

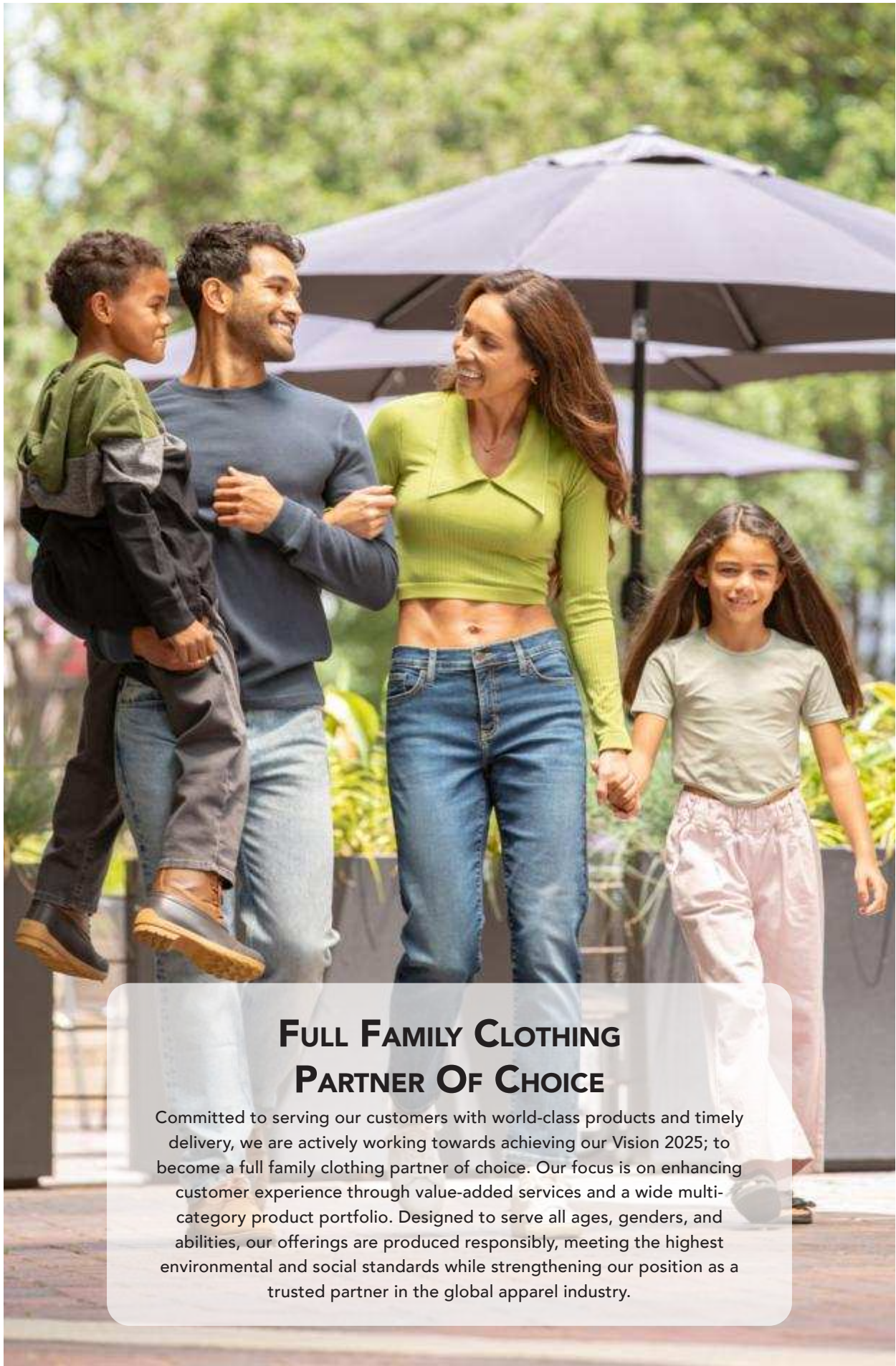


# ANNUAL REPORT 2025

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**FULL FAMILY CLOTHING  
PARTNER OF CHOICE**



## **FULL FAMILY CLOTHING PARTNER OF CHOICE**

Committed to serving our customers with world-class products and timely delivery, we are actively working towards achieving our Vision 2025; to become a full family clothing partner of choice. Our focus is on enhancing customer experience through value-added services and a wide multi-category product portfolio. Designed to serve all ages, genders, and abilities, our offerings are produced responsibly, meeting the highest environmental and social standards while strengthening our position as a trusted partner in the global apparel industry.

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## SHAREHOLDERS' INFORMATION

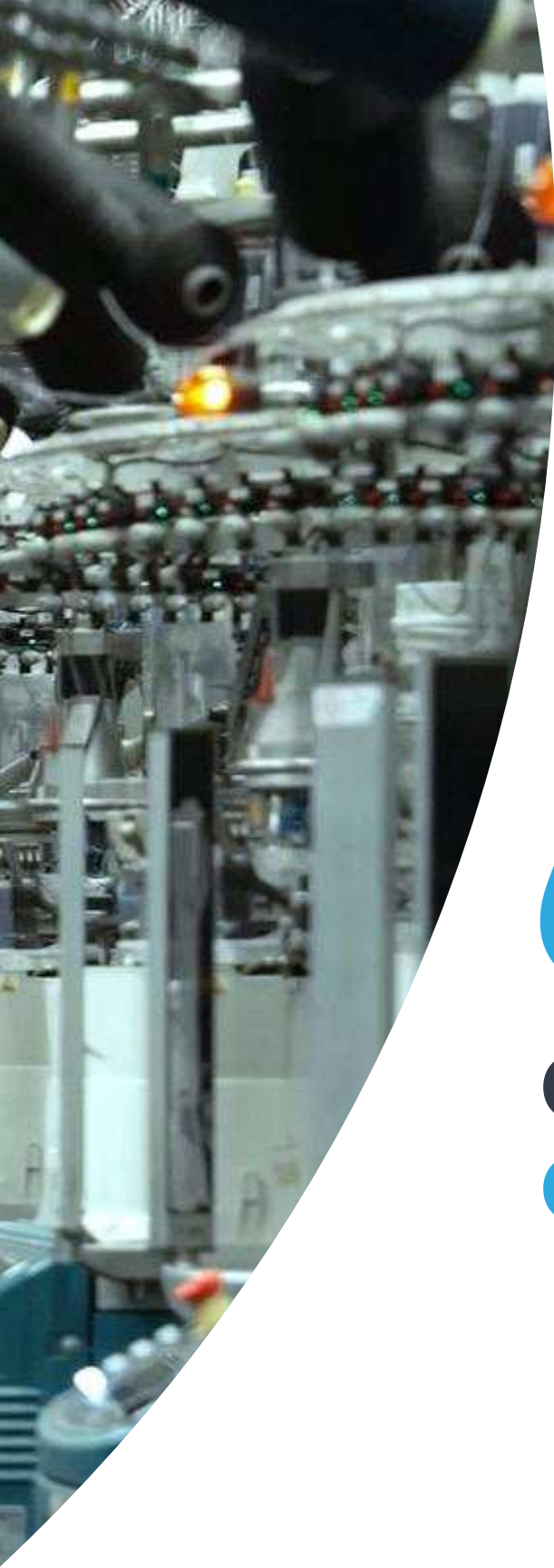
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**Knitting | ILP Hosiery Plant 4**





# **COMPANY OVERVIEW**

**FULL FAMILY CLOTHING  
PARTNER OF CHOICE**



# OUR FOOTPRINT

## Global Presence Through Affiliates & Associates





# COMPANY PROFILE

Interloop Limited, headquartered in Pakistan, is a vertically integrated Full Family Clothing company, manufacturing Hosiery, Denim, Knitted Apparel & Seamless Activewear products, for top international brands and retailers, aiming to become a Partner of Choice.

Being the largest listed apparel company on the Pakistan Stock Exchange by market capitalization and the only Pakistani apparel company on the Morgan Stanley Frontier Market Index (MSCI), Interloop stands as one of the country's leading exporters, with annual sales of PKR 173,382 million. With 37,000+ employees representing 15 nationalities, Interloop brings together talent, expertise, and innovation, working across an organizational network operating from 6 countries, including an extensive, well-equipped industrial infrastructure base in Pakistan, an associate manufacturing facility in Sri Lanka, a manufacturing facility and sourcing office in China, and marketing services offices in the USA, Europe, and Japan.

Shaping the future of Pakistan's apparel industry, Interloop is setting benchmarks in environmental sustainability. The company is targeting 100% waste diversion from landfill by FY 2026, supported by Reverse Resources for traceable circular solutions. Interloop achieved Alliance for Water Stewardship (AWS) Gold Certification for its Denim and Hosiery facilities in Lahore, recognizing excellence in water governance, management, and community WASH investments, reinforcing its commitment to responsible water use. Interloop's proprietary Looptrace platform enhances supply chain transparency by tracing raw materials

back to their origins, with real-time data collection and document management designed to ensure compliance, with global due diligence standards. To promote low-impact textiles, the company launched Loomshake™ a sustainable innovation that combines banana fiber derived from banana waste with cotton to produce hosiery, denim, and knitted apparel, all certified by ISCC Plus and OEKO-TEX 100 for quality and full traceability from farm to finished product. Its Hosiery Plants 4, 5 & 6 have attained LEED Gold Certification, while its Denim and Apparel Plant 2 are LEED Platinum certified facilities. In FY 2025, an additional 4.6 MW solar plant was commissioned, increasing total onsite capacity to 17.3 MW and reinforcing our commitment to renewable energy. Interloop's Regenagri Kapas Project, certified by Control Union, is transforming cotton farming practices, promoting soil regeneration and biodiversity.

Interloop continues to advance its digital transformation journey, enhancing its ERP and MES landscape through Project Foglight across Hosiery, Denim, and Apparel units. By embedding AI and digital tools such as Digital Twin, Kanban, and real-time dashboards, the company is driving efficiency, agility, and smarter decision-making on the shop-floor. Home-grown AI solutions like YODA for product development, a product

risk assessment solution in Denim, and machine health assessment and corrective-action recommendation system in Hosiery are moving from pilots to deployment, with further innovations in smart planning and automation underway. Interloop's commitment to safeguard its critical IT infrastructure and data is reinforced by its dedicated IT Governance function, achieving ISO 27001:2022 certification. Interloop reinforces its traceability and compliance while moving toward Digital Product Passport.

As a Business with Purpose, Interloop embraces the Triple Bottom Line approach focusing on Planet, People, and Prosperity. Rooted in its Mission, Interloop's reason for existence is to bring about positive change for its stakeholders and the community. Its ambition to transform lives and improve the wellbeing of its people and communities through targeted interventions, foster a diverse, engaged, and inclusive workforce, and conserve the environment is consistently reflected in the company's business decisions, practices, and initiatives.

Our commitment to the UN Global Compact and the UN Fashion Industry Charter for Climate Action reinforces our drive to champion Net-Zero Goals and our commitment to sustainable development.



**37,000+**  
engaged associates from  
15 nationalities



Only Apparel Company  
from Pakistan on the main  
Morgan Stanley Frontier  
Market Index (MSCI)



**17.3MW**  
solar installed  
capacity

# OUR MISSION

To be an agent of positive change for stakeholders and the community by pursuing an ethical and sustainable business.

**Vision 2025 is our growth-led strategy centered around our customer-first approach, positioning Interloop as the preferred Full Family Clothing Partner of Choice.**

This roadmap, spanning July 2021 to June 2026, reflects our commitment to delivering responsibly manufactured, multi-category products that meet the highest environmental and social performance standards. Our goal is to maintain leadership in hosiery and continue building global credibility of our denim, knitted apparel, and seamless activewear products, catering to our customers, for all ages, genders, and abilities.

To effectively implement this strategy, we are unlocking the true potential of our people by fostering a diverse, engaged and inclusive work environment that drives high performance. This transformation is supported by our commitment to digital innovation and an agile and lean mindset

# OUR VALUES



INTEGRITY



CARE



ACCOUNTABILITY



RESPECT



EXCELLENCE

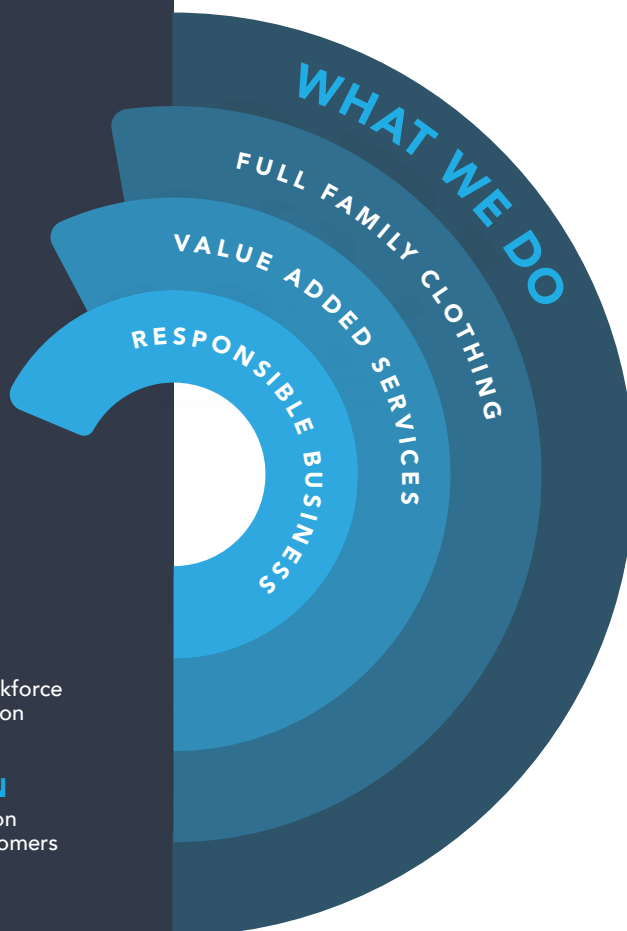
across all aspects of our operations. By providing exceptional customer service through value-added offerings and responsible business practices, we are affirming our role as the partner of choice for our clients.



# OUR VISION 2025



To Become a Full Family Clothing  
Partner of Choice



## HOW WE'LL DO IT



### PEOPLE

A diverse, inclusive and engaged workforce  
creating a high performing organization



### DIGITAL TRANSFORMATION

Drive efficiencies through digitalization  
and provide transparency to our customers  
with real time information



### AGILE MANUFACTURING

Drive an agile organization retaining our  
competitive position as a responsive high  
quality manufacturer

# \$700M

REVENUE BY FY2026

Transforming into a full family clothing  
business will build further credibility with  
our customers

# 2.5x

REVENUE THROUGH  
VALUE ADDED SERVICES

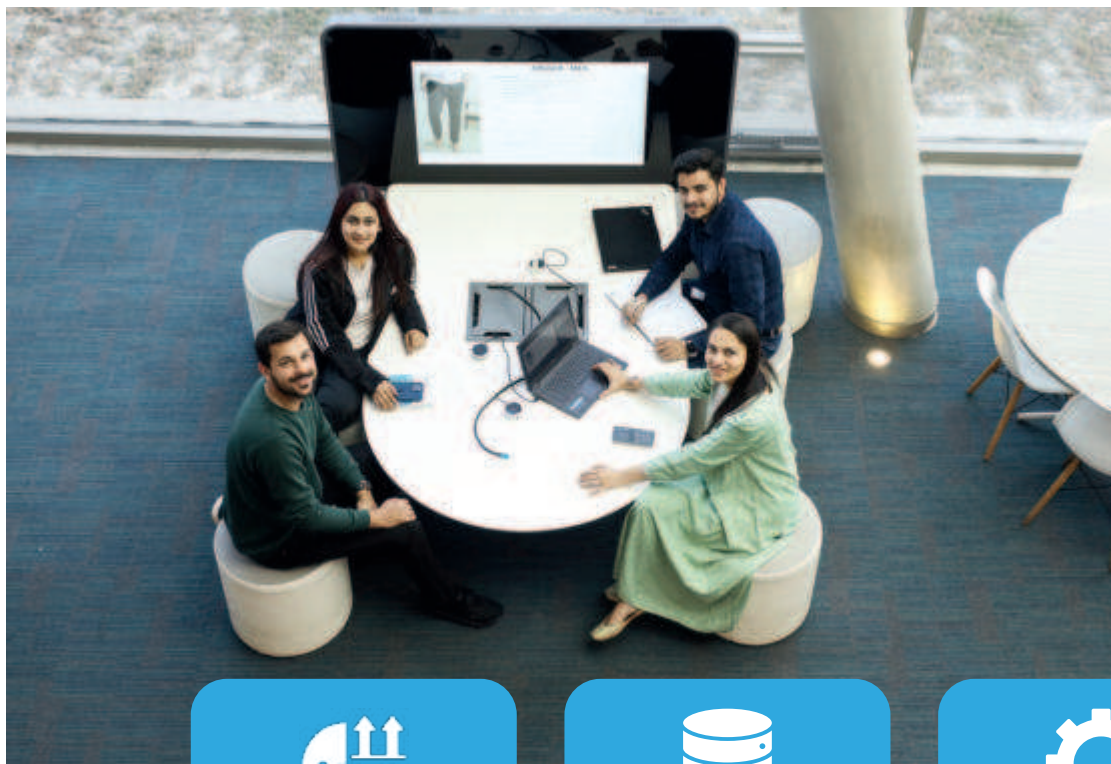
Providing value added services creating  
strong lasting partnerships

# 25%

LOWER CARBON FOOTPRINT  
AND RESOURCE CONSUMPTION

Lead the way in responsible  
manufacturing meeting highest standards  
of environmental and social performance

# KEY PERFORMANCE INDICATORS



TOTAL  
SALES  
PKR'B

**173.38**

156.13 FY 2024



EARNINGS  
PER SHARE  
PKR

**3.84**

11.25 FY 2024



PROFIT  
AFTER TAX  
PKR'B

**5.38**

15.77 FY 2024



CURRENT  
RATIO  
TIMES

**1.17**

1.14 FY 2024



RETURN  
ON  
EQUITY

**9.74%**

29.46% FY 2024



CASH DIVIDEND  
PER SHARE  
PKR

**1.00**

4.50 FY 2024

\* Final dividend PKR 1 per share subject to approval of shareholders



# 2025 HIGHLIGHTS



**Revenue in USD**

**615**

Million

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**Revenue Growth**

**11%**

Year - on - Year

---



**Record Ramp-up**

**330 Days**

Hosiery Plant 6

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**Apparel Plant 2**

**LEED Platinum**

Certification with 94 / 110 score

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**Alliance for Water Stewardship**

**GOLD Certification**

Only textile company

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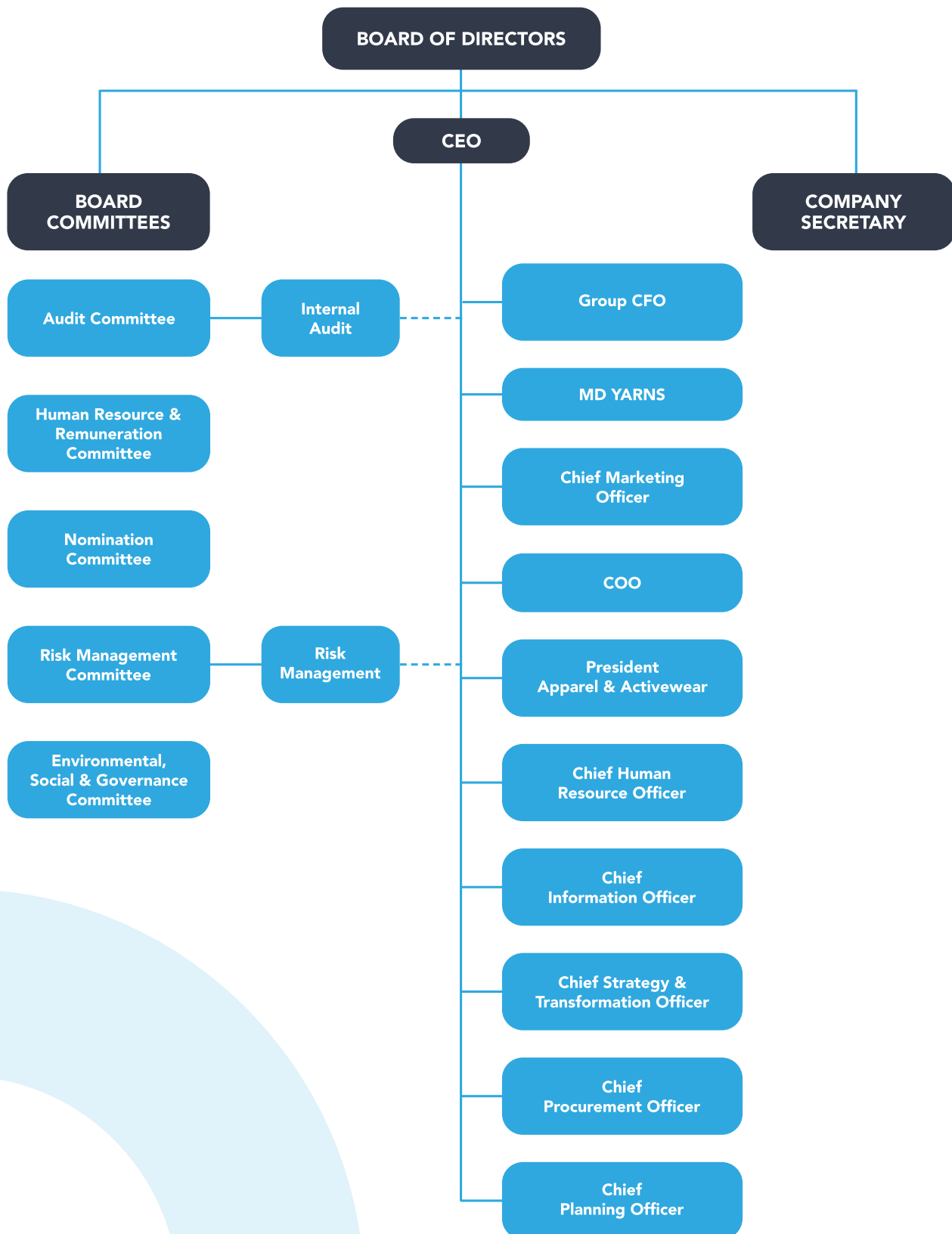


**Empowering People**

**507,236 Hours**

Technical Training

# ORGANIZATIONAL STRUCTURE





# 2025 RECOGNITIONS

## COLLABORATE TO ACCELERATE AWARD 2025

Interloop received Nike's Collaborate to Accelerate Award 2025 in February, Sri Lanka, recognizing our valuable contribution to the Learning Community and reaffirming our commitment to partnership and shared growth.



## ENVIRONMENTAL EXCELLENCE AWARD

Interloop received the Environmental Excellence Award at the adidas ESG Summit in September 2024, recognizing its continued commitment to sustainable practices and environmental stewardship.



