textiles Limited (and its members) with and into LSE Ventures Limited (and its members) and LSE Proptech Limited (and its members) is approved by the shareholders of the Company in their meeting held on August 10, 2022 duly convened under honorable Court's order.

The said Scheme is under approval process with the honorable Court. Sanction date of the Scheme is contingent of these approvals and admissions.

Company is in the process to implement the "Revival Business Plan" as approved by the shareholders. However, if the Scheme is approved in the meantime. The business and undertaking shall be transferred to the transferee entities as per the Scheme including trading business.

Since the Share Capital of the Company (DATM) will not be changed for Ordinary Shares under the Scheme. Short term funding requirements shall be met from financing (debt) from MODAM. Utilization of debt financing shall be for working capital requirements.

With regards to the measures to be adopted for the removal of the causes of suspension,

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the Company, on an immediate basis, is kick-starting an online/e-commerce trading business for the direct to consumers' sale of bedsheets and towels in association with some already existing online platforms.

Subsequently and possibly in the short to medium term, the company plans to merge its shares with LSE Ventures Limited (LVL) and LSE PropTech Limited (LPL). Upon approval from the Honorable High Court, each shareholder of DATM shall receive the shares of two companies, i.e. LVL and LPL, as per the swap ratio to be allowed by the Honorable Court. With these measures operational/economic activities will be restored and going concern assumption while preparing the financial statements are withheld.

2 Statement of compliance

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

International Financial Reporting Standards (IFRS Standards) issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017; and

Provisions of and directives issued under the Companies Act, 2017.

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

3 OTHER INFORMATION

3.1 These condensed interim financial statements are un-audited. It has been prepared and is being submitted to the members as required by section 237 of the Companies Act, 2017. The condensed interim financial statements have been prepared in accordance with the requirements of the International Accounting Standard (IAS) 34 "Interim Financial Reporting" as applicable in Pakistan and have been reviewed by the auditors as required by the Codes of Corporate Governance. These condensed interim financial statements do not include all the statements required for annual financial statements and therefore, should be read in conjunction with the annual financial statements for the year ended June 30, 2022.

3.2 These condensed interim financial statements comprise of the condensed interim statement of financial position as at December 31, 2021 and the condensed interim statement of profit or loss, the condensed interim statement of changes in equity, the condensed interim statement of cash flows and notes thereto for the six months period then ended which have been subjected to a review in accordance with the listing regulation but not audited. These condensed interim financial statements also included the condensed interim statement of profit or loss for the quarter ended December 31, 2022 which have neither been reviewed nor audited.

3.3 The comparative statement of financial position presented in these condensed interim financial statements as at June 30, 2022 has been extracted from the annual audited financial statements of the Company for the year ended June 30, 2022, whereas the comparative condensed interim statement of profit or loss, condensed interim statement of changes in equity and condensed interim statement of cash flows for the six months period ended December 31, 2022 have been extracted from condensed interim financial statements of the Company for the six months period then ended, which were subjected to a review but not audited. The comparative condensed interim statement of profit or loss for the quarter ended December 31, 2022, included in these condensed interim financial statements was neither subjected to a review nor audited.

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- 3.4 There were certain other new standards and amendments to the international accounting and reporting standards which came effective during the period but are considered not to be relevant or did not have any significant impact on the accounting policy or financial statements of the Company.
- 3.5 The financial statements are un-audited but have been reviewed by the statutory auditors as required by the Code of Corporate Governance and are being submitted to the shareholders required u/s 237 of the Companies Act 2017.
- 3.6 These financial statements do not include all the information required for full financial statements and should be read in conjunction with the annual financial statements as at and for the year ended 30, June 2022.
- 3.7 The significant judgement, estimates and assumptions used by the management in preparation of these financial statements are the same as those applied to the annual financial statements as at and for the year ended 30, June 2022.
- 3.8 All accounting policies adopted for the preparation of these half yearly accounts are the same, to the extent and in the manner stated above, as those applied in the preparation of the preceding annual published accounts of the Company as at June 30, 2022.
- 3.9 There is no unusual item included in the accounts, which is affecting assets, liabilities, equity, net income or cash flows of the company. Effects relating to IAS 19 is included in condensed statement of changes in equity.
- 3.10 Figures in the financial statements have been rounded-off to the nearest Rupees except stated otherwise. Corresponding figures have been neither been rearranged nor classified.

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If Undelivered Please Return to:

Data Textiles Limited

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**Data Textiles
Limited**

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Aiwan-Iqbal Road | Lahore.