

# Zahur Cotton Mills Ltd

Off:- 623-B, PCSIR Phase II, Lahore.  
Pakistan.

May 02, 2025

Mr. Hafiz Maqsood Munshi  
Manager, Companies and Securities Compliance – RAD  
Pakistan Stock Exchange Limited  
Stock Exchange Road, Karachi

## **Subject: Update on Progress Report under Clause 5.11.2(b) of PSX Regulations**

Dear Sir,

In continuation of our earlier communication regarding the progress on the remapping of business operations of Zahur Cotton Mills Limited ("the Company") and its merger with Itanz Technology (Private) Limited, we are pleased to inform you that the Honorable Lahore High Court, Lahore, through its order dated March 17, 2025 (C.O. No. 13792 of 2024), has formally sanctioned the Scheme of Arrangement ("SOA").

In compliance with PSX requirements, we have already disseminated the relevant information regarding the merger on the PSX portal. We are now in the process of completing the following post-merger formalities:

### **a) Post-Merger Financial Statements:**

Pursuant to the guidance issued by SECP via their letter No.SMD/PRDD/Comp/(51)/2021/33 dated April 21, 2025, (a copy of letter is enclosed) we have prepared and uploaded the first set of post-merger financial statements for the nine-month period ended March 31, 2025. These accounts, reported revenues of PKR 247 million and a strengthened statement of financial position for the Company.

### **b) Change of Name and Principal Line of Business:**

SECP has approved the reserved name "Itanz Technologies Limited" for the Company, in accordance with the SOA. The process for formal change of name and updating the principal line of business is underway and expected to be completed in due course.

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c) **Increase in Capital:**

An application for the increase in authorized capital has been submitted to the SECP. Further steps will follow upon receipt of SECP's approval.

d) **CDC Eligibility:**

The application for admission of shares into the Central Depository Company (CDC) system has been prepared and will be submitted in few days time.

The Company has officially transitioned to operating as an Information Technology (IT) business entity. We remain committed to the successful execution of our new business model and to protecting and enhancing stakeholder interests.

Furthermore, while we are actively working to resolve the issues that led to the placement of the Company in the Defaulters' Segment, we are optimistic that these matters will be fully addressed soon. In light of the above progress, we respectfully request the PSX to consider the removal of the Company's name from the Defaulters' Segment.

We will continue to keep the PSX informed of any further material developments regarding the Company's operations and restructuring activities.

Yours sincerely,

For and on behalf of  
Zahur Cotton Mills Limited



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Syed Jawed Ali  
Chief Executive Officer



Securities and Exchange Commission of Pakistan  
Securities Market Division  
Policy, Regulation and Development Department

No. SMD/PRDD/Comp/(56)/2021/33

April 21, 2025

The Company Secretary  
Zahur Cotton Mills Limited  
623-B, PCSIR Phase II,  
Lahore.

Subject: **GUIDANCE SOUGHT UNDER SECTIONS 147, 229 AND 510 OF COMPANIES ACT, 2017 – FILING OF FINANCIAL STATEMENTS POST SANCTION OF SCHEME OF ARRANGEMENT BY HONORABLE LAHORE HIGH COURT**

Dear Sir,

This is in reference to Zahur Cotton Mills Limited's (the 'Company') letter dated April 7, 2025 on the subject matter wherein the Company has sought clarification regarding filing of financial statements post sanction of scheme of arrangement by Honorable Lahore High Court.

2. In this respect, this is to state that apparently the Company is required to account for the impact of the scheme of arrangement in its financial statements for the period ended March 31, 2025. However, the Company needs to carry out its own due diligence and may seek guidance from its advisor, if required.

Regards,

Oneeb Ahmed  
Assistant Director