## TOP ETHICAL PERFORMING SUPPLIER AWARD 2024

Interloop Limited received the Top Ethical Performing Supplier Award 2024 from TESCO, recognizing our outstanding commitment to ethical practices. This achievement reflects our dedication to compliance, capability, and transparency.



## ISPO TEXTRENDS BEST PRODUCT AWARD

Interloop's Socklab®, the world's first Cradle to Cradle Certified™ GOLD sock, was named Best Product in the Accessories category at ISPO TexTrends FW 2026/27, Munich, reinforcing its leadership in sustainable and high-performance footwear.



## DISABILITY INCLUSION RECOGNITION AWARD

Interloop received the prestigious Diamond Award at the 2024 Disability Inclusion Recognition Awards, from Employers' Federation of Pakistan, for advancing workplace inclusion and scoring over 90% in a rigorous expert evaluation.



# BUSINESS CATEGORIES



## HOSIERY

# 753M\*

**PAIRS OF SOCKS  
ANNUAL PRODUCTION CAPACITY**

Interloop stands among the world's largest sock manufacturers, producing over 753 million pairs annually for some of the most iconic global brands and retailers, including Nike, adidas, STICHED, Target, H&M, C&A, M&S, Amazon, and Uniqlo. With more than three decades of expertise, the company has built its reputation on quality, scale, innovation, and sustainable practices, making it a preferred partner worldwide.

With six vertically integrated manufacturing facilities in Pakistan and one each in Sri Lanka and China. Leveraging advanced knitting and finishing technologies—such as auto-linking, double-cylinder knitting, Jeanologia, and Tonello systems—the company manufactures a diverse portfolio of socks, from athletic and performance to fashion and casual wear for all age groups.

Interloop's products are crafted using natural, man-made, and recycled fibers, enhanced with innovative features like extreme breathability, anti-blistering, anti-friction, and ultra-grip. The company also holds one of the largest capacities for infant socks worldwide, meeting the requirements of its global clientele.

As a full-service partner, Interloop provides end-to-end solutions in product development, quality assurance, research and innovation, and digital sampling. Its strong emphasis on sustainability and investments in digital technologies continue to reshape operations across design, manufacturing, customer engagement, and warehousing, ensuring agility and efficiency in a dynamic global marketplace.

**\* Based on current mix**

# DENIM

## 9.5M\*

### GARMENTS

#### ANNUAL PRODUCTION CAPACITY

Interloop Denim has rapidly emerged as a global benchmark for responsible denim manufacturing, combining sustainability, innovation, and style. Since its launch in December 2019, it has grown into one of the largest LEED Platinum-certified denim facilities in the world, producing up to 9.5 million garments annually while leading the way in environmentally conscious and resource-efficient production.

Rooted in sustainability, the facility integrates Industry 4.0 practices and low-impact solutions to minimize its environmental footprint. From nano-bubble technology and waterless ozone bleaching to auto nebulisation systems that ensure a consistent 1:0.8 liquor ratio, every process is designed for efficiency and eco-responsibility. The use of ERP-driven optimization and digital sampling further enhance speed, precision, and waste reduction.

Equipped with cutting-edge machinery including auto spreaders, auto cutters, high-efficiency sewing systems, and advanced laundry equipment such as Jeanologia, Tonello, and Atmos—the plant delivers consistent quality. Its extensive in-house laser facility and a curated library of light-sensitive fabrics allow Interloop Denim to offer a wide product range, from jeans and cargos to shorts, skirts, and jackets for all genders, ages, and sizes.

Partnering with global fashion leaders such as Guess, Hugo Boss, ZARA, and Target, Interloop Denim continues to redefine denim by merging sustainable craftsmanship with cutting-edge fashion innovation.

**\* Based on current mix**







## APPAREL

# 33.6M\*

### GARMENTS

### ANNUAL PRODUCTION CAPACITY

Interloop's Apparel division is a state-of-the-art, vertically integrated facility that manages the entire product lifecycle from yarn spinning and fabric processing to garment production, finishing, and packaging. With automation at scale and a strong focus on innovation, the plant is set to expand its annual production capacity to 69.76M pieces by 2026, positioning itself as a key player in global apparel manufacturing.

By maintaining complete control over production, Interloop ensures speed, flexibility, and customization while upholding the highest standards of quality and compliance. With a people-inspired mindset, the company invests heavily in skill and capability development through its dedicated Technical Training School, which focuses on knitting, stitching, machine maintenance, and behavioral competencies aligned with Interloop's core values.

The apparel line covers a diverse range of knitted garments including tees, polos, hoodies, sweatshirts, pants, shorts, boxers, jackets, zipper jackets, and henleys, using fabrics such as single jersey, fleece, double-knit structures, cotton-rich blends, and synthetics. This wide product range enables Interloop to cater to the evolving needs of a global customer base.

Sustainability is at the heart of the facility's design, integrating renewable energy, water recycling systems, and even a wetland bird sanctuary. The Apparel Plant 2 achieved LEED Platinum certification, reflecting Interloop's commitment to energy efficiency and environmental stewardship.

**\* Based on current mix**



# ACTIVEWEAR

## 7.6M\*

### GARMENTS

#### ANNUAL PRODUCTION CAPACITY

Interloop's seamless Activewear facility at the Interloop Industrial Park is a state-of-the-art, vertically integrated plant delivering 7.6 million garments annually. From high-performance activewear to everyday underwear, the product range spans ten different sizes, ensuring inclusivity and versatility for a global customer base.

Engineered for performance and comfort, Interloop's seamless garments are designed to move with the body, offering durability, flexibility, and style. By utilizing body-mapping technology, products provide 360-degree stretch and unrestricted movement. The Activewear facility is equipped with 54 Santoni knitting machines, 5 Tonello dyeing machines, and 225 sewing machines, producing a wide range of items including bras, thongs, briefs, compression leggings, sports bras, tank tops, and tees.

Sustainability is a cornerstone of Interloop Activewear. The facility integrates recycled yarns, waterless dope dyeing, and low-liquor ratio technologies to minimize environmental impact, while maintaining GRS and Oeko-Tex certifications. Innovation is embedded across operations, with advanced garment washes, aesthetic materials such as lurex and shiny nylon, and diverse fabric constructions enhanced through body mapping techniques.

As a trusted partner to global brands like adidas, Reebok, Guess, Zara, H&M, K-Mart, and Dillard, Interloop Activewear continues to set benchmarks in quality, innovation, and sustainability while delivering products tailored to the dynamic needs of modern consumers.

**\* Based on current mix**





## YARNS

# 32M\*

**LBS ANNUAL PRODUCTION CAPACITY  
(CONVERTED INTO 20/S)**

### SPINNING

Interloop produces 32 million lbs of premium yarn annually, converted into 20/s, to serve a wide range of textile customers. The automated spinning plants are equipped with advanced European and Japanese machines, ensuring compliance with strict quality standards. Raw materials include virgin fibers such as Pakistani and imported cotton, synthetic and acrylic fibers, viscose-based fibers like Modal, Bamboo, and Lyocell, as well as cellulosic fibers such as hemp and linen/flax. In addition, Interloop utilizes recycled and sustainable fibers, including organic cotton, BCI, PSCP, CMIA, recycled (PIW/PCW) cotton, and various recycled or sustainable polyester and viscose fibers. The company produces a broad variety of yarns, including plain, slub, multi-count, slub lycra, siro slub core, siro compact, polyamide core, and blended yarns. More than 50% of the yarn is consumed in-house, while the remaining is supplied to renowned weavers, apparel manufacturers, denim producers, knitters, and towel makers.

### YARN DYEING & AIR COVERING

Interloop operates a state-of-the-art Yarn Dyeing & Elastomeric Yarn facility, equipped with modern systems such as highly automated dyeing operations and automatic dyestuff and chemical dispensing. With an annual dyeing capacity of 5.5 million kgs, Interloop offers a wide spectrum of colors across spun and filament yarns, including Polyester, Nylon, Acrylic, Coolmax, Modal, Tencel, Viscose, Wool, Bamboo, Blends, Microfibers, and Recycled Yarns. In addition, modern Italian Air Covering machines—with an annual production capacity of 1 million kgs are used to cover in-house dyed, dope-dyed, and raw white yarns, utilizing leading spandex brands such as Lycra and Creora, at customized percentages. Looking ahead, Interloop is installing a spun yarn dyeing unit with a capacity of 20 tons per day at Interloop Apparel Park. Currently under construction, the project is expected to commence production in the second half of FY26.

\* Converted into 20/s

# OUR CUSTOMERS

Some of our top clients across Europe, USA and Asia



HUGO BOSS

GUESS  
JEANS



GYMSHARK



M&S



ZARA



carter's

BESTSELLER

PRIMARK

# CORPORATE INFORMATION

## BOARD OF DIRECTORS

**Musadaq Zulqarnain**

Chairperson

**Navid Fazil**

Chief Executive Officer

**Muhammad Maqsood**

**Farwa Hasnain**

**Fatima Asad Khan**

**Romana Abdullah**

**Tariq Iqbal Khan**

**Faryal Sadiq**

**Jahan Zeb Khan Banth**

## AUDIT COMMITTEE

**Tariq Iqbal Khan**

Chairperson

**Farwa Hasnain**

**Romana Abdullah**

**Jahan Zeb Khan Banth**

## HUMAN RESOURCE & REMUNERATION COMMITTEE

**Fatima Asad Khan**

Chairperson

**Navid Fazil**

**Farwa Hasnain**

**Faryal Sadiq**

**Jahan Zeb Khan Banth**

## NOMINATION COMMITTEE

**Musadaq Zulqarnain**

Chairperson

**Navid Fazil**

**Muhammad Maqsood**

## RISK MANAGEMENT COMMITTEE

**Tariq Iqbal Khan**

Chairperson

**Muhammad Maqsood**

**Fatima Asad Khan**

**Romana Abdullah**

## ENVIRONMENTAL, SOCIAL & GOVERNANCE COMMITTEE

**Navid Fazil**

Chairperson

**Farwa Hasnain**

**Faryal Sadiq**

## CHIEF FINANCIAL OFFICER

**Muhammad Maqsood**

## COMPANY SECRETARY

**Rana Ali Raza**

## HEAD OF INTERNAL AUDIT

**Jamshaid Iqbal**

## CHIEF INFORMATION OFFICER

**Muhammad Yaqub Ahsan Bhatti**

## LEGAL ADVISOR

**Haidermota & Co.**



## AUDITORS

**Kreston Hyder Bhimji & Co.**  
**Chartered Accountants**

## SHARE REGISTRAR / TRANSFER AGENT

**CDC Share Registrar Services Limited**

### KARACHI OFFICE:

Share Registrar Department  
CDC House, 99-B, Block B, S.M.C.H.S,  
Main Shahra-e-Faisal, Karachi – 74400  
Tel: (92-21) 111-111-500

### LAHORE OFFICE:

Mezzanine Floor, South Tower, LSE Plaza,  
19-Khayaban-e-Aiwan-e-Iqbal, Lahore.  
Tel: (92-42) – 36362061-66

## BANKERS

Allied Bank Limited  
Bank Alfalah 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  
Standard Chartered Bank Pak Limited  
The Bank of Punjab  
United Bank Limited

## E- COMMUNICATION

Website: [www.interloop-pk.com](http://www.interloop-pk.com)



LinkedIn: Interloop Limited  
Twitter: @InterloopLtd  
Instagram: interlooplimited  
YouTube: Interloop Limited

## REGISTERED OFFICE

### Interloop Limited

15-A, Peoples Colony No. 1,  
Faisalabad, Pakistan  
Phone: (92-41) 4360400  
Fax: (92-41) 2428704  
Email : [externalaffairs@interloop.com.pk](mailto:externalaffairs@interloop.com.pk)  
Website: [www.interloop-pk.com](http://www.interloop-pk.com)

## PLANT LOCATIONS

### Hosiery Plant 1 - Corporate Office

1 KM Khurrianwala-Jaranwala Road,  
Khurrianwala, Faisalabad, Pakistan.

### Hosiery Plant 2 & 4

7 KM Khurrianwala-Jaranwala Road,  
Khurrianwala, Faisalabad, Pakistan.

### Hosiery Plant 3 & Denim Plant

8 KM, Manga-Raiwind Road, Distt. Kasur,  
Lahore, Pakistan.

### Apparel Plant 1

117 / J.B near Paharang Nala, Millat Road, Dhanola,  
Faisalabad, Pakistan.

### Hosiery Plant 5 & 6

### Apparel Plant 2

6 KM, By Pass Road, Khurrianwala,  
Faisalabad, Pakistan.



*Auto Laser Cutting | ILP Denim Plant*



**GOVERNANCE**

**FULL FAMILY CLOTHING**  
**PARTNER OF CHOICE**



# BOARD OF DIRECTORS



## MUSADAQ ZULQARNAIN, T.I.

CHAIRPERSON / NON EXECUTIVE DIRECTOR

Musadaq Zulqarnain is a Founding Director and Chairperson of Interloop Limited, Interloop Holdings & its subsidiaries. He serves on the board of Karandaaz; a not-for-profit organization promoting financial inclusion, and has been associated with The Citizens Foundation (TCF); the largest not-for-profit organization providing education to the underprivileged children in Pakistan. He is also the President of Interloop Welfare Trust and Chairperson of Lyallpur Literary Council.

Musadaq is a Member of the Economic Advisory Council to the Prime Minister and Member of the Policy Board Ministry of Planning & Development, Govt. of Pakistan. He also serves as Vice-Chairman of the Pakistan Textile Council. In recognition of his contributions towards generating employment opportunities and his philanthropic endeavors for the well-being of society, the Government of Pakistan has conferred upon him one of the highest civilian awards; Tamgha-e-Imtiaz.

Through his vision and commitment, he has successfully led Interloop over the last 33 years to become one of the world's largest hosiery manufacturers and a full family clothing supplier, and the largest listed apparel company on Pakistan Stock Exchange. Besides the flagship company of the group, Musadaq has established 23 organizations in Pakistan and abroad covering Logistics, Dairy and Dairy products, Packaging, Apparel, Health Care, IT & Public Service. Musadaq has training in Mechanical Engineering and an Honorary Doctorate from the University of Engineering and Technology, Lahore, Pakistan.

A social development enthusiast and philanthropist, Musadaq is actively engaged in nurturing the youth of Pakistan through education, women empowerment, cultural & literary activities, and sports, especially for those with disabilities. He has always been at the forefront in providing free health care for poor patients, and relief activities during natural disasters including the Pandemic and floods.



## NAVID FAZIL

CEO / EXECUTIVE DIRECTOR

Navid Fazil, a Founding Director and CEO of Interloop Limited, enjoys over three decades' experience as an entrepreneur and has played a key role in developing Interloop Limited as one of the world's largest Hosiery manufacturers, and a Full Family Clothing supplier to leading international brands and retailers. His strategic vision and leadership have positioned Interloop as a key player in the global apparel market, contributing significantly to Pakistan's economic development. Navid also serves on the Boards of Texlan Center (Pvt.) Limited and Interloop Holdings (Pvt.)

Limited, and is the Vice President of Interloop Welfare Trust, engaged in numerous philanthropic activities across the country. An electrical engineer by training and a Masters in Management from Oxford, Navid puts great emphasis on lean manufacturing, research & innovation, sustainability, and workers' well-being, setting high standards for ethical business practices within the industry.

A strong supporter of diversity, equity & inclusion, Navid is actively involved in many social responsibility programs and is part of the global Champions of Change Coalition; nurturing gender equality, women leadership, and respectful and inclusive workplaces.

Aligned with his climate conscious leadership, Interloop operates multiple LEED certified plants reducing environmental impact for a greener and sustainable future. Navid is also an avid farmer, and keenly follows developments in regenerative agriculture worldwide.



## MUHAMMAD MAQSOOD

### EXECUTIVE DIRECTOR

Muhammad Maqsood is an Executive Director on the Board of Interloop Limited. He is also a member of the Boards of Interloop Holdings (Pvt.) Limited, Interloop Dairies, Texlan Center (Pvt.) Limited, Interloop Assets Management Limited, and Interloop Welfare Trust. With an overall experience of 31 years, Maqsood's association with Interloop spans 23 years. He is also performing his duties as the Group CFO. His current responsibility portfolio includes group finances, budgeting, financial reporting, and taxation matters of the group. Maqsood is a fellow member of the Institute of

Chartered Accountants of Pakistan, Associate member of the Institute of Chartered Accountant of England & Wales, Fellow member of the Institute of Financial Accountants, UK, and the Institute of Public Accountants Australia. He got trained at INSEAD on Strategic Financial Management in Global Markets.



## FARWA HASNAIN

### INDEPENDENT DIRECTOR

Farwa Hasnain serves as an Independent Director on the Board of Interloop Limited and is a member of the Audit, HR, and ESG Committees. She is a highly seasoned professional with experience in institutional development, public health, technology and corporate governance, bringing in a unique blend of expertise across the international development and commercial/financial sectors of Pakistan. Currently, Farwa is the Chief Executive Officer of Rayn Group, a Singapore and Pakistan-based technology consulting company focused on leveraging digital innovation to improve

public health outcomes, particularly for women and marginalized communities. Prior to Rayn, Farwa was part of the founding management team at Karandaaz Pakistan — a non-profit funded by UKAid and the Gates Foundation — where she led governance and operations. She also served as Nominee Director on the Boards of Karandaaz-owned NBFCs, NCGC and PFSL, playing a pivotal role in the early operationalization and growth of these entities.

Farwa is deeply committed to diversity, inclusion, and women's leadership, and has consistently built diverse and high-performing teams throughout her career. She is a Certified Director from the Pakistan Institute of Corporate Governance (PICG); holds an Advanced Leadership Certificate from the Judge Business School, University of Cambridge; and earned her MBA from NUST Business School.



## FATIMA ASAD KHAN

### INDEPENDENT DIRECTOR

Fatima Asad is an Independent Director on the Board of Interloop Limited and also serves as Chairperson of the Human Resource & Remuneration Committee and member of the Risk Management Committee.

Fatima is the Chief Executive Officer of Abacus Consulting, one of the world's premier international technology, outsourcing, and consulting firm driving large-scale digital transformation across industries and geographies. With over 26 years of experience,

she has pioneered progressive solutions in corporate governance, enterprise technology, AI, data and cloud services, human capital management, and sustainability. She also serves on the Boards of major corporations and institutions including Faysal Bank, Bata Pakistan, Kashf Foundation, Kaarvan Crafts Foundation, and Power IT Company, and has previously served as Trustee on the Board of LUMS. She is also deeply engaged in mentoring entrepreneurial ventures through initiatives such as NIC Lahore, Invest2Innovate, and Standard Chartered Women in Tech.



She has received the Top IT Female Export Award from the President of Pakistan, the Platinum Award for Top Women Entrepreneur in Tech at the IT & ITes Exporters Awards 2024, and has guided Abacus to win nine Global Diversity, Equity, and Inclusion (DEI) Best Practice Awards 2024-25, placing the company among Pakistan's top 20 inclusive organizations. She also contributes as a member of the IT & Telecom Advisory Committee, advising the government on long-term strategies to strengthen Pakistan's IT exports.

Beyond her corporate achievements, Ms. Asad-Said is an active advocate for social responsibility and gender diversity. She has provided pro-bono advisory support to organizations including SIUT, TCF, SKMT, UNICEF, and the Imran Khan Foundation.

Fatima began her career with Coopers & Lybrand International and PricewaterhouseCoopers after completing her MBA from LUMS. She is a Certified Corporate Director from Harvard Business School and an active member of the Harvard Corporate Directors Forum, the Diversity & Inclusion Hub Leadership Council, and the Women Executives on Boards Forum.



**ROMANA ABDULLAH**  
INDEPENDENT DIRECTOR

Romana Abdullah is an Independent Director on the Board of Interloop Limited. She is the co-founder and CEO of Highpoint Ventures, a multi-brand fashion retail company that she started in 2014. She serves on the Boards of Nestle and Systems Limited and was selected as a Young Global Leader by the World Economic Forum in 2016.

In her early career, Romana was part of the management teams at MCB and Soneri Bank, leading their strategy function. She has also worked at The Boston Consulting

Group and Merrill Lynch Investment Banking in New York, focusing on strategic, financial, and operational assignments for Fortune 500 financial services and consumer clients. Romana has a BSc in Financial Engineering from Princeton University and an MBA from the Harvard Business School.



**TARIQ IQBAL KHAN**  
INDEPENDENT DIRECTOR

Tariq Iqbal Khan is an Independent Director on the Board of Interloop Limited and also serves as the Chairperson of Interloop Asset Management Limited. He is currently a member of the Audit Oversight Board (AOB) and has previously served as its Chairperson. He is also the Chairperson of Packages Converters Limited and serves on the boards of various prominent listed and non-listed companies. In the past, he has been on the boards of multiple banks, as well as pharmaceutical, chemical, and petroleum companies, and has held the position of Chairperson at SNGPL and ARL,

among others. A fellow member of the Institute of Chartered Accountants of Pakistan, Tariq has served the country for more than four decades by holding prominent positions in the private and public sectors. He played a pivotal role in founding the Islamabad Stock Exchange and subsequently served as its President. He also served as Member of Tax Policy & Co-ordination at the Central Board of Revenue, followed by working as founder Commissioner, Securities & Exchange Commission of Pakistan (SECP), and later as Chairperson SECP (acting) for a brief period where he was instrumental in restructuring SECP. Tariq served as the Chairperson & MD of NIT for more than 8 years, which played a key role in establishing and stabilizing the capital markets. He also served as the Chairperson and Managing Director of Investment Corporation of Pakistan (ICP) for 3 years and Chairperson of KP Energy Board and KPOGDCL.



### **FARYAL SADIQ**

EXECUTIVE DIRECTOR

Faryal Sadiq serves as an Executive Director on the Board of Interloop Limited, and is the Chief Marketing Officer (CMO) at Interloop, responsible for all aspects of business development, sales and customer service. She also spearheads Sustainability, ensuring that Interloop leads the way in responsible manufacturing meeting the highest standards of environmental and social performance. Faryal plays a prominent role as a business leader, promoting awareness around gender dynamics and advocating strategies for accelerating gender equity.

Before joining Interloop in 2016, Faryal worked for over a decade as a management consultant with Deloitte and Ernst & Young, UK, specializing in the consumer products and retail industry. Faryal is a certified director, holds an MBA from the University of Oxford, and an Economics degree from the London School of Economics, UK.



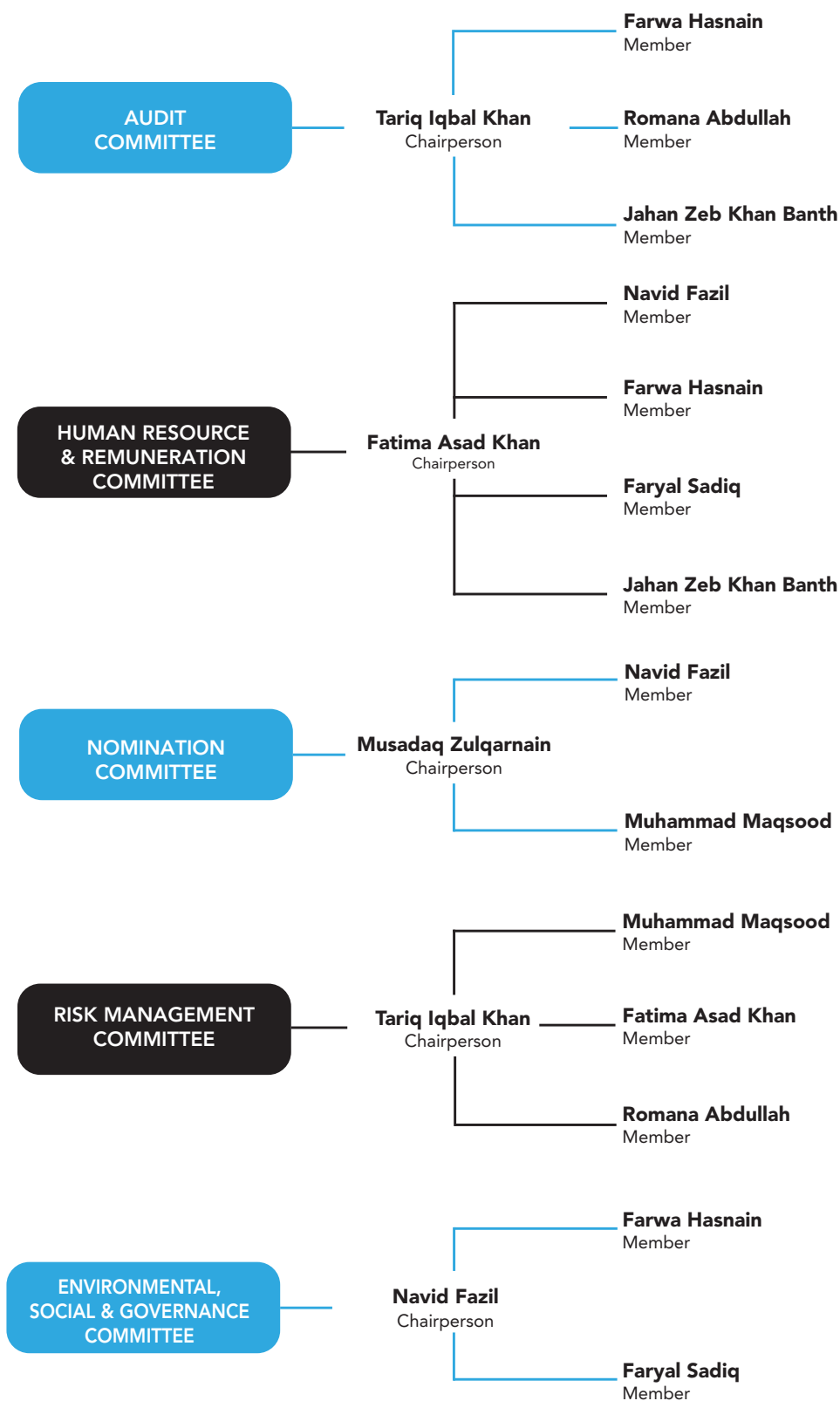
### **JAHAN ZEB KHAN BANTH**

NON-EXECUTIVE DIRECTOR

Jahan Zeb Khan Banth is a Non-Executive Director on the Board of Interloop Limited and contributes a wealth of strategic insight through extensive industry experience. He is also a member of the Boards of Interloop Holdings, Interloop Dairies, Interloop Welfare Trust, and IRC Dairy Products Pvt. Ltd. With background in chemical engineering, he has a strong record of success in his previous role as Director Technical for Interloop Limited.

During his 27 years illustrious tenure with the company, Jahan Zeb has led critical areas including maintenance of the plants, expansion projects, business process re-engineering (BMR), and the energy division. With over four decades of professional expertise, Jahan Zeb is a valuable asset to Interloop's leadership team.

# BOARD COMMITTEES



# MANAGEMENT COMMITTEES



**NAVID FAZIL**  
CHIEF EXECUTIVE OFFICER



**MUHAMMAD MAQSOOD**  
GROUP CHIEF  
FINANCIAL OFFICER



**TARIQ RASHEED MALIK**  
MANAGING DIRECTOR  
YARNS



**FARYAL SADIQ**  
CHIEF MARKETING  
OFFICER



**AQEEL AHMAD**  
PRESIDENT APPAREL  
& ACTIVE WEAR



**SAIRA KHAN**  
CHIEF HUMAN RESOURCE  
OFFICER



**YAQUB AHSAN**  
CHIEF INFORMATION  
OFFICER



**FEROZE AHMED**  
CHIEF STRATEGY &  
TRANSFORMATION OFFICER



**ZAIN SADIQ**  
VICE PRESIDENT  
OPERATIONS (HOSIERY)



**MASOOMA ZAIDI**  
CHIEF PROCUREMENT  
OFFICER



**AMJAD ALI**  
CHIEF PLANNING  
OFFICER

# CHAIRPERSON'S REVIEW REPORT

(In compliance with Section 192 of the Companies Act, 2017)



## Dear Shareholders,

I am pleased to present the Chairperson's review on the overall performance of the Board and the effectiveness of its role in achieving the Company's strategic and governance objectives.

FY 2025 was characterized by a challenging mix of global and domestic economic pressures, including persistent inflation, high interest rates, and currency volatility. Despite these challenges, Interloop remained resilient, committed to sustainable value creation, and steadfast in pursuing its long-term vision. Our focus on operational excellence, robust governance, and strategic growth enabled us to strengthen our foundations while expanding our global footprint, optimizing supply chain efficiencies, and fostering a data-driven culture across the organization.

Interloop's Board, consisting of nine members with diverse educational and professional expertise, remained actively engaged in steering the Company's strategic direction and exercising effective oversight. With women representation at 44%, the Board continues to demonstrate its firm commitment to gender diversity, inclusion, and equitable participation at the apex level of decision-making.

During the year, the Board diligently discharged its responsibilities in the best interest of shareholders, managing the Company's affairs with efficiency and in alignment with the highest standards of corporate governance. In my role as the Chairperson, I observed several key strengths in the Board's functioning, including active engagement, constructive dialogue, and a clear focus on long-term value creation. These attributes not only strengthened oversight but also reinforced the Board's commitment to sustainable growth and stakeholder confidence.

The Board and its Committees remained committed on ensuring compliance with all statutory and regulatory requirements. With clearly defined Terms of Reference and proficient members, the Committees made significant contributions through regular meetings, ensuring robust deliberation, effective oversight, and well-informed decision-making.



An annual evaluation of the Board and its Committees was carried out in accordance with regulatory requirements, reflecting satisfactory performance, and the Committees actively fulfilling their respective mandates. To ensure impartiality and transparency, the Company has resolved to conduct an external evaluation of the Board and its Committees through the Pakistan Institute of Corporate Governance (PICG) in the upcoming year, enabling an independent assessment and strengthening the overall governance practices of the Company.

The Board also played an integral role in enhancing the internal control and risk management framework. The internal audit function, under the oversight of the Board Audit Committee, remained focused on reinforcing governance integrity and operational transparency. The risk management framework was regularly reviewed by the Risk Management Committee, with periodic risk assessments and implementation of mitigation strategies to support continuity and compliance.

Interloop remained committed to responsible business practices, driving impactful CSR initiatives in education, healthcare, environmental protection and women empowerment, fortifying its identity as a purpose-driven organization. Concurrently, we remain committed to sustainability through LEED-certified facilities, energy-efficient operations, and innovative technologies that reduce our environmental footprint.

Looking ahead, we remain cautiously enthusiastic about our future prospects. Our focus will remain on innovation, operational efficiency, upholding customer relationships, expanding sustainable practices, and unlocking new market opportunities. The Board and the Management remain aligned in our shared goal to deliver long-term value for all stakeholders.

I express my profound gratitude to the Board of Directors and Board Committees for their guidance and commitment to robust governance. I also wish to acknowledge our shareholders, customers, employees, and all stakeholders for their continued trust and support. Together, we will remain focused on driving sustainable growth and shaping a stronger future for the Company.



**MUSADAQ ZULOARNAIN**  
Chairperson, Board of Directors

**September 10, 2025**  
**Faisalabad.**

# DIRECTORS' REPORT

**The Board of Directors ("Board") of Interloop Limited ('the Company' or 'ILP') is delighted to present the Annual Report of the Company, along with the Annual Audited Financial Statements (Consolidated & Unconsolidated) for the year ended June 30, 2025 and the accompanying Auditors' Report.**

This report has been prepared in accordance with section 227 of the Companies Act, 2017 and Listed Companies (Code of Corporate Governance) Regulations, 2019.

## ECONOMY OVERVIEW

As of mid 2025, the global economy is experiencing moderate expansion, with the IMF projecting global GDP growth at 3.0 percent for 2025 and 3.1 percent in 2026, reflecting slight upward revisions from earlier forecasts, while warning that elevated U.S. tariff rates, geopolitical tensions, and trade policy uncertainty continue weighing on consumer spending and investment. Global inflation is expected to moderate but remain sticky, with headline rates targeted to settle around 4.2 percent in 2025.

In Pakistan, the economy is showing clear signs of stabilization. Real GDP growth is expected to reach 2.7 percent in FY 2025, up from 2.5 percent the previous year, as reported in the Economic Survey. On the inflation front, CPI inflation plunged to around 4.6 percent, down sharply from over 29 percent in FY 2024, facilitating the substantive easing in monetary policy. The State Bank of Pakistan has aggressively eased policy rates from 22 percent to 11 percent, aiming to inject momentum into the sluggish recovery.

The external sector turned notably positive, with Pakistan recording a current account surplus of USD 2.1 billion in FY 2025, its first in 14 years, driven by a sharp 27% rise in remittances to USD 38.3 billion and a 7.4% increase in textile exports to USD 17.9 billion. Improved external balances and structural reforms have contributed to replenishing foreign reserves and stabilizing the exchange rate.

## APPAREL AND TEXTILE INDUSTRY OVERVIEW

Pakistan's apparel & textile sector remained challenged by global demand softness, tight monetary conditions, and high energy costs. The sector recorded a 7.4 percent growth in FY 2025, primarily led by strong performances in value-added categories, with total exports reaching USD 17.9 billion compared to USD 16.7 billion in FY 2024. Knitwear exports rose by 13.7 percent to USD 5.1 billion, while bedwear export increased 11.07 percent to USD 3.1 billion, and ready-made garments posted an impressive 15.9 percent jump to USD 4.1 billion respectively. However, structural weaknesses in the sector persisted as exports of some key raw material-based products declined: cotton yarn fell sharply by 28.8 percent, while cotton cloth dropped 3.1 percent compared to the previous year. In contrast, cotton production dropped 34.2 percent YoY to 5.5 million bales due to reduced cultivation, adverse weather, and pest issues.

## FINANCIAL AND OPERATIONAL PERFORMANCE UNCONSOLIDATED

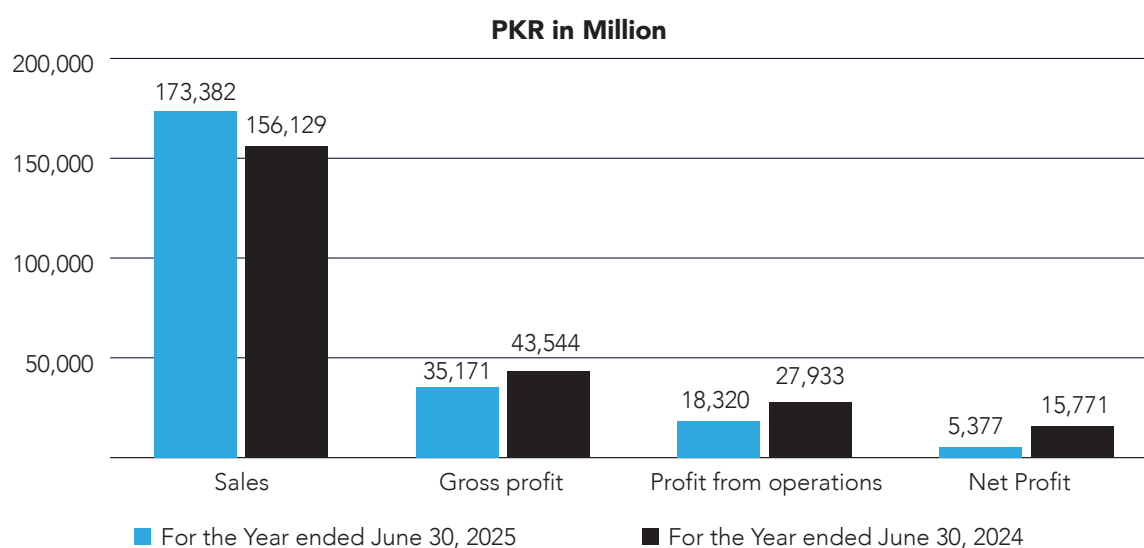
Interloop Limited during the year remained profitable, reflecting its

resilience in a challenging business environment and continued its growth trajectory. Net sales stood at PKR 173,382 million in FY 2025, showing an 11% increase from PKR 156,129 million in FY 2024. However, ramp-up of the Apparel expansion combined with elevated input costs, persistent inflationary pressures, global and domestic economic headwind contributed to a 19% decline in gross profit, which fell to PKR 35,171 million from PKR 43,544 million in the previous year. This contraction in gross margins, alongside higher operating overheads, led to a 34% reduction in operating profit, amounting to PKR 18,320 million versus PKR 27,933 million in FY 2024.

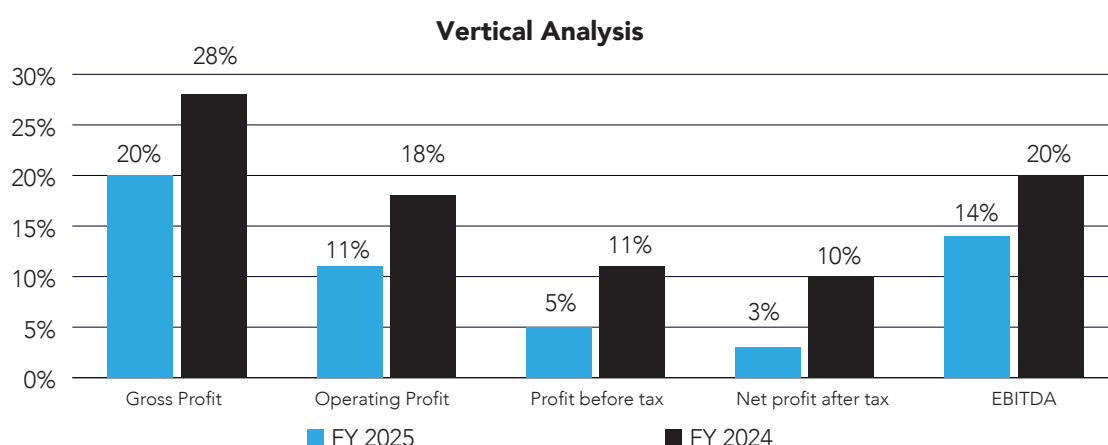
Further pressure emerged from increased financial charges, primarily stemming from capital expenditure on expansion projects and higher working capital needs. Additionally, the transition to the normal tax regime significantly raised the effective tax burden resulting in approximately a 67% increase in tax incidence compared to the prior year. Collectively, these factors drove a 66% decline in net profit, which fell to PKR 5,377 million from PKR 15,771 million in FY 2024. Earnings per share (basic and diluted) correspondingly dropped to PKR 3.84, down from PKR 11.25 last year.

Despite the year's challenges, ILP demonstrated resilience in the second half particularly in Q4 FY 2025, where profitability margins showed signs of recovery. Revenues grew 16% quarter-on-quarter, and net profit margin improved to 5.6% in Q4 from 3.2% in Q3, reflecting the early benefits of cost control measures and a rebound in export revenues.

	YEAR ENDED JUNE 30, 2025	YEAR ENDED JUNE 30, 2024
	PKR in Million	
Sales Net	173,382	156,129
Gross Profit	35,171	43,544
EBITDA	24,794	31,910
Profit Before Tax	8,787	17,807
Tax Expense	(3,410)	(2,036)
Profit After Tax	5,377	15,771
Other Comprehensive Loss	(182)	(460)
Total Comprehensive Income	5,195	15,311
Unappropriated profit brought forward	36,357	26,641
Appropriations		
Final dividend 2023	—	(2,803)
Interim dividend 2024	—	(2,803)
Forfeited share options FY 2024	—	10
Final dividend 2024	(3,504)	—
Unappropriated profit carried forward	38,047	36,357
Earnings per share - Basic (PKR)	3.84	11.25
Earnings per share - Diluted (PKR)	3.84	11.25



VERTICAL ANALYSIS	2025	2024
Gross Profit	20%	28%
Operating Profit	11%	18%
Profit Before Tax	5%	11%
Net Profit After Tax	3%	10%
EBITDA	14%	20%



#### FINANCIAL AND OPERATIONAL PERFORMANCE – CONSOLIDATED

The Company has annexed consolidated financial statements for the year ended June 30, 2025, in accordance with the requirements of International Financial Reporting Standards and the Companies Act 2017.

The group reported net sales of PKR 179,405 million, reflecting a

healthy increase of 13% compared to PKR 158,183 million in the previous year. Despite this top-line growth, profitability experienced significant pressure, with gross profit declining by 17% to PKR 36,761 million, primarily due to the infancy period of the apparel project and rising input costs.

This reduction in gross profit led to a 22% decrease in EBITDA, which stood at PKR 25,404 million, as higher operational expenses and initial

project costs weighed on earnings. Profit from operations also dropped sharply by 35% to PKR 18,648 million. Consequently, profit before tax fell by 51% to PKR 9,086 million, and profit after tax was significantly impacted, declining 66% to PKR 5,647 million.

Below is a summary of the consolidated financial performance of the group for the year ended June 30, 2025 as against June 30, 2024:

	YEAR ENDED JUNE 30, 2025	YEAR ENDED JUNE 30, 2024	Var
	PKR in Million		%
Sales Net	179,405	158,183	13%
Gross Profit	36,761	44,166	-17%
EBITDA	25,404	32,767	-22%
Profit from Operations	18,648	28,648	-35%
Profit Before Tax	9,086	18,492	-51%
Profit After Tax	5,647	16,456	-66%



VERTICAL ANALYSIS	2025	2024
Gross Profit	20%	28%
Profit from Operations	10%	18%
Profit Before Tax	5%	12%
Net Profit After Tax	3%	10%
EBITDA	14%	21%

### EARNINGS PER SHARE (EPS)

The Unconsolidated Basic and Diluted earnings per share after tax for FY 2025 is PKR. 3.84 per share (FY 2024: PKR. 11.25 per share). The Consolidated Basic and Diluted earnings per share after tax for FY 2025 is PKR. 3.96 per share (FY 2024: PKR. 11.78 per share).

### FINANCIAL MANAGEMENT

All financial obligations falling due during the year were met in a timely manner. Surplus funds were strategically and prudently invested. As of the end of the year, the Company had unutilized short-term borrowing limits exceeding PKR 45,370 million (2024: PKR 26,596 million) available from financial institutions, reflecting a strong liquidity position and financial flexibility.

### FINANCIAL HIGHLIGHTS

Key historical operating and financial data of the Company has been annexed to this Annual Report. These highlights provide a concise yet comprehensive view of the Company's performance trends, enabling stakeholders to assess growth, profitability, and financial strength over the years.

### AUDITORS' REPORT ON FINANCIAL STATEMENT

The Company's external auditors, M/s Kreston Hyder Bhimji & Co, Chartered Accountants, have issued an unqualified opinion on both the Unconsolidated and Consolidated Financial Statements for the year ended June 30, 2025. These financial statements include the statement of financial position, statement of profit or loss, statement of comprehensive income, statement of changes in equity, statement of cash flows, and the accompanying notes, comprising

a summary of significant accounting policies and other explanatory information.

### DIVIDEND DISTRIBUTION TO SHAREHOLDERS

The Company is always committed to the long-term growth of its shareholders along with provision of stable and consistent returns. In consideration of current expansions and future investments, the Board of Directors has recommended a final cash dividend for the fiscal year ended June 30, 2025, at the rate of PKR.1 per share (i.e., 10%), subject to the approval of the members at the Annual General Meeting to be held on October 10, 2025. No transfers were made to general reserves. These financial statements do not include the effect of the proposed final dividend.

### PRINCIPAL ACTIVITIES

Interloop Limited was incorporated in Pakistan on April 25, 1992, and publicly listed on the Pakistan Stock Exchange on April 05, 2019. Interloop is a vertically integrated multi-category Full-Family Clothing Company that manufactures Hosiery, Denim, Knitted Apparel, and Seamless activewear products for prominent international brands and retailers. It also produces Yarn for a range of textile customers. Throughout the year, the Company's core activities remained unchanged.

### BUSINESS SEGMENTS

Management has determined the operating segments to align with the information presented to the Board of Directors for strategic resource allocation and performance assessment. Management actively monitors the financial results of these segments independently to facilitate informed decision-making regarding resource distribution and to evaluate their performance.

Based on the internal management reporting framework and the nature of the products manufactured and distributed, the company is organized into the following operating segments:

### HOSIERY

Interloop Hosiery production delivered through six vertically integrated manufacturing facilities. The successful inauguration of Plant 6 marked a key milestone, with operations now running in line with planned commercial timelines. This segment supplies high-quality products to leading global brands and retailers, including Nike, adidas, STICHD, Target, H&M, C&A, Amazon, Uniqlo, and others.

Hosiery Plants 4, 5, and 6 have earned LEED Gold Certification, reinforcing Interloop's commitment to sustainable and environmentally responsible manufacturing practices.

The strategic acquisition of Top Circle in FY 2024 has further strengthened the Company's global footprint, with manufacturing operations in China performing effectively. Interloop remains committed to responsible manufacturing across the entire value chain, from farm to factory. With in-house capabilities in product development, quality assurance, and innovation, the Company continues to invest in digital transformation modernizing design, production, and customer engagement to stay ahead in a competitive market.

### DENIM

Interloop Denim, a state-of-the-art facility located in Southeast Asia, boasts a robust production capacity. Recognized globally for its environmental leadership, the facility holds LEED Platinum Certification and was ranked among the world's 7 greenest buildings in 2021.

At the forefront of Industry 4.0 adoption, Interloop Denim has significantly enhanced operational efficiency through integrated ERP systems and digital sampling technologies. The Company is committed to low-impact, sustainable solutions, positioning itself as a leader in responsible manufacturing.

Interloop Denim proudly partners with globally renowned brands including Guess, Hugo Boss, adidas, H&M, Target, NYDJ, Pearson, and INDITEX. Its innovative processes incorporate advanced technologies such as nano-bubble washing, waterless ozone bleaching, and automated nebulization setting new standards for eco-friendly denim production.

## APPAREL

Interloop Apparel catering to leading brands across North America, Europe, and the UK. The division operates from a newly constructed, eco-friendly facility that holds LEED Platinum Certification, reflecting Interloop's deep commitment to sustainable manufacturing.

Equipped with state-of-the-art machinery, the facility integrates a range of green features, including renewable energy sources, a wetland area, and even a bird sanctuary, highlighting its harmony with nature and environmental stewardship.

The Knitwear Apparel division produces a diverse range of products such as T-shirts, underwear, polo shirts, sweatshirts, pants, fleece hoodies, and jackets serving globally recognized brands and retailers with quality, innovation, and sustainability at its core.

## ACTIVEWEAR

Interloop's vertically integrated Seamless Activewear facility displays exceptional manufacturing capabilities. Offering a broad range of styles and sizes, the facility is outfitted with advanced technology, including Italian knitting and dyeing machines and Japanese sewing equipment, ensuring superior quality across fabric processing, dyeing, and stitching operations.

Seamless garments from Interloop provide 360-degree stretch and

comfort, free from restrictive seams ideal for active lifestyles and high-performance wear. The Company also benefits from a dedicated, self-sufficient product development department, enabling rapid sample turnaround to meet fast-changing market demands.

Complementing its technical capabilities, Interloop's in-house design team stays aligned with global fashion trends, delivering innovative and trend-forward collections that resonate with leading brands and consumers alike.

## YARNS

### • Spinning

Interloop has production capacity of 32 million pounds (20/1 count) of high-quality yarn annually, using state-of-the-art automated spinning plants equipped with the latest European and Japanese machinery. The company utilizes a variety of raw materials, including virgin, recycled, and sustainable fibers, to create different types of yarn. Over 50% of the yarn produced is used internally, while the remainder is supplied to renowned manufacturers across various sectors of the textile industry.

### • Yarn Dyeing & Air Covering

Interloop operates an advanced Yarn Dyeing & Elastomeric Yarn facility with automated operations, offering a wide range of colors in Spun and Filament Yarns. Its annual dyeing capacity is 5.5 million kgs. ILP also utilizes modern Italian Air Covering Machines with 1 million kgs annual production capacity for various yarn types of in-house dyed, dope dyed, and raw white yarns with spandexes like Lycra and Creora at customized ratios. The Company has undertaken the expansion of dyeing segment through establishment of a spun yarn dyeing unit with a capacity of 20 tons per day at IL Apparel Park. The project is nearing completion and is expected to begin production by 2nd quarter of FY 2026.

## CORPORATE AND FINANCIAL REPORTING FRAMEWORK

The Company firmly upholds stringent Corporate Governance standards without any deviation. The Directors are delighted to affirm that the

Company adheres to the provisions outlined in the Listed Companies (Code of Corporate Governance) Regulations, 2019 (CCG Regulations, 2019) and Companies Act, 2017, issued by the Securities and Exchange Commission of Pakistan (SECP), which are integral to the Listing Regulations of the Pakistan Stock Exchange (PSX). Listing Regulations of the Pakistan Stock Exchange (PSX).

The Board of Directors confirm that:

- i. The Financial Statements, prepared by the Company's management, fairly present the company's state of affairs, the results of its operations, cash flow, and changes in equity.
- ii. Proper books of account have been maintained by the Company.
- iii. Appropriate accounting policies have been consistently applied in preparing financial statements and accounting estimates are based on reasonable and prudent judgment.
- iv. International Financial Reporting Standards (IFRS), as applicable in Pakistan and the requirements of the Companies Act 2017, have been duly followed in the preparation of the financial statements. Any departure thereof has been adequately disclosed and explained.
- v. The internal control system is sound in design and has been effectively implemented and monitored. Monitoring internal controls will continue to strengthen the controls and improve the system.
- vi. There are no significant doubts upon the Company's ability to continue as a going concern.
- vii. There has been no material departure from the best practices of Corporate Governance, as detailed in the Pakistan Stock Exchange listing regulations.
- viii. Information regarding outstanding taxes and levies, as required by the listing regulations, is disclosed in the notes to the financial statements.
- ix. The Company operates a contributory provident fund scheme for all employees and a defined benefit gratuity scheme for its Management/

non-management employees. The book value of investments as of June 30, 2025, is PKR. 527.4 Million.

- x. Statements regarding the following are annexed in this Annual Report:
- Key financial data for the last six (6) years
  - Gender Pay Gap Statement under SECP circular no. 10 of 2024
  - Pattern of Shareholding

#### STATEMENT OF COMPLIANCE WITH THE CODE OF CORPORATE GOVERNANCE

The Company strictly adheres to the principles of Corporate Governance mandated by SECP and has implemented all the prescribed stipulations. The same has been summarized in the statement of compliance with the Listed Companies (Code of Corporate Governance) Regulations, 2019, duly reviewed by the auditors and annexed with this Annual Report.

#### COMPOSITION OF BOARD

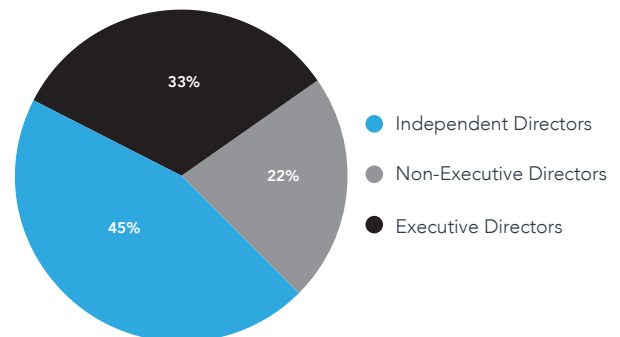
ILP maintains a Board of Directors consisting of Nine (9) members elected on October 22, 2023, encompassing individuals with a variety of backgrounds, essential skills, insights, and proficiencies pertinent to the Company's operations. Our Board composition as of June 30, 2025 is as below;

#### TOTAL NUMBER OF DIRECTORS

a) Male	5
b) Female	4

#### COMPOSITION:

Independent Directors	4
Non-Executive Directors	2
Executive Directors	3



S.NO	NAME(S) OF DIRECTOR(S)	CATEGORY
i.	Farwa Hasnain	Independent Director
ii.	Fatima Asad Khan	
iii.	Romana Abdullah	
iv.	Tariq Iqbal Khan	
v.	Musadaq Zulqarnain	Non-Executive Director
vi.	Jahan Zeb Khan Banth	
vii.	Navid Fazil	Executive Director
viii.	Muhammad Maqsood	
ix.	Faryal Sadiq	

#### BOARD COMMITTEES

The Board of Directors has constituted the following Five (5) Committees to assist in carrying out its fiduciary duties. These Committees, along with their membership details and meetings held during the FY 2025, are as follows:

COMMITTEES	NUMBER OF MEETINGS HELD DURING FY25
Audit Committee (AC)	10
Human Resource & Remuneration Committee (HR&RC)	3
Nomination Committee (NC)	1
Risk Management Committee (RMC)	3
Environmental, Social, and Governance Committee (ESGC)	1

	AC	HR&RC	NC	RMC	ESGC
Chairperson	Tariq Iqbal Khan	Fatima Asad Khan	Musadaq Zulqarnain	Tariq Iqbal Khan	Navid Fazil
Member	Farwa Hasnain	Navid Fazil	Navid Fazil	Muhammad Maqsood	Farwa Hasnain
Member	Romana Abdullah	Farwa Hasnain	Muhammad Maqsood	Fatima Asad Khan	Faryal Sadiq
Member	Jahan Zeb Khan Banth	Faryal Sadiq		Romana Abdullah	
Member		Jahan Zeb Khan Banth			

## MEETINGS OF THE BOARD & COMMITTEES

During FY 2025, Five (5) Board of Directors meeting were conducted along with requisite Committee meetings, as mentioned above, to cover its complete cycle of activities. The names of Directors and the number of meetings attended by each Director are presented below:

NAME(S) OF DIRECTOR(S)		AGM	BOD	AC	HR&RC	NC	RMC	ESGC
Musadaq Zulqarnain	Chairperson/Non-Executive Director	1/1	5/5			1/1		
Navid Fazil	CEO/Executive Director	1/1	5/5		3/3	1/1		1/1
Muhammad Maqsood	Executive Director	1/1	5/5			1/1	3/3	
Farwa Hasnain	Independent Director	1/1	5/5	*2/10	3/3			1/1
Fatima Asad Khan	Independent Director	1/1	4/5		3/3		2/3	
Romana Abdullah	Independent Director	0/1	4/5	6/10			1/3	
Tariq Iqbal Khan	Independent Director	1/1	4/5	9/10			3/3	
Faryal Sadiq	Executive Director	1/1	5/5		2/3			1/1
Jahan Zeb Khan Banth	Non-Executive Director	1/1	5/5	10/10	3/3			

\* Ms. Farwa Hasnain was appointed as a member of the Audit Committee on April 29, 2025, and only two Committee meetings were held post her appointment as a member.

## PERFORMANCE EVALUATION OF BOARD OF DIRECTORS AND COMMITTEES OF THE BOARD

Board's evaluation mechanisms have been established in line with the CCG Regulations, 2019 and global best practices, enabling the Board of Directors to assess its performance and effectiveness in providing strategic leadership and oversight to senior Management. Accordingly, appropriate procedures have been designed using emerging and leading practices to support the evaluation of the Board and its Committees. For this purpose, structured online questionnaire has been developed, covering key areas such as effectiveness, accountability, planning, leadership, and strategy formulation. Directors also complete self-evaluation questionnaires focused on their participation and overall satisfaction with Board proceedings.

The key areas of assessment include:

- Alignment of corporate goals and objectives with the Company's vision and mission;
- Formulation of sustainable strategies;
- Ensuring Board independence; and
- Performance of Board Committees in fulfilling their respective terms of reference.

Additionally, separate evaluation questionnaires for the Chief Executive Officer and Chief Financial Officer have been developed to assess their performance. These are completed annually by all Directors, excluding the individuals being evaluated. The responses, submitted anonymously, are compiled by the Company Secretary. Based on the approved

criteria, the overall performance of the Board and its Committees during the year has remained satisfactory.

To further strengthen transparency and impartiality, the Company has decided to conduct an external Board evaluation through the Pakistan Institute of Corporate Governance (PICG) in the coming year.

## DIRECTORS' REMUNERATION

In compliance with regulatory requirements, a transparent and formal process has been established for ascertaining the remuneration of the Directors. In accordance with the Code of Corporate Governance, no Director is involved in the determination of his/her own remuneration package. All Non-Executive and Independent Directors of the Company are entitled to remuneration for attending meetings along with reimbursement



of expenses incurred in connection with these meetings, as prescribed under the Companies Act, 2017. To retain the best talent, the Company's remuneration policies are structured in line with the prevailing industry trends and business practices. For detailed information on the remuneration of Directors and CEO during the FY 2025, please refer to the notes to the Financial Statements.

### **DIRECTORS' TRAINING PROGRAM**

The Directors on the Board are well aware of their duties and responsibilities, in compliance with the CCG Regulations, 2019. All our Directors, including the Chief Executive Officer, are either certificated under the Directors' Training Program have exemption from the Directors' Training Program based on their experience. The Board is kept up-to-date on legal, regulatory, and governance matters through regular papers and briefings from the Company Secretary, and presentations by internal and external advisors. Directors are responsible for upholding Corporate Governance and giving the Company a strategic direction. Your Company ensure that the entire Board is aligned with the Organization's Mission and Corporate Governance.

### **REVIEW OF CEO'S PERFORMANCE**

The Board of Directors conducts routine assessments including annual structured review of the CEO's performance, utilizing a set of defined quantitative and qualitative metrics. These metrics encompass a range of financial and non-financial Key Performance Indicators (KPIs). The primary KPIs used in this evaluation encompass financial performance, operational processes, regulatory compliance, operational excellence, and human resource management. This evaluation also considers the CEO's achievements related to goals such as profit generation, organizational development, succession planning, and overall corporate success.

### **CHAIRPERSON'S REVIEW ON PERFORMANCE OF THE BOARD**

As required under the Companies Act, 2017, the Chairperson's

Review included in the Annual Report highlights the effectiveness of the Board in carrying out its responsibilities and achieving the Company's objectives. The Board formally endorses the statements contained therein.

### **ROLES AND RESPONSIBILITIES OF CHAIRPERSON AND CEO**

To promote transparency and strengthen governance, we maintain a clear separation between the roles of the Chairperson of the Board of Directors and the Chief Executive Officer, each with distinct responsibilities.

- **Chairperson of the Board**

The Chairperson of the Board provides strategic leadership, guiding the Board in fulfilling its governance duties. This includes presiding over Board meetings, setting agendas, facilitating discussions, and ensuring adherence to corporate governance standards. The Chairperson also serves as a bridge between the Board and Executive Management, representing the Company externally and ensuring effective implementation of Board's decisions.

- **Chief Executive Officer**

The Chief Executive Officer, as the Head of Management, is responsible for the Company's day-to-day operations. This role focuses on executing the Board's strategic vision and policies, achieving financial and operational targets, driving business growth, and managing relationships with key stakeholders.

### **REVIEW OF RELATED PARTIES' TRANSACTIONS**

All related party transactions are executed on arm's length basis in the ordinary course of business, and are in compliance with the applicable laws and regulations, and the policies approved by the Board. All related party transactions during the FY 2025 were placed before the Audit Committee and subsequently the Board, for their review, and approved accordingly. Certain Related Party transactions, in which a majority of the Directors are interested, would require

members' approval under Sections 207 and / or 208 (to the extent applicable) of the Companies Act, 2017, read with Regulation 15 of the Listed Companies (Code of Corporate Governance) Regulations, 2019. For information on the transaction with the related party in FY 2025, please refer to the notes to the Financial Statements.

### **WEB PRESENCE**

Company's periodic financial statements for the current financial year including previous Annual, Half Year and/or Quarterly Reports are available on the Company's website i.e., [www.interloop-pk.com](http://www.interloop-pk.com) for the information of the investors and shareholders of the Company.

### **CODE OF CONDUCT**

In order to establish professional standards and corporate values for promotion of integrity across the Board, Senior Management and other employees, the Board has approved and disseminated a Code of Conduct. This document defines acceptable and unacceptable behaviors and serves as a guiding framework for ethical decision-making and responsible business practices.

The Code of Conduct, which is binding on all employees, Management, and members of the Board of Directors, establishes a clear framework for ethical behavior at ILP. Similarly, the Supplier Code of Conduct mandates that all contractors, suppliers, and third-party partners adhere to the Company's standards of integrity, environmental responsibility, and anti-corruption compliance as a condition of doing business with ILP.

### **COMMITMENT TO ANTI-CORRUPTION AND ETHICAL CONDUCT**

ILP maintains a zero-tolerance approach to bribery, corruption, and all forms of unethical or improper business practices. The Company's operations are grounded in integrity, transparency, and accountability, with strict adherence to both national and international anti-corruption laws and standards. Compliance with all applicable legal and regulatory

requirements forms a core element of ILP's governance framework. The Company ensures that its operations align with local and global expectations for ethical conduct and responsible business behavior.

ILP's leadership is unwavering in promoting a culture of ethics and transparency throughout the organization. The Company expects all employees, Management, Board members, and business partners to uphold these values consistently.

Consistent with the Code of Conduct, the Company strictly prohibits facilitation payments in any form, including unofficial payments made to secure or expedite routine governmental actions. This prohibition applies to all employees, directors, and third-party representatives. Any breach is taken seriously and may result in disciplinary action, including legal consequences where applicable.

#### **TRADING IN THE SHARES OF THE COMPANY**

The trading and holding of Company's shares by the Directors & their Spouses or Executives, along with the price, the number of shares and nature of the transaction, were notified by the Company Secretary to the Board, SECP & PSX, within the stipulated time. All such holdings' have been disclosed in the enclosed Pattern of Shareholding.

#### **EMPLOYEE STOCK OPTION SCHEME**

The Company did not issue any fresh grant of stock options during the year.

#### **EMPLOYEES' RETIREMENT BENEFITS**

The Company operates a contributory provident fund scheme and a defined benefit gratuity scheme for all employees. ILP established an 'Employees' Provident Fund Trust' to manage and control its financial affairs independently. Trust is recognized under Income Tax Laws and its income and contributions are exempt from tax. It receives subscription from employees as per company policy. The value of investments of fund as per its financial statement as on June 30, 2025 was PKR.527.4 Million.

#### **CREDIT RATING**

Management remains firmly committed to ensuring transparency and reliability in the presentation of financial information. In line with this commitment, Interloop Limited engaged VIS Credit Rating Company Limited (VIS), a well-recognized and independent credit rating agency in Pakistan.

In its press release dated August 4, 2025, VIS reaffirmed the Company's entity ratings at AA- / A1 (Double A Minus / A One). These ratings reflect Interloop's strong financial position, underpinned by a robust capital structure, low credit risk exposure, and a strong capacity to meet financial obligations in a timely manner. The Company's credit profile is considered resilient and not significantly exposed to foreseeable adverse events.

#### **RISK GOVERNANCE AND INTERNAL CONTROLS**

The Board of Directors holds overarching responsibility for the risk management across the Company's operations. To strengthen this oversight, the Board has constituted a Risk Management Committee (RMC), tasked with ensuring adherence to a comprehensive risk management framework aligned with ISO 31000 standards.

The RMC is responsible for the effective identification, assessment, and mitigation of key risks faced by the Company. To support this mandate, the Committee presents quarterly risk management reports to the Board, enabling timely review and informed decision-making on critical risk areas. In addition, the Company has implemented robust internal control systems designed to promote sound risk governance. These controls facilitate operational efficiency, ensure compliance with applicable laws and regulations, and support the integrity and reliability of financial reporting.

#### **ADEQUACY OF INTERNAL FINANCIAL CONTROLS**

The Board is cognizant of its corporate governance responsibility and has developed an effective and efficient internal control system, providing

due assurance over internal financial controls, safeguarding of Company's assets, compliance with applicable laws and regulations and reliable financial reporting. The Board meetings are held at regular intervals, enabling effective oversight and due consideration of ILP's financial performance, financial and operating budgets and forecasts, business growth and development plans, capital expenditure proposals and other key performance indicators. There is an Independent Internal Audit function which conducts regular reviews of internal control framework, along with insight monitoring by Audit Committee and Risk Committee. Structured procedural frameworks are in place for investment appraisal, encompassing rigorous evaluation and approval processes for new ventures as well as the expansion of capital expenditure plans.

#### **INTERNAL AUDIT AND CONTROL**

The Board has set up an Independent Audit function, with Head of Internal Audit functionally reporting to Audit Committee. The Audit Committee conducts regular reviews of the performance of Internal Audit function for its effective role and also ensures that it is staffed with appropriate professional resources to perform its duties efficiently. The Internal Audit function monitors the continuous implementation of financial and operational controls for compliance purposes.

#### **PATTERN OF SHAREHOLDING**

The pattern of shareholding as of June 30, 2025, is duly annexed to this report in accordance with the reporting framework's disclosure requirements.

#### **DEBTS SERVICING**

The Company has implemented an effective cash flow management strategy, under which inflows and outflows are regularly projected and closely monitored. This comprehensive approach enables the Company to ensure the timely settlement of its financial obligations and maintain resilience in the face of evolving financial challenges.

In line with this strategy, Management continues to make consistent the efforts to optimize borrowing costs through the maintenance of a well-balanced funding portfolio and the execution of efficient financing arrangements. The Company has a strong track record of meeting its obligations on time, with no history of default on debt payments, including during the current year.

### COMMUNICATION

The Company places strong emphasis on transparent and effective communication with all stakeholders. It ensures the timely dissemination of Annual, Half-Yearly, and Quarterly Reports, as well as notices for General Meetings, in compliance with the requirements of the Companies Act, 2017.

To further enhance engagement with shareholders and market analysts, the Company conducts an annual briefing session to provide insights into its performance, strategy, and future outlook. In addition, the Company regularly updates its website [www.interloop-pk.com](http://www.interloop-pk.com) with relevant information to keep stakeholders informed of key developments and ongoing activities

### CORPORATE BRIEFING SESSION (CBS)

ILP conducted a Corporate Briefing Session on November 21, 2024, through a hybrid format via Zoom and in-person attendance. The session focused on the financial results for the year ended June 30, 2024, providing a comprehensive overview of the Company's operational performance and future outlook. Participants included investors, analysts, fund managers, and Company representatives.

The Chief Financial Officer delivered a detailed presentation on the financial and operational performance for the year, which was followed by an interactive Q&A session. Management intended to schedule the next Corporate Briefing Session for the year ended June 30, 2025, in October 2025.

### BUSINESS CONTINUITY MANAGEMENT

The Board of Directors has developed a robust Business Continuity Management (BCM) framework aligned with ISO 22301 standards. This comprehensive framework acts as a policy guideline towards planning, preparation, and operational management, enabling organizational continuity in wave of potential challenging scenarios. BCM is a key element of the Company's crisis management plan, specifically developed to mitigate the impact of disruptive incidents and facilitate a swift recovery. By maintaining a comprehensive BCM program, the Management is committed to safeguard the continuity of Company's critical business operations, even during unforeseen challenges or physical disasters. Additionally, the Company has implemented a comprehensive insurance program to provide financial protection and minimize losses.

### APPOINTMENT OF STATUTORY AUDITORS

M/s. Kreston Hyder Bhimji & Co. Chartered Accountants, have concluded their tenure for the FY 2025 and will retire after the upcoming Annual General Meeting. Fulfilling the eligibility criteria, they have expressed their willingness to be considered for re-appointment for FY 2026. The Board has recommended the appointment of M/s Kreston Hyder Bhimji & Co. Chartered Accountants as auditors for the forthcoming year, as recommended by the Audit Committee, subject to the approval of the members at the upcoming 33rd Annual General Meeting.

### HEALTH, SAFETY & ENVIRONMENT

Interloop remains steadfast in its commitment to environmental sustainability and responsible business practices. The Company rigorously adheres to the environmental standards across all production facilities, recognizing its critical role in minimizing environmental impact and actively pursues initiatives aimed at reducing its carbon footprint, alongside water and energy conservation efforts, ensuring

sustainability is embedded throughout its value chain.

Equally, ILP is dedicated to fostering a safe, secure, and supportive work environment for its employees. The Company's Environment, Health, and Safety (EHS) department has implemented comprehensive policies focused on the prevention of industrial accidents, the protection of employee health, and the promotion of overall workplace safety. As part of these efforts, mandatory annual medical check-ups are conducted, and any deviations from standard health parameters are addressed promptly to safeguard the well-being of the workforce.

### CORPORATE SOCIAL RESPONSIBILITY (CSR):

The Company is committed to driving meaningful change through a wide range of impactful CSR initiatives. These efforts are designed to benefit the communities in which we operate. From advancing sustainable business practices to fostering diversity and inclusion, each initiative reflects our commitment to creating long-term value and positive impact. Outlined below are some of the key CSR programs undertaken during the year:

#### • Education Support

Interloop sponsored 36 schools through The Citizens Foundation (TCF), including three higher secondary schools for girls, delivering quality and affordable education to over 5,700 children. In addition, the construction of three more schools is currently underway. Under the Interloop Scholarship Program, 833 scholarships were awarded across leading academic institutions, with a strong focus on empowering women in STEM benefiting over 566 female students at Government College Women University Faisalabad (GCWUF). The Company also advanced inclusive education by facilitating access to learning and rehabilitation services for more than 2,000 children with special needs.

To further support student development, Interloop has actively contributed to community well-being through its School Khana Program,

which delivers daily nutritious meals to more than 2,127 students across 14 schools in underserved areas of Faisalabad and Lahore. This initiative not only combats malnutrition but also improves student attendance, health, and academic performance.

- **Healthcare Services**

In the area of healthcare, Interloop provided free medical services to over 200,000 underprivileged patients and established a new Operation Theatre at Mujahid Hospital, Faisalabad. The Company collaborated with several healthcare service providers supporting the underprivileged and differently-abled persons including Syeda Khatoon-e-Jannat Trust Hospital & Special Education Center, Roshni Homes Trust, Al Faisal & Bashir Nabeena Center, Vocational Training Institute for specially abled children, Government Hearing Impaired Schools, and Child Protection & Welfare Bureau. Furthermore, ILP has also actively participated in fundraising for children with congenital heart disease through the Mending Kids' Hearts Aga Khan University Golf Tournament, contributing to life-saving surgeries.

Interloop extended support to 30 children at the Autism Unit in Faisalabad in collaboration with the District Government, with further program development underway. In addition, the Company partnered with the Karachi Down Syndrome Program (KDSP) to launch its Faisalabad Chapter, providing early intervention and family support services for affected children. Further promoting inclusivity, the Company supports the deaf community through the provision of a 24/7 online interpretation desk, ensuring greater access to communication and essential services for individuals with hearing impairments.

- **Women Empowerment**

Interloop firmly believes that women's empowerment is essential for sustainable social and economic progress. The Company actively promotes gender equality by creating opportunities that enhance women's mobility, financial independence,

and social inclusion. In this regard, Interloop in collaboration with Salman Sufi Foundation under "Women on Wheels" Faisalabad initiative, provided free motorbike training, road safety workshops, and anti-harassment to more than 2,347 women, and subsidized bikes to those who applied. This program not only improved women's access to education and employment but also promoted their confidence, independence, and safety in daily commuting.

To ensure sustainable support for women-led initiatives, the Company established a long-term endowment fund through the Interloop Welfare Trust in collaboration with the Kashf Foundation. This fund is dedicated to financing projects that enhance women's financial inclusion, entrepreneurial opportunities, and livelihood generation.

- **Sports Development**

Believing in the power of sports as a tool for youth development and community engagement, Interloop actively supports initiatives that nurture talent and promote healthy lifestyles. Over 6,000 local youth were engaged in grassroots sports development programs, providing them with opportunities to enhance their skills and participate in structured sporting activities.

The Company has also supported the improvement of facilities and provision of equipment at a Government Girls School in Faisalabad, encouraging greater female participation in sports. In addition, Interloop proudly sponsored the 3rd Pakistan Champion League, further contributing to the promotion of competitive sports at the national level.

## **SUSTAINABILITY INITIATIVES**

Sustainability is a core value deeply ingrained in the Company's ethos. The Management is always cognizant of its responsibility to safeguard the environment, enabling thriving communities, and ensuring equitable practices throughout the operations. By integrating sustainability into every aspect of our business, the Company strives to create a positive

and enduring impact on the planet and its people. The commitment to sustainability is reflected in a range of initiatives that address environmental stewardship, social responsibility, and ethical governance.

- **Water Stewardship & Green Infrastructure**

Interloop continues to strengthen its commitment to responsible water use and eco-friendly infrastructure. The centralized Effluent Treatment Plant at Interloop Apparel Park is also recycling 20% of treated wastewater, ensuring sustainable water management within industrial operations with plans for further enhancement in phase 2. The denim and hosiery plants in Lahore have been awarded with the Alliance for Water Stewardship (AWS) Gold-level Certification; a globally recognized benchmark for water stewardship.

Alongside water stewardship, Interloop has advanced its commitment to green infrastructure, with the Denim and Apparel Plant 2 been awarded with LEED Platinum Certification and Hosiery Plants 4, 5, and 6 with LEED Gold Certifications by the U.S. Green Building Council, demonstrating compliance with the highest standards of energy efficiency and environmental performance.

- **Waste Reduction & Responsible Sourcing**

Reducing waste remains central to Interloop's sustainability strategy. Through a partnership with Reverse Resources, the Company aims to achieve 100% landfill waste diversion by FY 2026. A digital waste-mapping platform has been introduced, enabling complete traceability of both pre- and post-consumer textile waste across the value chain. Reinforcing its commitment to responsible sourcing, Interloop has also secured the Forest Stewardship Council™ (FSC™ C196875) Chain of Custody certification. This certification ensures that plant-based fibers and yarns are procured from responsibly managed forests, which meet rigorous environmental, social, and economic standards.



- **Renewable Energy & Climate Action**

To advance its climate action agenda, Interloop has significantly expanded its renewable energy portfolio. The Company has installed a cumulative 17.3 MW of on-site solar capacity, including an additional 4.6 MW commissioned in FY 2025. Furthermore, two 27.5 TPH biomass boilers have been operationalized at the Interloop Apparel Park, which are expected to reduce greenhouse gas emissions by up to 50,000 tons annually. These initiatives not only mitigate climate risks but also reinforce Interloop's long-term commitment to energy transition and carbon reduction.

- **Sustainable agriculture & Innovation**

Interloop is investing in the future of sustainable agriculture and textile innovation. The "Loopkisan" platform empowers farmers to optimize input resources through GPS-based land mapping, crop tracking, and real-time input transparency by integrating with "Looptrace". In parallel, the Company has pioneered sustainable innovation with Loomshake™, a unique natural fiber produced from banana stem waste. This initiative reflects Interloop's ability to leverage innovation for building a sustainable and resilient supply chain while creating value from agricultural by-products.

- **Sustainability Awareness & Education**

Recognizing the importance of awareness and education in driving sustainable change, Interloop continues to support the ECO Schools initiative by the Academic Leaders' Innovation Forum (ALIF). This initiative integrates sustainability practices into education across Pakistan, equipping the next generation with the knowledge and values necessary to champion environmental stewardship. By fostering awareness at the grassroots level, Interloop extends the impact of its sustainability agenda beyond operations and into communities.

## **DIVERSITY, EQUITY AND INCLUSION**

The Management is committed in creating a positive impact by promoting diversity and inclusion, enhancing women's representation in all roles, and supporting the well-being of our employees. Women now represent 44% of the company's board, 25% of the management committee, and 45.3% of roles in STEM, highlighting our commitment to gender balance across the organization. ILP embraces a diverse workforce across all age groups, believing that diversity fuels innovation and leads to better decision-making. The Company maintains a non-discriminatory approach to salary and benefits, which are determined by employment contracts, individual performance, and role. The detail on Diversity, Equity and Inclusion is annexed in the report. To further advance workplace inclusivity, Interloop has introduced gender sensitization training programs and a robust anti-harassment policy, complemented by designated women Management Representatives at each plant to address and resolve concerns. The Reconnect Program supports women returning to their careers after extended breaks, and enhanced parental leave policies benefiting both male and female employees.

### **GENDER PAY GAP STATEMENT**

As required under the SECP circular no. 10 of 2024, the following is the Gender Pay Gap calculated for the year ended June 30, 2025; The pay gap has been calculated for all full-time employees based on gross hourly salary.

FY 2025	Mean	Median
Gender pay gap	8.2%	3.8%

Men and women performing equal work receive equal remuneration across Interloop. Representation at different organizational levels and in different job families is the main reason of the pay gap. Our hiring practices and reward principles ensure that we are setting remuneration considering both external market data and internal parity to ensure equity

and consistency. Our focus on hiring, retaining and promoting women in leadership roles, as well as across the organization in more diverse roles, will support the structural changes needed to reduce the pay gaps. In addition, we will continue to focus on transparency in remuneration which will help reduce the pay gaps over time.

## **RISKS AND UNCERTAINTIES**

Risks and opportunities, including those related to sustainability, along with the corresponding mitigation strategies and measures, have been discussed in detail in this Annual Report.

## **MATERIAL CHANGES DURING THE CURRENT YEAR**

There are no material changes and commitments other than already disclosed which affect the Company's financial position from the end of FY 2025 and the date of this report.

## **EVENTS AFTER REPORTING PERIOD**

The Board of Directors, in its meeting held on September 10, 2025, has proposed a final cash dividend for the year ended June 30, 2025, @ PKR. 1 per share, for approval of the members in the Annual General Meeting.

## **BUSINESS OUTLOOK & CHALLENGES**

FY 2026 unfolded within a complex global economic environment shaped by evolving monetary policies, geopolitical uncertainty, and a resurgence of protectionist trade measures. The International Monetary Fund (IMF) maintained its global GDP growth forecast at 3.1%, supported by easing inflation in advanced economies and a moderate recovery in consumer demand. However, the re-imposition and expansion of U.S. tariffs, particularly those targeting Chinese goods and key exports from South Asia introduced renewed friction into global trade flows. These tariffs have had a twofold impact: domestically, they elevated input costs and inflation for U.S. consumers, while globally, they triggered significant supply chain disruptions, compelling

firms to reconfigure sourcing, logistics, and vendor networks.

Domestically, Pakistan faced a series of macro and sectoral challenges. While the government sustained efforts to stabilize inflation, reduce the current account deficit, and meet IMF performance benchmarks under the Extended Fund Facility (EFF), devastating monsoon floods in mid-2026 severely disrupted agricultural output, transport infrastructure, and rural supply chains. The textile sector, which forms the backbone of Pakistan's exports, was especially impacted by significant losses in

the local cotton crop, resulting in increased dependency on imports and rising input costs. High energy rates, high interest rates, and the imposition of additional fiscal measures including the rollback of export incentives in EFS scheme further added to operational strain across the industry.

Despite a complex and evolving market landscape, ILP's Management has remained both proactive and resilient. Through the execution of strategic cost-efficiency initiatives, operational process optimization, and enhanced supply chain coordination, the Company continues to effectively

navigate uncertainties and mitigate potential disruptions. ILP maintains a clear focus on cultivating a profitable customer portfolio, utilizing resources responsibly, and managing risks prudently to support long-term, sustainable growth and value creation for all stakeholders. The Company remains firmly committed to its strategic vision, consistently investing in high-impact initiatives such as the Yarn Dyeing Project, the Apparel Synthetic Project, and the Denim Expansion, all of which are key drivers of future competitiveness and growth.

## ACKNOWLEDGEMENT

The Board of Directors places on record its sincere appreciation for the continued trust and support extended by our valued shareholders, customers and suppliers. We also acknowledge the dedication and hard work of our employees at all levels, whose professionalism and perseverance have been instrumental in sustaining the Company's growth and performance. The Board is grateful for the guidance and cooperation received from regulators, financial institutions, and all other stakeholders, and looks forward to their continued support in the years ahead.

On behalf of the Board of Directors



**NAVID FAZIL**

Chief Executive Officer



**JAHAN ZEB KHAN BANTH**

Director

**Faisalabad**

**September 10, 2025**

ایک پیچیدہ اور ترقی پزیر مارکیٹ کے منظر نامے کے باوجود ILP کا انتظام فعال رہا ہے۔ کاروباری لاگت کو کنٹرول کرنے کے اقدامات، آپریشنل عمل کو بہتر بنانے اور سپلائی چین کو آرڈر شیشن کو بڑھانے کے ذریعے، کمپنی غیر یقینی صورتحال کو مؤثر طریقے سے اور ممکنہ رکاوٹوں کو کم کرنے کا کام جاری رکھے ہوئے ہے۔ ILP ایک منافع بخش کسٹمر پورٹ فولیو کو فروغ دینے، وسائل کو ذمہ داری سے استعمال کرنے اور تمام اسٹیک ہولڈرز کے لیے طویل مدت، پائیدار ترقی اور ویلیو کری ایشن کے لیے مناسب حکمت عملی سے کام لیتے ہوئے کاروباری معاملات پر توجہ مرکوز کیے ہوئے ہے۔ کمپنی اپنے اسٹریٹجک ویزن کے لیے پرعزم ہے اور اس مقصد کے لیے یہ یارن ڈائینگ، اپیرل سٹھک اور ڈنیم ایکسچینج پر ایکٹس میں سرمایہ کاری کر رہی ہے جو کہ مستقبل میں کمپنی کی ترقی میں کلیدی کردار ادا کریں گے۔

#### اظہار تشکر:

بورڈ اپنے معزز شیئر ہولڈرز، کسٹمرز اور سپلائرز کی جانب سے ان کے مسلسل اعتماد اور تعاون پر دلی اظہار تشکر کرتا ہے۔ ہم اپنے تمام عہدوں پر کام کرنے والے ملازمین کی لگن اور محنت کو بھی خراج تحسین پیش کرتے ہیں، جن کے پیشہ ورانہ رویے اور ثابت قدمی نے کمپنی کی ترقی اور کارکردگی کو برقرار رکھنے میں کلیدی کردار ادا کیا ہے۔ بورڈ، ریگولیٹرز، مالیاتی اداروں اور دیگر تمام اسٹیک ہولڈرز سے ملنے والی رہنمائی اور تعاون پر بھی تہہ دل سے شکر گزار ہے اور آنے والے برسوں میں ان کے مسلسل تعاون کی امید رکھتا ہے۔

از طرف بورڈ آف ڈائریکٹرز

Taham Zed

جہانزیب خان بانٹھ

ڈائریکٹر

نوید فاضل

چیف ایگزیکٹو آفیسر

فیصل آباد

10 ستمبر، 2025

### تنخواہ میں صنفی خلاء کا اسٹیٹمنٹ:

سکیورٹیز اینڈ ایکسچینج کمیشن آف پاکستان (SECP) کے سرکلر نمبر 10 برائے 2024 کے مطابق، مالی سال 30 جون 2025 کو ختم ہونے والے سال کیلئے ذیل میں جینڈر پے گپ اسٹیٹمنٹ پیش کیا جا رہا ہے۔ یہ فرق کمپنی کے تمام عملی ملازمین کی مجموعی فی گھنٹہ تنخواہ کی بنیاد پر شمار کیا گیا ہے۔

مالی سال 2025	(Mean)	(Median)
جینڈر پے گپ	8.2%	3.8%

انٹرویو میں خواتین اور مرد، جو مساوی نوعیت کا کام انجام دیتے ہیں، انہیں مساوی معاوضہ دیا جاتا ہے۔ ادارے کے مختلف درجوں اور مختلف شعبہ جات میں نمائندگی کے فرق کی وجہ سے تنخواہوں میں تفاوت پیدا ہوتا ہے۔ ہماری بھرتی کی پالیسی اور ریوارڈ سسٹم کلچر اس بات کو یقینی بناتے ہیں کہ تنخواہوں کا تعین کرتے وقت بیرونی مارکیٹ کے اعداد و شمار اور اندرونی مساوات دونوں کو مد نظر رکھا جائے تاکہ شفافیت اور مستقل مزاجی برقرار رہے۔ ادارے میں خواتین کو قیادت کے عہدوں کے ساتھ ساتھ مختلف النوع ذمہ داریوں میں بھرتی کرنے، ان کی ترقی اور ان کے قیام پر ہماری توجہ ایسے ڈھانچے جاتی تبدیلیوں کو فروغ دے گی جو پے گپ میں کمی لانے کے لیے ضروری ہیں۔ اس کے علاوہ، ہم تنخواہوں میں شفافیت پر بھی بھرپور توجہ دیتے رہیں گے، جو وقت کے ساتھ ساتھ پے گپ میں کمی لانے میں معاون ثابت ہوگی۔

### خطرات اور غیر یقینی صورت حال:

خطرات اور مواقع، بشمول پائیداری سے متعلق پہلو، اور ان کے تدارک کی حکمت عملی اور اقدامات کی تفصیل اس سالانہ رپورٹ میں بیان کر دی گئی ہے۔

### رواں سال کے دوران اہم تبدیلیاں:

ان کے علاوہ جو پہلے ہی ظاہر کی جا چکی ہیں، مالی سال 2025 کے آخر اور اس رپورٹ کے درمیانی عرصہ میں ایسی کوئی مادی تبدیلی اور وعدے نہیں ہوئے، جن کا کمپنی کی مالی پوزیشن پر اثر پڑے۔

### رپورٹنگ کی مدت کے بعد کے واقعات:

بورڈ آف ڈائریکٹرز نے اپنے 10 ستمبر 2025 کو منعقدہ اجلاس میں، مالی سال 30 جون 2025 کو ختم ہونے والے سال کیلئے، فی حصص 1 روپے کی شرح سے حتمی نقد منافع منقسمہ تجویز کیا ہے، جو کہ سالانہ عام اجلاس میں اراکین کی منظوری سے مشروط ہے۔

### کاروباری مشکلات اور مستقبل کا نقطہ نظر:

مالی سال 2026 ایک پیچیدہ عالمی معاشی ماحول میں سامنے آیا، جو بدلتی ہوئی مالیاتی پالیسیوں، جغرافیائی غیر یقینی صورتحال، اور تحفظ پسند تجارتی اقدامات کی دوبارہ ابھرتی ہوئی لہر سے تشکیل پایا۔ بین الاقوامی مالیاتی فنڈ (IMF) نے عالمی جی ڈی پی کی شرح نمو کا تخمینہ 3.1% برقرار رکھا، جس کی بنیاد ترقی یافتہ معیشتوں میں افراط زر کے کم ہونے اور صارفین کی طلب میں بتدریج بحالی پر رکھی گئی۔ تاہم، امریکی حکومت کی جانب سے بالخصوص چینی مصنوعات اور جنوبی ایشیا سے آنے والی کلیدی برآمدات پر، ٹیرف کے دوبارہ نفاذ اور توسیع سے، عالمی تجارتی بہاؤ میں نئی رکاوٹیں پیدا ہوئیں۔ ان اقدامات کے نتیجے میں دو پہلو سامنے آئے جن میں امریکا کے اندر صارفین کو بلند لاگت اور افراط زر کا سامنا کرنا پڑا، جبکہ عالمی سطح پر اس سے سپلائی چین میں شدید خلل پیدا ہوا، جس کے نتیجے میں کمپنیوں کو خریداری، ترسیل، اور وینڈرز کے نیٹ ورک کو از سر نو ترتیب دینا پڑا۔

داخلی طور پر، پاکستان نے کئی معاشی اور شعبہ جاتی مشکلات کا سامنا کیا۔ حکومت نے افراط زر کو قابو میں رکھنے، کرنٹ اکاؤنٹ خسارے کو کم کرنے اور توسیعی فنڈ سہولت (EFF) کے تحت IMF کی کارکردگی کے اہداف کو پورا کرنے کی کوششیں جاری رکھیں، لیکن 2026 کے وسط میں آنے والے تباہ کن مون سون سیلاب نے زرعی پیداوار، ٹرانسپورٹ انفراسٹرکچر، اور دیہی سپلائی چین کو شدید متاثر کیا۔ ٹیکسٹائل کا شعبہ، جو پاکستان کی برآمدات کی ریڑھ کی ہڈی ہے، مقامی کپاس کی فصل کے بھاری نقصان کے باعث سب سے زیادہ متاثر ہوا، جس کے نتیجے میں درآمدات پر انحصار اور پیداواری لاگت میں اضافہ ہوگا۔ بلند توانائی نرخ، بلند شرح سود اور اضافی مالی اقدامات، بشمول IEFS سکیم کے تحت برآمدی مراعات کا خاتمہ، نے صنعت بھر میں عملی مشکلات کو مزید بڑھا دیا ہے۔



پانی کے تحفظ کے ساتھ ساتھ، انٹرلوپ نے ماحول دوست انفراسٹرکچر کی طرف بھی نمایاں پیشرفت کی ہے۔ ڈینم اور اپیرل پلانٹ 2 نے LEED پلانٹیم سرٹیفیکیشن حاصل کیا ہے جبکہ ہوزری پلانٹس 4، 5 اور 6 نے LEED گولڈ سرٹیفیکیشن حاصل کی ہیں، جو توانائی کی بچت اور ماحولیاتی کارکردگی کے اعلیٰ ترین عالمی معیار کی تعمیل کو ظاہر کرتے ہیں۔

#### ☆ فضلے میں کمی اور ذمہ دارانہ ذرائع:

فضلے کو کم کرنا انٹرلوپ کی پائیداری حکمت عملی کا بنیادی حصہ ہے۔ کمپنی نے ریورس ریسورسز کے ساتھ شراکت کے ذریعے یہ ہدف مقرر کیا ہے کہ مالی سال 2026 تک تمام فضلہ زمین میں دفنانے کے بجائے متبادل انتظام کیا جائے۔ اس مقصد کے لیے ایک ڈیجیٹل فضلہ نقشہ سازی نظام متعارف کرایا گیا ہے جو پیداوار سے پہلے اور استعمال کے بعد پیدا ہونے والے ٹیکسٹائل فضلے کی مکمل نگرانی اور جانچ ممکن بناتا ہے، تاکہ پوری سپلائی چین میں شفافیت قائم رہے۔ اپنی ذمہ دارانہ ذرائع سے خریداری کی پالیسی کو مزید مضبوط کرتے ہوئے انٹرلوپ نے فاریسٹ اسٹیورڈ شپ کونسل (FSC) چین آف کسٹڈی سرٹیفیکیشن بھی حاصل کیا ہے۔ یہ سرٹیفیکیشن اس بات کی ضمانت دیتا ہے کہ پودوں سے حاصل ہونے والے ریشے اور دھاگے صرف ان جنگلات کے ذرائع سے لیے جاتے ہیں جو ماحولیاتی، سماجی اور معاشی اصولوں کے تحت ذمہ دارانہ طور پر سنبھالے اور محفوظ کیے جاتے ہیں۔

#### ☆ قابل تجدید توانائی اور ماحولیاتی اقدامات:

اپنے ماحولیاتی اقدامات کے ایجنڈے کو آگے بڑھانے کے لیے انٹرلوپ نے قابل تجدید توانائی کے منصوبوں میں نمایاں توسیع کی ہے۔ کمپنی نے مجموعی طور پر 17.3 میگا واٹ کا آن سائٹ سولر سسٹم نصب کیا ہے، جس میں مالی سال 2025 کے دوران 4.6 میگا واٹ اضافی سولر منصوبہ بھی شامل ہے۔ مزید برآں، انٹرلوپ اپیرل پارک میں دو 27.5 ٹن فی گھنٹہ بایوماس بوائلرز بھی فعال کیے گئے ہیں، اس اقدام سے امید ہے ہر سال تقریباً 50,000 ٹن تک گرین ہاؤس گیسوں کے اخراج میں کمی آئے گی۔ یہ اقدامات نہ صرف ماحولیاتی خطرات کو کم کرتے ہیں بلکہ انٹرلوپ کے توانائی کے نئے ذرائع اور کاربن میں کمی کے طویل المدتی عزم کو بھی مضبوط کرتے ہیں۔

#### ☆ پائیدار زراعت اور اختراع:

انٹرلوپ پائیدار زراعت اور ٹیکسٹائل کی جدت میں سرمایہ کاری کر رہا ہے۔ کمپنی کا ”لوپ کسان“ پلیٹ فارم کسانوں کو جی پی ایس پر مبنی زمین کی نقشہ سازی، فصلوں کی نگرانی اور ”لوپ ٹریس“ کے ذریعے بروقت معلومات فراہم کر کے وسائل کے بہتر استعمال میں مدد دیتا ہے۔ اسی کے ساتھ، کمپنی نے پائیدار جدت میں نمایاں قدم اٹھاتے ہوئے ”لوم فیک“ متعارف کرایا ہے، جو کیلے کے تنے کے فضلے سے تیار ہونے والا ایک منفرد قدرتی ریشہ ہے۔ یہ اقدام ظاہر کرتا ہے کہ انٹرلوپ کس طرح اختراع استعمال کرتے ہوئے ایک پائیدار اور مضبوط سپلائی چین تعمیر کر رہا ہے اور زرعی ضمنی مصنوعات سے نئی قدر پیدا کر رہا ہے۔

#### ☆ پائیداری سے متعلق آگاہی اور تعلیم:

پائیدار تبدیلی لانے کے لیے آگاہی اور تعلیم کی اہمیت کو تسلیم کرتے ہوئے، انٹرلوپ اکیڈمک لیڈرز انویشن فورم (ALIF) کے اکیوا سکولز اقدام کی حمایت جاری رکھے ہوئے ہے۔ یہ اقدام پاکستان بھر میں تعلیمی اداروں میں پائیداری کے اصولوں کو شامل کرتا ہے، تاکہ نئی نسل کو وہ علم اور اقدام فراہم کیے جاسکیں جو انہیں ماحولیاتی ذمہ داری کو فروغ دینے کے قابل بنائیں۔ نجلی سطح پر شعور اجاگر کر کے، انٹرلوپ اپنی پائیداری کی حکمت عملی کا اثر نہ صرف اپنے آپریٹرز بلکہ کمیونٹیز تک بھی پھیلا رہا ہے۔

#### تنوع، برابری اور شمولیت:

انتظامیہ اس بات پر پختہ یقین رکھتی ہے کہ تنوع اور شمولیت کو فروغ دے کر ایک مثبت اثر ڈالا جاسکتا ہے۔ اسی مقصد کے لیے کمپنی خواتین کی نمائندگی بڑھانے، مساوی مواقع فراہم کرنے اور ملازمین کی فلاح و بہبود کو ترجیح دیتی ہے۔ آج خواتین کمپنی کے بورڈ میں 44%، مینجمنٹ کمیٹی میں 25%، اور STEM شعبوں میں 45.3% کردار ادا کر رہی ہیں، جو ادارے کے اندر صنفی توازن کے عزم کو ظاہر کرتا ہے۔ انٹرلوپ ہر عمر کے ملازمین پر مشتمل متنوع افرادی قوت کو قبول کرتا ہے، کیونکہ تنوع جدت کو فروغ دیتا ہے اور بہتر فیصلے لینے میں مدد کرتا ہے۔ کمپنی تنوع اہوں اور مراعات کے تعین میں امتیاز سے پاک پالیسی رکھتی ہے، جو صرف ملازمت کے معاہدے، انفرادی کارکردگی اور کردار پر مبنی ہوتی ہے۔ اس بارے میں تفصیلات رپورٹ کے ضمیمے میں شامل ہیں۔ مزید برآں، کمپنی نے شمولیت کو بڑھانے کے لیے صنفی حساسیت کی تربیت اور اینٹی ہراسمنٹ پالیسی نافذ کی ہے، جس کے تحت ہر پلانٹ پر خواتین نمائندے مقرر ہیں جو مسائل کو سننے اور حل کرنے میں معاون ہیں۔ اس کے ساتھ ساتھ، ری کنکٹ پروگرام کے ذریعے خواتین کو طویل وقفے کے بعد دوبارہ کیریئر میں واپس آنے میں مدد دی جاتی ہے جبکہ پیرینٹل لیوز کی پالیسی مرد و خواتین دونوں ملازمین کے لیے فائدہ مند ہے۔

## ☆ صحت کی دیکھ بھال کی خدمات:

انٹروپ نے، ہیلتھ کیئر کے شعبے میں 200,000 سے زائد مستحق مریضوں کو مفت طبی سہولیات فراہم کیں اور فیصل آباد کے مجاہد ہسپتال میں ایک نیا آپریشن تھیٹر قائم کیا۔ کمپنی نے مختلف ہیلتھ کیئر اداروں کے ساتھ تعاون کیا جن میں سیدہ خاتون جنت ٹرسٹ ہسپتال وائٹیل ایجوکیشن سینٹر، روشنی ہومز ٹرسٹ، الفیصل اینڈ شیرنا بیبا سینٹر، خصوصی بچوں کے لیے ویکیشنل ٹریڈنگ انسٹیٹیوٹ، گورنمنٹ ہیئرنگ امیٹیو ڈاسکولز، اور چائلڈ پریکٹیشن وولفیسر بورڈ شامل ہیں، تاکہ مستحق اور خصوصی افراد کو سہولیات دی جاسکیں۔ اس کے علاوہ، ILP نے مینڈنگ کڈز ہرٹ آغا خان یونیورسٹی گالف ٹورنامنٹ میں حصہ لیتے ہوئے پیدائشی دل کے امراض میں مبتلا بچوں کے لیے فنڈ جمع کیا اور ان کی زندگی بچانے والی سرجریز کے لیے تعاون فراہم کیا۔

انٹروپ نے ڈسٹرکٹ گورنمنٹ کے ساتھ تعاون کرتے ہوئے فیصل آباد میں Autism یونٹ کے 30 بچوں کو سہولت فراہم کی اور مزید پروگرامز کی تیاری جاری ہے۔ کمپنی نے کراچی ڈاؤن سینڈروم پروگرام (KDSP) کے ساتھ شراکت داری کرتے ہوئے اس کا فیصل آباد چھپر لائیج کیا، جس کے ذریعے متاثرہ بچوں کے لیے ابتدائی علاج اور فیملی سپورٹ سروسز فراہم کی جارہی ہیں۔ کمپنی نے بہرے افراد کی کمیونٹی کے لیے ایک 24/7 آن لائن انٹر پرائیٹیشن ڈیسک قائم کیا ہے، تاکہ سماعت سے محروم افراد کو رابطہ اور بنیادی خدمات تک بہتر رسائی حاصل ہو سکے۔

## ☆ خواتین کو با اختیار بنانا:

انٹروپ اس بات پر یقینی رکھتا ہے کہ خواتین کو با اختیار بنانے بغیر پائیدار سماجی اور معاشی ترقی ممکن نہیں۔ کمپنی خواتین کو مواقع فراہم کرتی ہے تاکہ وہ اپنی نقل و حرکت، مالی خود مختاری اور سماجی شمولیت میں اضافہ کر سکیں۔ اسی مقصد کے تحت انٹروپ نے سلمان صوفی فاؤنڈیشن کے ساتھ مل کر، "بیمین آن وہیلو" فیصل آباد منصوبہ شروع کیا۔ اس کے تحت 2,347 سے زائد خواتین کو مفت موٹر بائیک ٹریڈنگ، روڈ سیفٹی ورکشاپس اور سبسڈائزڈ موٹر بائیک فراہم کی گئیں۔ اس منصوبے نے نہ صرف خواتین کی تعلیم اور روزگار تک رسائی کو بہتر بنایا بلکہ ان کے اعتماد، آزادی اور روزمرہ سفر میں حفاظت کو بھی فروغ دیا۔

مزید یہ کہ انٹروپ نے کشف فاؤنڈیشن کے تعاون سے انٹروپ ویلفیئر ٹرسٹ کے ذریعے ایک طویل مدتی فنڈ قائم کیا ہے۔ یہ فنڈ خواتین کی مالی شمولیت، کاروباری مواقع اور روزگار رکھنے کے منصوبوں کی پائیدار مدد کے لیے وقف ہے۔

## ☆ کھیلوں کی کفالت:

انٹروپ کھیلوں کی طاقت کو نوجوانوں کی ترقی اور کمیونٹی کی شمولیت کے ایک مؤثر ذریعے کے طور پر دیکھتا ہے۔ کمپنی نے 6,000 سے زائد نوجوانوں کو گراس روٹ اسپورٹس پروگرامز میں شامل کیا، تاکہ وہ اپنی صلاحیتوں کو نکھار سکیں اور منظم کھیلوں کی سرگرمیوں میں حصہ لے سکیں۔

نے فیصل آباد کے ایک گورنمنٹ گرلز اسکول میں کھیلوں کی سہولیات اور سامان کی فراہمی میں بھی تعاون کیا، تاکہ لڑکیوں کی کھیلوں میں زیادہ سے زیادہ شمولیت کو فروغ دیا جاسکے۔ اس کے علاوہ، انٹروپ نے پاکستان چیمپیئن لیگ کے تیسرے ایڈیشن کو اسپانسر کیا، جو قومی سطح پر مسابقتی کھیلوں کے فروغ میں ایک اہم قدم ہے۔

## پائیداری کے اقدامات:

پائیداری (Sustainability) انٹروپ کی بنیادی اقدار میں شامل ہے۔ انتظامیہ ہمیشہ اس ذمہ داری سے آگاہ رہتی ہے کہ ماحول کا تحفظ کیا جائے، کمیونیز کو خوشحال بنایا جائے اور آپریشنز میں انصاف پر مبنی طریقے اپنائے جائیں۔ کمپنی ہر پہلو میں پائیداری کو شامل کر کے زمین اور لوگوں پر دیر پا مثبت اثر ڈالنے کی کوشش کرتی ہے۔ ان اقدامات میں ماحولیاتی تحفظ، سماجی ذمہ داری اور شفاف گورننس شامل ہیں۔

## ☆ پانی کا مؤثر استعمال اور ماحول دوست انفراسٹرکچر:

انٹروپ پانی کے ذمہ دارانہ استعمال اور ماحول دوست انفراسٹرکچر کی تعمیر میں اپنا کردار مسلسل مضبوط کر رہی ہے۔ انٹروپ ایپریل پارک میں ایک مرکزی ایفلیوٹ ٹریٹمنٹ پلانٹ قائم کیا گیا ہے جو استعمال شدہ پانی کا 20% ری سائیکل کر کے دوبارہ استعمال کرتا ہے، یوں صنعتی عمل میں پانی کے پائیدار انتظام کو یقینی بناتا ہے۔ انہی کوششوں کے اعتراف میں لاہور کے ڈینم اور ہوزری پلانٹس کو الائنس فار واٹر اسٹیورڈ شپ (AWS) کی گولڈ لیول سرٹیفیکیشن ملی ہے، جو پانی کے مؤثر استعمال کے حوالے سے گلوبل بیچ مارک ہے۔

## برنس کنٹینوٹی مینجمنٹ (BCM):

بورڈ آف ڈائریکٹرز نے ایک مضبوط برنس کنٹینوٹی مینجمنٹ (BCM) فریم ورک تیار کیا ہے جو ISO 22301 معیارات کے مطابق ہے۔ یہ جامع فریم ورک پالیسی گائیڈ لائن کے طور پر کام کرتا ہے تاکہ منصوبہ بندی، تیاری اور آپریشنل مینجمنٹ کے ذریعے ادارے کی تسلسل کو یقینی بنایا جاسکے، خاص طور پر ممکنہ چیلنجز کے حالات میں۔ BCM کمپنی کے کرائسٹس مینجمنٹ پلان کا ایک اہم حصہ ہے جسے خاص طور پر اس لیے بنایا گیا ہے کہ کسی بھی رکاوٹ ڈالنے والے واقعے کے اثرات کو کم کیا جاسکے اور تیز رفتار ریکوری ممکن ہو۔ ایک جامع BCM پروگرام برقرار رکھتے ہوئے، انتظامیہ اس بات کے لیے پرعزم ہے کہ ہماری اہم کاروباری سرگرمیوں کا تسلسل غیر متوقع چیلنجز یا قدرتی آفات کے دوران بھی قائم رہے۔ اس کے ساتھ ساتھ، کمپنی نے ایک جامع انشورنس پروگرام بھی نافذ کیا ہے تاکہ مالی تحفظ فراہم ہو اور ممکنہ نقصانات کم سے کم ہوں۔

## آڈیٹ کا تقرر:

میسرز کریسٹن حیدر بھیم جی اینڈ کمپنی، چارٹرڈ اکاؤنٹنٹس نے مالی سال 2025 کے لیے اپنی میعاد مکمل کر لی ہے اور اگلے سالانہ اجلاس کے بعد سبکدوش ہو جائیں گے۔ اہلیت کے معیار پر پورا اترتے ہوئے، انہوں نے مالی سال 2026 کے لیے دوبارہ تقرری کی خواہش کی ہے۔ بورڈ نے جیسا کہ آڈٹ کمیٹی نے سفارش کی ہے، میسرز کریسٹن حیدر بھیم جی اینڈ کمپنی، چارٹرڈ اکاؤنٹنٹس کو اگلے 33 ویں سالانہ اجلاس عام میں ممبرز کی منظوری سے مشروط، اگلے سال کیلئے آڈیٹ مقرر کرنے کی سفارش کی ہے۔

## صحت، حفاظت اور ماحولیات:

انٹروپ ماحولیات پائیداری اور ذمہ دار کاروباری طریقہ کار کے اپنے عزم پر قائم ہے۔ کمپنی اپنی تمام پروڈکشن سہولیات میں ماحولیات معیارات کی سختی سے پابندی کرتی ہے اور اس بات کو تسلیم کرتی ہے کہ ماحول پر اثرات کو کم سے کم کرنا اس کی اہم ذمہ داری ہے۔ کمپنی کاربن فٹ پرنٹ کم کرنے، پانی اور توانائی کے تحفظ کے اقدامات سمیت مختلف اقدامات پر سرگرمی سے عمل پیرا ہے تاکہ پائیداری کو اپنی ویلیو چین کے ہر مرحلے میں شامل کیا جاسکے۔

اسی طرح، IILP اپنے ملازمین کے لیے ایک محفوظ، پُر اعتماد اور معاون ورک انوائرنمنٹ فراہم کرنے کے لیے بھی پرعزم ہے۔ کمپنی کے انوائرنمنٹ، ہیلتھ اینڈ سیفٹی (EHS) ڈپارٹمنٹ نے جامع پالیسیز نافذ کی ہیں جو صنعتی حادثات کی روک تھام، ملازمین کی صحت کے تحفظ اور مجموعی ورک پلیس سیفٹی کے فروغ پر مرکوز ہیں۔ ان اقدامات کے حصے کے طور پر، ہر سال لازمی میڈیکل چیک اپس کروائے جاتے ہیں اور صحت کے معیارات سے کسی بھی انحراف کو فوری طور پر دور کیا جاتا ہے تاکہ ورک فورس کی فلاح و بہبود کو یقینی بنایا جاسکے۔

## کارپوریٹ سماجی ذمہ داری (CSR):

کمپنی مثبت تبدیلی لانے کے لیے متنوع اور مؤثر CSR اقدامات کے ذریعے پرعزم ہے۔ یہ اقدامات نہ صرف ہمارے سختی ملازمین کے لیے فائدہ مند ہیں بلکہ ان کمیونٹیز کے لیے بھی جن میں ہم کام کرتے ہیں۔ پائیدار کاروباری طریقہ کار کو آگے بڑھانے سے لے کر تنوع اور شمولیت کو فروغ دینے تک، ہر اقدام اس بات کی عکاسی کرتا ہے کہ کمپنی طویل المدتی ویلیو اور مثبت اثرات پیدا کرنے کے لیے پرعزم ہے۔ ذیل میں دوران سال کئے گئے اہم CSR پروگرامز کا ذکر کیا گیا ہے:

## ☆ تعلیم میں معاونت:

انٹروپ نے دی سٹیزن فاؤنڈیشن (TCF) کے ذریعے 136 اسکولوں کو اسپانسر کیا، جن میں تین ہائر سیکنڈری گرلز اسکول بھی شامل ہیں، جہاں 5,700 سے زائد بچوں کو معیاری اور قابل استقامت تعلیم فراہم کی جارہی ہے۔ اس کے علاوہ مزید تین اسکولوں کی تعمیر جاری ہے۔ انٹروپ اسکالرشپ پروگرام کے تحت نمایاں تعلیمی اداروں میں 1833 اسکالرشپس دی گئیں، جن میں خاص توجہ خواتین کو STEM شعبے میں بااختیار بنانے پر دی گئی، جس سے گورنمنٹ کالج ووہین یونیورسٹی فیصل آباد (GCWUF) میں 566 سے زائد طالبات کو فائدہ ہوا۔ کمپنی نے 2,000 خصوصی بچوں کے لیے تعلیم اور بحالی کی سہولیات فراہم کیں۔

طلبہ کی مزید معاونت کے لیے انٹروپ نے اسکول کھانا پروگرام کے ذریعے کمیونٹی کی بہتری میں فعال کردار ادا کیا، جس کے تحت فیصل آباد اور لاہور کے کم وسائل والے علاقوں کے 14 اسکولز میں 2,127 سے زائد طلبہ کو روزانہ غذائیت سے بھرپور کھانا فراہم کیا جاتا ہے۔ اس اقدام نے نہ صرف غذائی کمی کو کم کیا بلکہ طلبہ کی حاضری، صحت اور تعلیمی کارکردگی کو بھی بہتر بنایا۔

### اندرونی مالی کنٹرولز کی موزونیت:

بورڈ اپنی کارپوریٹ گورننس کی ذمہ داری سے بخوبی آگاہ ہے اور اس نے ایک مؤثر اور کارآمد انٹرئل کنٹرول سسٹم قائم کیا ہے جو اندرونی مالیاتی کنٹرولز پر اعتماد فراہم کرتا ہے، کمپنی کے اثاثوں کے تحفظ کو یقینی بناتا ہے، متعلقہ قوانین و ضوابط کی تعمیل کو ممکن بناتا ہے اور قابل بھروسہ فنانشل رپورٹنگ فراہم کرتا ہے۔ بورڈ کی میٹنگز باقاعدہ وقفوں سے منعقد کی جاتی ہیں تاکہ ILP کی مالی کارکردگی، مالی و آپریشنل بجٹ اور پیش گوئیاں، کاروباری ترقی کے منصوبے، سرمایہ جاتی اخراجات کی تجاویز اور دیگر کلیدی کارکردگی اشاریوں (KPIs) پر مؤثر نگرانی اور غور و فکر کیا جاسکے۔ ایک آزاد انٹرئل آڈٹ فنکشن بھی موجود ہے جو انٹرئل کنٹرول فریم ورک کا باقاعدگی سے جائزہ لیتا ہے، جب کہ آڈٹ کمیٹی اور رسک کمیٹی گہرائی سے اس کا جائزہ لیتی ہیں۔ سرمایہ کاری کی جانچ پڑتال کے لیے باقاعدہ طریقہ کار موجود ہیں جو نئے منصوبوں اور جاری منصوبے میں توسیع کے لیے سخت جانچ اور منظوری کے مراحل پر مشتمل ہیں۔

### انٹرئل آڈٹ اور کنٹرول:

بورڈ نے ایک آزاد آڈٹ فنکشن قائم کیا ہے جس میں ہیڈ آف انٹرئل آڈٹ، فنکشنل طور پر آڈٹ کمیٹی کو رپورٹ کرتے ہیں۔ آڈٹ کمیٹی باقاعدگی سے انٹرئل آڈٹ فنکشن کی کارکردگی کا جائزہ لیتی ہے تاکہ اس کے مؤثر کردار کو یقینی بنایا جاسکے اور یہ بھی دیکھتی ہے کہ اس شعبے میں اپنی ذمہ داریاں مؤثر طریقے سے ادا کرنے کے لیے موزوں پروفیشنل وسائل دستیاب ہوں۔ انٹرئل آڈٹ فنکشن مالی اور آپریشنل کنٹرولز کے مسلسل نفاذ کی نگرانی کرتا ہے تاکہ تعمیل کو یقینی بنایا جاسکے۔

### شیئر ہولڈنگ کا پیٹرن:

30 جون 2025 تک کاشیئر ہولڈنگ پیٹرن اس رپورٹ کے ساتھ منسلک ہے، جو کہ رپورٹنگ فریم ورک کی ڈسکلوژر کی ضروریات کے مطابق فراہم کیا گیا ہے۔

### قرضوں کی ادائیگی:

کمپنی نے ایک مؤثر پیش فلو مینجمنٹ حکمت عملی نافذ کی ہے، جس کے تحت کیش ان فلو اور آؤٹ فلو کی باقاعدگی سے پیش گوئی کی جاتی ہے اور ان کی سخت نگرانی کی جاتی ہے۔ یہ جامع طریقہ کار کمپنی کو اپنی مالی ذمہ داریوں کو بروقت ادا کرنے اور بدلتے ہوئے مالیاتی چیلنجز کے مقابلے میں تیار رہنے کے قابل بناتا ہے۔

اسی حکمت عملی کے تحت، مینجمنٹ مسلسل کوشش کرتی ہے کہ متوازن فنڈنگ پورٹ فولیو برقرار رکھ کر اور مؤثر فنانسنگ اختیارات کے ذریعے قرض لینے کی لاگت کو بہتر بنایا جائے۔ کمپنی کا بروقت ادائیگیوں کا ایک مضبوط ریکارڈ ہے۔ چنانچہ اس سال سمیت قرضوں کی ادائیگی سے متعلق ڈیفالٹ نہیں ہے۔

### رابطہ:

کمپنی، تمام اسٹیک ہولڈرز کے ساتھ شفاف اور مؤثر رابطے کو بہت اہمیت دیتی ہے۔ کمپنی اس بات کو یقینی بناتی ہے کہ سالانہ، ششماہی اور سہ ماہی رپورٹس کے ساتھ ساتھ عام اجلاسوں کے نوٹسز بھی کمپنیز ایکٹ 2017 کی ضروریات کے مطابق بروقت جاری کیے جائیں۔

کمپنی، حصص داران اور مارکیٹ تجزیہ کاران کے ساتھ مزید مؤثر تعلقات استوار کرنے کے لیے، ہر سال ایک بریفنگ سیشن کا انعقاد کرتی ہے تاکہ اپنی کارکردگی، حکمت عملی اور مستقبل کے وژن پر روشنی ڈالی جاسکے۔ اس کے علاوہ کمپنی اپنی ویب سائٹ [www.interloop-pk.com](http://www.interloop-pk.com) کو باقاعدگی سے اپڈیٹ کرتی ہے تاکہ اسٹیک ہولڈرز کو اہم پیش رفت اور جاری سرگرمیوں سے باخبر رکھا جاسکے۔

### کارپوریٹ بریفنگ سیشن (CBS):

ILP نے 21 نومبر 2024 کو ایک کارپوریٹ بریفنگ سیشن منعقد کیا، جو باہر ڈرامیٹ (Zoom اور بالمشافہ شرکت) کے ذریعے ہوا۔ اس سیشن میں مالی سال ختم شدہ 30 جون 2024 کے مالی نتائج پر توجہ دی گئی اور کمپنی کی آپریشنل کارکردگی اور مستقبل کے وژن کا جامع جائزہ پیش کیا گیا۔ شرکاء میں سرمایہ کار، اینالسٹس، فنڈ مینجرز اور کمپنی کے نمائندے شامل تھے۔

چیف فنانشل آفیسر نے سال کی مالی اور آپریشنل کارکردگی پر تفصیلی پریزنٹیشن دی جس کے بعد ایک انٹرایکٹو سوال و جواب کا سیشن ہوا۔ کمپنی کا ارادہ ہے کہ 30 جون 2025 کو ختم ہونے والے سال کے لیے اکتوبر 2025 میں کارپوریٹ بریفنگ سیشن منعقد کیا ہے۔

ILP کی قیادت ادارے میں ہر سطح پر اخلاقیات اور شفافیت کی ثقافت کو فروغ دینے کے لیے پر عزم ہے۔ کمپنی یہ توقع رکھتی ہے کہ تمام ملازمین، مینجمنٹ، بورڈ ممبران اور بزنس پارٹنرز ان اقدار پر ہمیشہ کاربند رہیں۔

ضابطہ اخلاق کے مطابق، کمپنی کسی بھی قسم کی ادائیگی کی سہولت (یعنی غیر رسمی یا غیر قانونی ادائیگیاں جو سرکاری معمولات کو تیز کرنے یا سہولت حاصل کرنے کے لیے کی جائیں) کو سختی سے ممنوع قرار دیتی ہے۔ یہ پابندی تمام ملازمین، ڈائریکٹرز اور تیسرے فریق کے نمائندوں پر لاگو ہوتی ہے۔ کسی بھی خلاف ورزی کو انتہائی سنجیدگی سے لیا جائے گا اور اس پر تادیبی کارروائی ہو سکتی ہے، جس میں ضرورت پڑنے پر قانونی کارروائی بھی شامل ہے۔

### کمپنی کے شیئرز کی خرید و فروخت:

ڈائریکٹرز، ان کے شریک حیات یا ایگزیکٹوز کی جانب سے کمپنی کے شیئرز کی خرید و فروخت اور ہولڈنگز کو کمپنی سیکریٹری نے مقررہ وقت کے اندر بورڈ، SECP اور PSX کو رپورٹ کیا۔ ان تمام ہولڈنگز کی تفصیل منسلک پیٹرن آف شیئرز ہولڈنگ میں ظاہر کی گئی ہے۔

### ایسپلائی اسٹاک آپشن اسکیم:

کمپنی نے دوران سال کوئی نیا اسٹاک آپشن گرانٹ جاری نہیں کیا۔

### ملازمین کے ریٹائرمنٹ کے فوائد:

کمپنی نے اپنے تمام ملازمین کے لیے کنٹریبونٹری پروویڈنٹ فنڈ اسکیم اور ڈیفائنڈ بینیفٹ گریجویٹ اسکیم کا انتظام کیا ہے۔ ILP نے ایپلائیز پروویڈنٹ فنڈ ٹرسٹ قائم کیا ہے جو اپنی مالیاتی امور کو آزادانہ طور پر منظم اور کنٹرول کرتا ہے۔ یہ ٹرسٹ اکٹھ ٹیکس قوانین کے تحت تسلیم شدہ ہے اور اس کی آمدنی اور ملازمین کی جانب سے کی جانے والی کنٹریبونشن ٹیکس سے مستثنیٰ ہیں۔ یہ فنڈ کمپنی کی پالیسی کے مطابق ملازمین سے سبسکریپشن وصول کرتا ہے۔ 30 جون 2025 تک فنڈ کی سرمایہ کاریوں کی مالیت اس کے مالیاتی گوشواروں کے مطابق 527.4 ملین روپے تھی۔

### کریڈٹ ریٹنگ:

اختتامیہ، مالی معلومات میں شفافیت اور بھروسے کو یقینی بنانے کا پختہ عزم رکھتی ہے۔ ILP نے اپنے اس عزم کے حصے کے طور پر پاکستان میں غیر جانبداری سے ریٹنگ سروسز کی پیشکش کرنے والی شہرت یافتہ ریٹنگ ایجنسی، VIS کریڈٹ ریٹنگ کمپنی لمیٹڈ (VIS) کی خدمات حاصل کیں۔

VIS نے اپنے ایک پریس ریلیز مورخہ 04 اگست 2025 میں ILP کی entity ریٹنگ AA-/A1 (ڈبل اے مائنس/اے ون) پر برقرار رکھی۔ ان ریٹنگز کا نقطہ نظر ”طویل المدت“ ہے۔ تجویز کردہ یہ ریٹنگ، مضبوط لیکویڈ اسٹرکچر، کم سے کم متوقع کریڈٹ رسک اور مالی وعدوں کو بروقت پورا کرنے کی طاقت اور صلاحیت کی بنا پر انٹرلوپ کی مضبوط مالی پوزیشن کی درست عکاسی کرتی ہے۔ یہ استعداد، نظر آنے والے واقعات کے لئے کسی بڑے خطرے کی زد میں نہیں ہے۔

### رسک گورننس اور انٹرنل کنٹرولز:

بورڈ آف ڈائریکٹرز کمپنی کے تمام آپریشنز میں رسک مینجمنٹ کی مجموعی ذمہ داری کی نگرانی کرتا ہے۔ اس نگرانی کو مزید مضبوط بنانے کے لیے، بورڈ نے ایک رسک مینجمنٹ کمیٹی (RMC) قائم کی ہے جس کا کام ISO 31000 کے معیارات کے مطابق ایک جامع رسک مینجمنٹ فریم ورک پر عمل درآمد کو یقینی بنانا ہے۔

RMC کمپنی کو درپیش کلیدی رسکس کی موثر شناخت، جانچ اور کمی کی ذمہ دار ہے۔ اس مقصد کے لیے کمیٹی سہ ماہی بنیادوں پر بورڈ کو رسک مینجمنٹ رپورٹس پیش کرتی ہے تاکہ اہم رسک ایریاز پر بروقت جائزہ اور بہتر فیصلے ممکن ہو سکیں۔ اس کے علاوہ، کمپنی نے مضبوط انٹرنل کنٹرول سسٹمز نافذ کیے ہیں جو رسک گورننس کو مستحکم کرتے ہیں، آپریشنل کارکردگی کو بہتر بناتے ہیں، متعلقہ قوانین و ضوابط کی تعمیل کو یقینی بناتے ہیں اور فنانس رپورٹنگ کی شفافیت اور درستگی کو سپورٹ کرتے ہیں۔



## چیئر پرسن اور سی ای او کے کردار اور ذمہ داریاں:

شفافیت کو فروغ دینے اور گورننس کو مضبوط بنانے کے لیے، ہم بورڈ آف ڈائریکٹرز کے چیئر پرسن اور چیف ایگزیکٹو آفیسر (CEO) کے کرداروں کو واضح طور پر الگ رکھتے ہیں، جہاں دونوں کی ذمہ داریاں ایک دوسرے سے مختلف اور واضح طور پر متعین ہیں۔

### ☆ بورڈ کے چیئر پرسن

بورڈ کے چیئر پرسن اسٹریٹجک لیڈر شپ فراہم کرتے ہیں اور بورڈ کو اس کی گورننس ذمہ داریوں کی انجام دہی میں رہنمائی دیتے ہیں۔ ان کے کردار میں بورڈ میٹنگز کی صدارت کرنا، ایجنڈا مرتب کرنا، مباحثوں کو مؤثر انداز میں آگے بڑھانا اور کارپوریٹ گورننس کے معیار کی پابندی کو یقینی بنانا شامل ہے۔ چیئر پرسن بورڈ اور ایگزیکٹو مینجمنٹ کے درمیان ایک پل کا کردار بھی ادا کرتے ہیں، کمپنی کی بیرونی نمائندگی کرتے ہیں اور بورڈ کے فیصلوں پر مؤثر عمل درآمد کو یقینی بناتے ہیں۔

### ☆ چیف ایگزیکٹو آفیسر

چیف ایگزیکٹو آفیسر، بطور سربراہ مینجمنٹ، کمپنی کے روزمرہ آپریشنز کے ذمہ دار ہوتے ہیں۔ ان کا بنیادی کردار بورڈ کے اسٹریٹجک وژن اور پالیسیوں کو نافذ کرنا، مالی اور آپریشنل اہداف حاصل کرنا، بزنس گروتھ کو آگے بڑھانا اور اہم شراکت داران کے ساتھ تعلقات کو مؤثر انداز میں منظم کرنا ہے۔

## متعلقہ فریقین کے ساتھ لین دین کا جائزہ:

تمام متعلقہ فریقین کے ساتھ لین دین عام کاروباری طریقہ سے کاروباری مفاد کے مطابق کیا جاتا ہے اور یہ لین دین متعلقہ قوانین، ضوابط اور بورڈ کی منظور شدہ پالیسیوں کے مطابق ہوتے ہیں۔ مالی سال 2025 کے دوران ہونے والے تمام ایسے لین دین پہلے آڈٹ کمیٹی اور پھر بورڈ کے سامنے جائزے اور منظوری کے لیے پیش کیے گئے۔ کچھ ایسے لین دین، جن میں زیادہ تر ڈائریکٹرز کا مفاد شامل ہو، ان کے لیے کمیٹیز ایکٹ 2017 کی دفعات 207 اور 208 (جہاں تک لاگو ہوں) اور سیکرٹری (کوڈ آف کارپوریٹ گورننس) ریگولیشنز 2019 کی ریگولیشن 15 کے تحت ممبران کی منظوری درکار ہوتی ہے۔ مالی سال 2025 میں متعلقہ فریقین کے ساتھ ہونے والے لین دین کی تفصیل کے لیے مالی حسابات کے نوٹس ملاحظہ کریں۔

## ویب پر موجودگی:

سرکاری کارپوریشن اور حصص داران کی معلومات کے لئے گذشتہ سالانہ، ششماہی اور سہ ماہی رپورٹس سمیت رواں مالی سال کے لئے کمپنی کے وقفہ وار مالی حسابات کمپنی کی ویب سائٹ [www.interloop-pk.com](http://www.interloop-pk.com) پر دستیاب ہیں۔

## ضابطہ اخلاق:

بورڈ نے پیشہ ورانہ معیارات اور کارپوریٹ اقدار قائم کرنے اور بورڈ، مینجمنٹ انتظامیہ اور دیگر ملازمین کی نیک نامی کو فروغ دینے کے لیے ایک ضابطہ اخلاق کی منظوری دی ہے اور اسے تقسیم کیا گیا ہے۔ یہ دستاویز قابل قبول اور ناقابل قبول رویوں کو واضح کرتی ہے اور اخلاقی فیصلے کرنے اور ذمہ دار کاروباری عمل اختیار کرنے کے لیے ایک رہنما فریم ورک فراہم کرتی ہے۔

یہ ضابطہ اخلاق کمپنی کے تمام ملازمین، انتظامیہ اور بورڈ آف ڈائریکٹرز کے اراکین کے لیے لازم ہے اور ILP میں اخلاقی رویے کے لیے ایک واضح فریم ورک مہیا کرتا ہے۔ اسی طرح، سپلائر کوڈ آف کنڈکٹ یہ لازمی قرار دیتا ہے کہ تمام کنٹریکٹرز، سپلائرز اور تیسرے فریق کے شراکت دار کمپنی کے معیار دیانت داری، ماحولیاتی ذمہ داری اور انسداد بدعنوانی کی تعمیل کو کاروبار کرنے کی شرط کے طور پر اپنائیں۔

## بدعنوانی کے خلاف عزم اور اخلاقی طرز عمل:

ILP رشوت، کرپشن اور ہرقسم کے غیر اخلاقی یا غیر شفاف کاروباری طریقہ کار کے خلاف زیرو ٹالرنس پالیسی رکھتا ہے۔ کمپنی کے تمام آپریشنز دیانت داری، شفافیت اور جوابدہی کی بنیاد پر چلائے جاتے ہیں اور قومی و بین الاقوامی انسداد بدعنوانی قوانین اور معیارات کی سختی سے پابندی کی جاتی ہے۔ متعلقہ قانونی اور ریگولیٹری تقاضوں کی تعمیل ILP کے گورننس فریم ورک کا بنیادی حصہ ہے۔ کمپنی اس بات کو یقینی بناتی ہے کہ اس کے تمام آپریشنز مقامی اور عالمی معیارات کے مطابق اخلاقی رویے اور ذمہ دار کاروباری عمل کی عکاسی کریں۔

اقدامات متعارف کرائے گئے ہیں جو بورڈ اور اس کی کمیٹیوں کے جائزے میں مدد فراہم کرتے ہیں۔ اس ضمن میں ایک منظم آن لائن سوالنامہ تیار کیا گیا ہے جس میں موزونیت، احتساب، منصوبہ بندی، قیادت اور حکمت عملی سازی جیسے اہم پہلو شامل ہیں۔ مزید یہ کہ ڈائریکٹرز اپنی کارکردگی اور بورڈ کے اجلاسوں میں شمولیت اور اطمینان کے حوالے سے خود بھی تشخیصی سوالنامے پُر کرتے ہیں۔ جائزے کے اہم نکات میں درج ذیل امور شامل ہیں:

- ☆ کمپنی کے اہداف اور مقاصد کا وزن اور مشن کے ساتھ ہم آہنگ ہونا؛
- ☆ پائیدار حکمت عملیوں کی تشکیل؛
- ☆ بورڈ کی آزادی کو یقینی بنانا؛ اور
- ☆ بورڈ کی کمیٹیوں کی کارکردگی کا ان کے طے شدہ دائرہ کار کے مطابق جائزہ لینا۔

مزید برآں، چیف ایگزیکٹو آفیسر اور چیف فنانس آفیسر کی کارکردگی جانچنے کے لیے علیحدہ سوالنامے تیار کیے گئے ہیں۔ یہ سوالنامے ہر سال تمام ڈائریکٹرز کی جانب سے پُر کیے جاتے ہیں، سوائے ان افراد کے جن کا جائزہ لیا جا رہا ہو۔ ان جوابات کو، جو مکمل طور پر جمع کروائے جاتے ہیں، کمپنی سیکریٹری مرتب کرتا ہے۔ طے شدہ معیار کے مطابق، بورڈ اور اس کی کمیٹیوں کی مجموعی کارکردگی سال بھر کے دوران اطمینان بخش رہی ہے۔ شفافیت اور غیر جانبداری کو مزید مستحکم کرنے کے لیے، کمپنی نے فیصلہ کیا ہے کہ آئندہ سال بورڈ کا بیرونی جائزہ پاکستان انسٹی ٹیوٹ آف کارپوریٹ گورننس (PICG) کے ذریعے کرایا جائے گا۔

#### ڈائریکٹرز کا معاوضہ:

ریگولیٹری تقاضوں کی تعمیل کرتے ہوئے ڈائریکٹرز کی معاوضہ طے کرنے کے لیے ایک شفاف اور باضابطہ طریقہ کار وضع کیا گیا ہے۔ کارپوریٹ گورننس کوڈ کے مطابق کوئی بھی ڈائریکٹر اپنے ذاتی معاوضے کے پتے کے تعین میں شامل نہیں ہوتا۔ کمپنی کے تمام نان ایگزیکٹو اور آزاد ڈائریکٹرز کو اجلاسوں میں شرکت کے معاوضے کے ساتھ ساتھ ان اجلاسوں سے متعلقہ اخراجات کی واپسی کا حق حاصل ہے، جیسا کہ کمپنیز ایکٹ 2017 میں درج ہے۔ بہترین صلاحیتوں کو برقرار رکھنے کے لیے کمپنی کی معاوضہ پالیسی کو موجودہ صنعت کے رجحانات اور کاروباری طریقہ کار کے مطابق ترتیب دیا گیا ہے۔ مالی سال 2025 کے دوران ڈائریکٹرز اور چیف ایگزیکٹو آفیسر کے معاوضے سے متعلق تفصیلی معلومات کے لیے مالی بیانات کے نوٹس ملاحظہ کریں۔

#### ڈائریکٹرز کے ترقیتی پروگرام:

بورڈ کے ڈائریکٹرز اپنی ذمہ داریوں اور فرائض سے بخوبی آگاہ ہیں، جیسا کہ کارپوریٹ گورننس ریگولیشنز 2019 کے مطابق ہے۔ ہمارے تمام ڈائریکٹرز بشمول چیف ایگزیکٹو آفیسر یا تو ڈائریکٹرز ترقیتی پروگرام کی سند کے حامل ہیں یا پھر اپنے تجربے کی بنیاد پر اس پروگرام سے مستثنیٰ ہیں۔ بورڈ کو قانونی، ریگولیٹری اور گورننس سے متعلق معاملات پر باقاعدہ رپورٹس اور کمپنی سیکریٹری کی بریفنگز کے ذریعے، نیز داخلی اور بیرونی ماہرین کی پریزنٹیشن کے ذریعے تازہ ترین معلومات فراہم کی جاتی ہیں۔ ڈائریکٹرز پر یہ ذمہ داری عائد ہوتی ہے کہ وہ کارپوریٹ گورننس کے اصولوں پر عملدرآمد کو یقینی بنائیں اور کمپنی کو اسٹراٹجک سمت فراہم کریں۔ آپ کی کمپنی اس بات کو یقینی بناتی ہے کہ پورا بورڈ ادارے کے مشن اور کارپوریٹ گورننس کے ساتھ ہم آہنگ رہے۔

#### سی ای او کی کارکردگی کا جائزہ:

بورڈ آف ڈائریکٹرز سی ای او کی کارکردگی کا باقاعدگی سے جائزہ لیتا ہے، جس میں سالانہ منظم جائزہ بھی شامل ہے۔ اس مقصد کے لیے پہلے سے طے شدہ مقداری اور معیاری پیمانے استعمال کیے جاتے ہیں۔ یہ پیمانے مختلف مالی اور غیر مالی (KPIs) Key Performance Indicators پر مشتمل ہوتے ہیں۔ سی ای او کی کارکردگی جانچنے کے لیے بنیادی KPIs میں مالی نتائج، آپریشنل پرفورمنس، ریگولیٹری کمپلائنس، آپریشنل ایکسیلنس اور انسانی وسائل کا انتظام شامل ہیں۔ اس کے ساتھ ساتھ اس جائزے میں سی ای او کی کامیابیوں کا بھی بغور جائزہ لیا جاتا ہے جس میں منافع میں اضافہ، ادارے کی ترقی، جانیشی کی منصوبہ بندی اور مجموعی کارپوریٹ کامیابی شامل ہیں۔

#### بورڈ کی کارکردگی پر چیئر پرسن کا جائزہ:

کمپنیز ایکٹ 2017 کے تقاضوں کے مطابق، سالانہ رپورٹ میں شامل چیئر پرسن کا جائزہ اس بات کو اجاگر کرتا ہے کہ بورڈ نے اپنی ذمہ داریاں کس حد تک مؤثر طریقے سے ادا کیں اور کمپنی کے مقاصد کے حصول میں کیا کردار ادا کیا۔ بورڈ اس جائزے میں درج بیانات کی باضابطہ توثیق کرتا ہے۔

## بورڈ کی کمیٹیاں

بورڈ آف ڈائریکٹرز نے اپنے فرائض کی انجام دہی میں مدد کے لئے مندرجہ ذیل پانچ (5) کمیٹیاں قائم کی ہیں۔ ان کمیٹیوں، مع ان کی رکنیت اور مالی سال 2025 کے دوران منعقدہ اجلاسوں کی تفصیل حسب ذیل ہے:

کمیٹیاں					
25 FY کے دوران منعقدہ اجلاس					
10	آڈٹ کمیٹی (AC)				
3	انسانی وسائل اور معاوضہ کمیٹی (HR&RC)				
3	ریسک مینجمنٹ کمیٹی (RMC)				
1	نامزدگی کمیٹی (NC)				
1	ماحولیاتی، سماجی اور گورننس کمیٹی (ESGC)				

ESGC	RMC	NC	HR&RC	AC	
نوید فاضل	طارق اقبال خان	مصدق ذوالقرنین	فاطمہ اسد خان	طارق اقبال خان	چیئر پرسن
فرواحسین	محمد مقصود	نوید فاضل	نوید فاضل	فرواحسین	ممبر
فریال صادق	فاطمہ اسد خان	محمد مقصود	فرواحسین	رومانہ عبداللہ	ممبر
	رومانہ عبداللہ		فریال صادق	جہانزیب خان بانٹھ	ممبر
			جہانزیب خان بانٹھ		ممبر

## بورڈ اور کمیٹیوں کے اجلاس

مالی سال 2025 کے دوران، اپنی سرگرمیوں کے دائرے کو مکمل کرنے کے لئے مطلوبہ کمیٹی اجلاسوں کے ساتھ بورڈ آف ڈائریکٹرز کے پانچ (5) اجلاس منعقد ہوئے۔ ڈائریکٹرز کے نام اور ہر ڈائریکٹر کی طرف سے شرکت کردہ اجلاسوں کی تعداد مندرجہ ذیل ہے:

ESGC	RMC	NC	HR&RC	AC	BODM	AGM	ڈائریکٹر کا نام
		1/1			5/5	1/1	مصدق ذوالقرنین
1/1		1/1	3/3		5/5	1/1	نوید فاضل
	3/3	1/1			5/5	1/1	محمد مقصود
1/1			3/3	*2/10	5/5	1/1	فرواحسین
	2/3		3/3		4/5	1/1	فاطمہ اسد خان
	1/3			6/10	4/5	0/1	رومانہ عبداللہ
	3/3			9/10	4/5	1/1	طارق اقبال خان
1/1			2/3		5/5	1/1	فریال صادق
			3/3	10/10	5/5	1/1	جہانزیب خان بانٹھ

\* محترمہ فرواحسین کو 29 اپریل 2025 کو آڈٹ کمیٹی کا رکن مقرر کیا گیا، اور ان کی تقرری کے بعد صرف دو کمیٹی اجلاس منعقد ہوئے۔

## بورڈ آف ڈائریکٹرز اور بورڈ کی کمیٹیوں کی کارکردگی کا جائزہ:

کارپوریٹ گورننس کے ضابطہ 2019 اور بین الاقوامی بہترین طریقہ کار کے مطابق بورڈ آف ڈائریکٹرز کی کارکردگی اور موزونیت کی تشخیص کے لیے جائزہ لینے کے طریقہ کار مرتب کیے گئے ہیں۔ اس کا مقصد یہ ہے کہ بورڈ نہ صرف اپنی اسٹریٹجک قیادت اور نگرانی کے کردار کا موثر انداز میں جائزہ لے سکے بلکہ سینئر مینجمنٹ کو بہتر رہنمائی بھی فراہم کرے۔ اس مقصد کے لیے جدید اور موثر طریقہ کار اپناتے ہوئے ایسے

- ix. کمپنی تمام ملازمین کے لئے کنٹری بیوٹری پراویڈنٹ فنڈ اسکیم اور اپنے مینجمنٹ/نان مینجمنٹ ملازمین کے لئے صراحت کردہ گریجویٹ فنڈ اسکیم چلاتی ہے۔ 30 جون 2025 کے مطابق ان سرمایہ کاریوں کی بک ویلیو 527.4 ملین روپے ہے۔
- x. مندرجہ ذیل کے بارے میں اسٹیکولٹس اس سالانہ رپورٹ کے ساتھ منسلک ہیں:

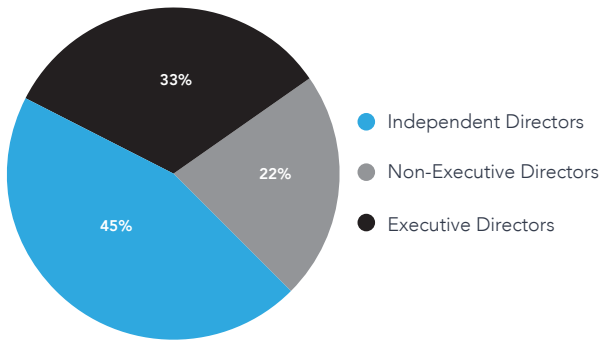
- ☆ گذشتہ چھ (6) سالوں کا اہم فنانشل ڈیٹا
- ☆ ایس ای سی پی کے 2024 کے سرکلر نمبر 10 کے تحت جینڈرپے گیپ (تنخواہ کا صنفی خلاء) اسٹیمینٹ
- ☆ شیئر ہولڈنگ کا پیٹرن

### کوڈ آف کارپوریٹ گورننس کی تعمیل کے بارے میں اسٹیمینٹ:

کمپنی، SECP کی طرف سے لازمی قرار دیئے گئے کارپوریٹ گورننس کے اصولوں پر سختی سے عمل پیرا ہے اور اس نے تجویز کردہ تمام شرائط پر عملدرآمد کیا ہے۔ لیسڈ کمپنیوں (کوڈ آف کارپوریٹ گورننس) ریگولیشنز 2019 کی تعمیل کے اسٹیمینٹ میں اس کا خلاصہ دیا گیا ہے، جس پر آڈیٹرز نے مناسب نظر ثانی کی اور یہ اس سالانہ رپورٹ کے ساتھ منسلک ہے۔

### بورڈ کی تشکیل:

ILP کا بورڈ آف ڈائریکٹرز نو (9) ارکان پر مشتمل ہے جن کا انتخاب 22 اکتوبر 2023 کو ہوا تھا اور یہ افراد الگ الگ پس منظر، لازمی مہارت، بصیرت اور کمپنی کے آپریشنز سے متعلق صلاحیتوں کے حامل ہیں۔ 30 جون 2025 کے مطابق ہمارے بورڈ کی تشکیل حسب ذیل ہے:



ڈائریکٹرز کی کل تعداد	
الف) مرد	5
ب) خواتین	4
ساخت:	
انڈیپنڈنٹ ڈائریکٹرز	4
نان ایگزیکٹو ڈائریکٹرز	2
ایگزیکٹو ڈائریکٹرز	3

نمبر شمار	ڈائریکٹرز کا نام	کے بی سی
i.	فرواح حسین	انڈیپنڈنٹ ڈائریکٹر
ii.	فاطمہ اسد خان	انڈیپنڈنٹ ڈائریکٹر
iii.	رومانہ عبداللہ	انڈیپنڈنٹ ڈائریکٹر
iv.	طارق اقبال خان	انڈیپنڈنٹ ڈائریکٹر
v.	مصدق ذوالقرنین	نان ایگزیکٹو ڈائریکٹر
vi.	جہانزیب خان بانٹھ	نان ایگزیکٹو ڈائریکٹر
vii.	نوید فاضل	ایگزیکٹو ڈائریکٹر
viii.	محمد مقصود	ایگزیکٹو ڈائریکٹر
ix.	فریال صادق	ایگزیکٹو ڈائریکٹر

انٹروپ کے تیار کردہ سیمپلس ملبوسات 360 ڈگری چمک اور سکون فراہم کرتے ہیں، جو محدود سیٹوں سے آزاد ہوتے ہیں۔ یہ خصوصیات انہیں فعال طرز زندگی اور ہائی پرفارمنس کھیل کے لیے مثالی لباس بناتی ہیں۔ کمپنی کے پاس ایک خود کفیل پروڈکٹ ڈویلپمنٹ ڈپارٹمنٹ بھی موجود ہے، جو کپڑے تیار کرنے کی صلاحیت رکھتا ہے تاکہ بدلے ہوئے مارکیٹ رجحانات کو فوری طور پر پورا کیا جاسکے۔

اپنی تکنیکی مہارت کو مزید تقویت دینے کے لیے، انٹروپ کی ان ہاؤس ڈیزائن ٹیم عالمی فیشن رجحانات سے ہم آہنگ رہتی ہے اور جدید رجحانات کو مدنظر رکھتی ہے جو نمایاں برانڈز اور صارفین دونوں کو متاثر کرتی ہے۔

## دھاگہ

### ☆ سپننگ

انٹروپ سالانہ 32 ملین پاؤنڈز (20/1) اعلیٰ معیار کا دھاگہ تیار کرنے کی پیداواری صلاحیت رکھتا ہے۔ یہ عمل جدید ترین یورپی اور جاپانی مشینری سے لیس خود کار اسپننگ پلانٹس کے ذریعے انجام دیا جاتا ہے۔ کمپنی مختلف قسم کے خام مال استعمال کرتی ہے، جن میں ورجن فائبر، ری سائیکل شدہ فائبر اور پائیدار فائبر شامل ہیں، تاکہ دھاگے کی مختلف اقسام تیار کی جاسکیں۔ پیدا ہونے والا 50 فیصد سے زائد دھاگہ اندرون کمپنی استعمال کیا جاتا ہے، جبکہ بقیہ ٹیکسٹائل انڈسٹری کے مختلف شعبوں میں معروف مینوفیکچررز کو فراہم کیا جاتا ہے۔

### ☆ دھاگے کی رنگائی اور انزورنگ

انٹروپ ایک جدید ترین یارن ڈائنگ Elastomeric یارن فیسلٹی آپریٹ کرتی ہے، جو مکمل طور پر خود کار نظام کے ساتھ Spun اور Filament دھاگے میں رنگوں کی وسیع رینج فراہم کرتا ہے۔ اس کی سالانہ رنگائی کی گنجائش 5.5 ملین کلوگرام ہے۔ انٹروپ، معیاری ریشوز پر Lycra اور Creora جیسے spandexes کے ساتھ، ان ہاؤس ڈائنگ اور خام سفید دھاگے کی مختلف اقسام کے لیے سالانہ ایک ملین کلوگرام کی پیداواری استعداد کے ساتھ جدید اطلاوی انزورنگ مشینیں بھی استعمال کرتی ہے۔

کمپنی نے رنگائی کے شعبے میں مزید توسیع کا فیصلہ کیا ہے، جس کے تحت آئی ایل ایپریل پارک میں ایک اسپن یارن ڈائنگ یونٹ قائم کیا جا رہا ہے، جس کی پیداواری صلاحیت 20 ٹن فی دن ہوگی۔ یہ منصوبہ تکمیل کے قریب ہے اور توقع ہے کہ مالی سال 2026 کی دوسری سہ ماہی تک پیداواری عمل شروع کر دے گا۔

## کارپوریٹ اینڈ فنانشل رپورٹنگ فریم ورک

کمپنی کسی انحراف کے بغیر کارپوریٹ گورننس کے معیارات کی سختی سے پاسداری کرتی ہے۔ ڈائریکٹرز کو اس بات کی توثیق کرتے ہوئے خوشی ہے کہ کمپنی، سیکورٹیز اینڈ ایکسچینج کمیشن آف پاکستان (ایس ای سی پی) کی طرف سے جاری کردہ سٹاک ایکسچینج (کوڈ آف کارپوریٹ گورننس) ریگولیشنز 209 (سی سی جی ریگولیشنز 2019) اور کمپنیز ایکٹ 2017 میں صراحت کردہ دفعات کی پابندی کرتی ہے، جو پاکستان اسٹاک ایکسچینج (پی ایس ایکس) کے لسٹنگ ریگولیشنز کا لازمی حصہ ہیں۔

بورڈ آف ڈائریکٹرز تصدیق کرتے ہیں کہ:

- کمپنی کی انتظامیہ کی طرف سے تیار کردہ مالی حسابات کمپنی کے معاملات، اس کے آپریشنز کے نتائج، کیش فلو اور ایکویٹی میں تبدیلیوں کو شفاف طریقے سے پیش کرتے ہیں۔
- کمپنی کی طرف سے حساب کتاب کے مناسب کھاتے رکھے جاتے ہیں۔
- مالی حسابات کی تیاری میں مناسب اکاؤنٹنگ پالیسیوں کا مستقل اطلاق کیا جاتا ہے اور اکاؤنٹنگ کے تخمینوں کی بنیاد معقول اور محاط فیصلے پر ہوتی ہے۔
- مالی حسابات کی تیاری میں انٹرنیشنل فنانشل رپورٹنگ اسٹینڈرڈز (آئی ایف آر ایس) جیسا کہ پاکستان میں قابل اطلاق ہیں اور کمپنیز ایکٹ 2017 کے تقاضوں پر مناسب طریقے سے عمل کیا گیا ہے۔ ان سے کسی انحراف کو صحیح طریقے سے ظاہر کیا گیا ہے اور وضاحت کی گئی ہے۔
- انٹرنل کنٹرول سسٹم اپنی وضع میں مستحکم ہے، اس پر موثر طریقے سے عمل کیا جاتا ہے اور اس کی نگرانی کی جاتی ہے۔ کنٹرولز کو مضبوط اور سسٹم کو بہتر بنانے کے لئے انٹرنل کنٹرولز کی نگرانی برقرار رہے گی۔
- ایک ترقی کرنے والے ادارے کی حیثیت سے کمپنی کی اہلیت کے بارے میں کوئی براہ شہ نہیں ہے۔
- کارپوریٹ گورننس، جیسا کہ پاکستان اسٹاک ایکسچینج کے لسٹنگ ریگولیشنز میں تفصیل بیان کی گئی ہے، کہ بہترین طور طریقہ کار سے کوئی مادی انحراف نہیں کیا گیا۔
- مالی حسابات کے نوٹس میں واجب الادا ٹیکسوں اور لیویز کے بارے میں معلومات ظاہر کر دی گئی ہیں، جیسا کہ لسٹنگ ریگولیشنز کے تحت ضروری ہے۔



## کاروباری شعبہ جات:

انتظامیہ نے آپریٹنگ شعبہ جات کا تعین اس انداز سے کیا ہے کہ وہ بورڈ آف ڈائریکٹرز کو فراہم کی جانے والی معلومات کے مطابق ہوں، تاکہ وسائل کی حکمت عملی کے ساتھ تقسیم اور کارکردگی کا درست جائزہ لیا جاسکے۔ مینجمنٹ ان شعبہ جات کے مالی نتائج کا آزادانہ طور پر جائزہ لیتی ہے تاکہ وسائل کی تقسیم کے بارے میں باخبر فیصلے کیے جاسکیں اور ہر شعبے کی کارکردگی کا مؤثر تجزیہ کیا جاسکے۔ اندرونی انتظامی رپورٹنگ فریم ورک اور کمپنی کی تیار کردہ تقسیم کردہ پراڈکٹس کی نوعیت کی بنیاد پر کمپنی کو درج ذیل آپریٹنگ شعبہ جات میں منظم کیا گیا ہے۔

## ہوزری:

انٹروپ ہوزری موزوں کی پیداوار جو عمدی طور پر چھ مہینوں تک فیکٹریس کے ذریعے فراہم کی جاتی ہے، پلانٹ 6 کا کامیاب افتتاحی کمپنی کے لیے ایک اہم سنگ میل ثابت ہوا، اور اب اس کی آپریشنز طے شدہ کمرشل ٹائم لائنز کے مطابق جاری ہیں۔ یہ شعبہ اعلیٰ معیار کی مصنوعات دنیا کے نمایاں عالمی برانڈز اور ریٹیلرز کو فراہم کرتا ہے، جن میں C&A، H&M، Target، STICHD، Adidas، Nike، Amazon، اور دیگر شامل ہیں۔ ہوزری پلانٹس 4، 5 اور 6 نے LEED گولڈ سرٹیفیکیشن حاصل کی ہے، جو انٹروپ کے پائیدار اور ماحول دوست مینوفیکچرنگ کے عزم کو مزید تقویت دیتی ہے۔

مالی سال 2024 میں ٹاپ سرکل کے حصول نے کمپنی کے عالمی دائرہ کار کو مزید وسعت بخشی ہے، اور چین میں مینوفیکچرنگ آپریشنز مؤثر طریقے سے جاری ہیں۔ انٹروپ اپنی پوری ویلیو چین جو کہ فارم سے فیکٹری کے پراسسز پر مشتمل ہے، ذمہ دارانہ مینوفیکچرنگ کے اصولوں پر کاربند ہے۔ پروڈکٹ ڈویلپمنٹ، کوالٹی اشورنس اور انویشن میں ان ہاؤس صلاحیتوں کے ساتھ، کمپنی ڈیجیٹل ٹرانسفارمیشن میں مسلسل سرمایہ کاری کر رہی ہے، تاکہ ڈیزائن، پروڈکشن اور کسٹمر انگیجمنٹ کو جدید خطوط پر استوار کرتے ہوئے مسابقتی مارکیٹ میں سبقت برقرار رکھ سکے۔

## ڈینم:

انٹروپ ڈینم، جو جنوب مشرقی ایشیا میں قائم ایک جدید ترین اسٹیٹ آف دی آرٹ فیکٹری ہے۔ ماحولیاتی قیادت کے اعتراف میں، اس سہولت نے LEED پلٹینم سرٹیفیکیشن حاصل کیا ہے اور 2021 میں دنیا کی ساتویں سب سے تیز عمارت کی حیثیت سے تسلیم کیا جاتا ہے۔

کمپنی نے انڈسٹری 4.0 کو اختیار کرتے ہوئے مربوط ERP اور ڈیجیٹل سسٹمز کے ساتھ صلاحیت کار کو بڑھایا۔ کمپنی کم اثر معاملات کے ساتھ پرعزم ہے کہ وہ اپنے آپکو ذمہ دارانہ مینوفیکچرنگ میں ایڈیٹریز پوزیشن پر دیکھتی ہے۔

انٹروپ ڈینم دنیا کے معروف برانڈز Guess، Adidas، H&M، Target، NYDJ، Pearson اور INDITEX کی ضروریات پوری کرتا ہے۔ انٹروپ ڈینم ماحول دوست ڈینم مینوفیکچرنگ میں لوڈ لیتے ہوئے رہنمائی کرتا ہے، نیوہل ٹیکنالوجی اور ون پلچنگ اور آٹو نیو لائنزیشن کا استعمال کرتا ہے۔

## ایپریل:

انٹروپ ایپریل جو شمالی امریکہ، یورپ اور برطانیہ کے بڑے برانڈز کی ضروریات پوری کرتا ہے۔ یہ شعبہ ایک نئی تعمیر شدہ ماحول دوست فیکٹری سے کام کرتا ہے، جس نے LEED پلٹینم سرٹیفیکیشن حاصل کیا ہے، جو پائیدار مینوفیکچرنگ کے حوالے سے انٹروپ کے گہرے عزم کی عکاسی کرتا ہے۔

جدید ترین مشینری سے آراستہ یہ سہولت متعدد ماحول دوست خصوصیات کو یکجا کرتی ہے، جن میں قابل تجدید توانائی کے ذرائع، ویٹ لینڈ ایریا اور پرندوں کا محفوظ مرکز شامل ہیں، جو فطرت اور ماحولیاتی تحفظ کے ساتھ ہم آہنگی کو اجاگر کرتے ہیں۔ نٹ ویز ایپریل کا شعبہ پراڈکٹس کی متنوع رینج تیار کرتا ہے، جیسے کہ ٹی شرٹس، انڈرویز، پولو شرٹس، سویٹ شرٹس، پینٹس، فلیس ہوڈیز، اور جیکٹس۔ یہ شعبہ دنیا بھر کے معروف برانڈز اور ریٹیلرز کو اعلیٰ معیار، جدت اور پائیداری کے ساتھ خدمات فراہم کرتا ہے۔

## ایکیٹوویز:

انٹروپ کی عمدی طور پر مربوط سسٹمز ایکیٹوویز سہولت شاندار مینوفیکچرنگ کی صلاحیت فراہم کرتی ہے۔ مختلف ڈیزائنز اور سائز کی وسیع رینج پیش کرتے ہوئے یہ سہولت جدید ترین ٹیکنالوجی سے آراستہ ہے، جس میں اطالوی ٹیکنیکل اینڈ ڈائنگ کی مشینیں اور جاپانی سیونگ ایکوپمینٹ شامل ہیں، جو کپڑے کی پروسیسنگ، رنگائی اور سلائی کے ہر مرحلے میں اعلیٰ معیار کو یقینی بناتے ہیں۔

عمودی تجزیہ	2025	2024
مجموعی منافع	20%	28%
آپریٹنگ منافع	10%	18%
قبل از ٹیکس منافع	5%	12%
بعد از ٹیکس خالص منافع	3%	10%
EBITDA	14%	21%

### فی شیئر آمدنی (EPS)

مالی سال 2025 کے لیے بعد از ٹیکس غیر مربوط بنیادی اور تحلیل شدہ فی شیئر آمدنی 3.84 روپے فی شیئر رہی (مالی سال 2024: 11.25 روپے فی شیئر)۔ اسی طرح، مالی سال 2025 کے لیے بعد از ٹیکس مربوط بنیادی اور تحلیل شدہ بعد از ٹیکس فی شیئر آمدنی 3.96 روپے فی شیئر رہی (مالی سال 2024: 11.78 روپے فی شیئر)۔

### مالی نظم و نسق:

دوران سال کمپنی نے اپنی تمام مالی ذمہ داریاں بروقت پوری کیں۔ اضافی فنڈز کو حکمت عملی اور احتیاط کے ساتھ سرمایہ کاری میں استعمال کیا گیا۔ سال کے اختتام پر کمپنی کے پاس قلیل مدتی قرضہ جات کی غیر استعمال شدہ حدود 45,370 ملین روپے (2024: 26,596 ملین روپے) مالیاتی اداروں سے دستیاب تھیں، جو کمپنی کی مضبوط لیکویڈیٹی پوزیشن اور مالی چلک کی عکاسی کرتی ہیں۔

### مالی جھلکیاں:

کمپنی کے تاریخی آپریٹنگ اور مالیاتی اعداد و شمار اس سالانہ رپورٹ کے ساتھ منسلک کیے گئے ہیں۔ یہ جھلکیاں کمپنی کی کارکردگی کے رجحانات کا جامع مگر مختصر منظر پیش کرتی ہیں، جس کے ذریعے اسٹیک ہولڈرز کمپنی کی ترقی، منافع بخشی اور مالی مضبوطی کا تجزیہ کر سکتے ہیں۔

### مالیاتی گوشواروں پر آڈیٹرز کی رپورٹ:

کمپنی کے آڈیٹرز میسرز کریمینن حیدر بھیم جی اینڈ کمپنی، چارٹرڈ اکاؤنٹنٹس نے 30 جون 2025 کو ختم ہونے والے مالی سال کیلئے غیر مربوط شدہ اور مربوط شدہ دونوں مالیاتی گوشواروں پر بلا مشروط رائے دی ہے۔ یہ مالیاتی گوشوارے درج ذیل دستاویزات پر مشتمل ہیں: اسٹیٹمنٹ آف فنانیشیل پوزیشن، اسٹیٹمنٹ آف پرافٹ اور لاس، اسٹیٹمنٹ آف کپری ہینسو اکٹم، اسٹیٹمنٹ آف چیئرمین ان ایکوٹی، اسٹیٹمنٹ آف کیش فلو و اینڈ دی اکامپیننگ نوٹس میں نمایاں اکاؤنٹنگ پالیسیوں کا خلاصہ اور دیگر وضاحتیں شامل ہیں۔

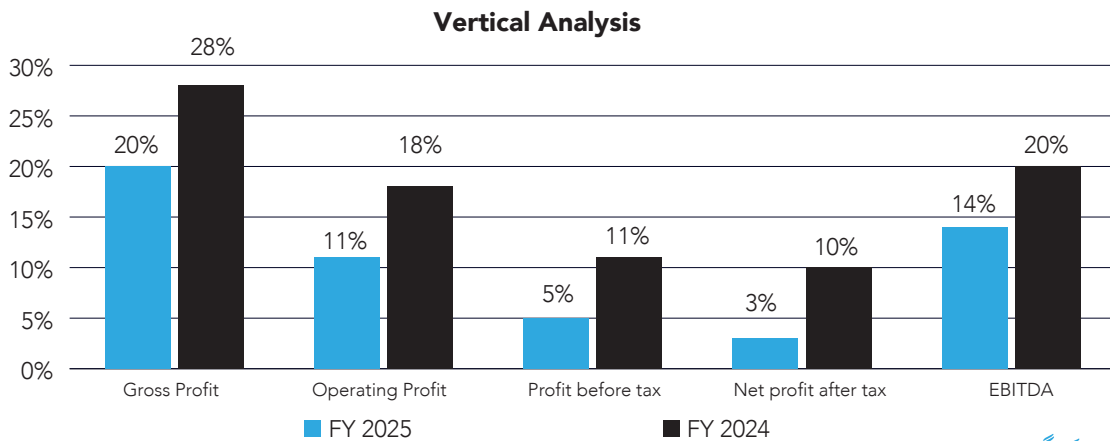
### شیئر ہولڈرز کو ڈویڈنڈ کی تقسیم:

کمپنی ہمیشہ اپنے حصص یافتگان کی طویل مدتی ترقی کے ساتھ ساتھ انہیں مستحکم اور باقاعدہ ڈویڈنڈ کی فراہمی کے لیے پرعزم رہی ہے۔ موجودہ توسیعی منصوبوں اور آئندہ سرمایہ کاری کو مد نظر رکھتے ہوئے، بورڈ آف ڈائریکٹرز نے 30 جون 2025 کو اختتام پذیر ہونے والے مالی سال کے لیے 1 روپے فی شیئر حتمی نقد ڈویڈنڈ (یعنی 10 فیصد) تجویز کیا ہے، جو کہ اراکین کی منظوری سے مشروط ہے۔ جس کی منظوری 10 اکتوبر 2025 کو سالانہ عام اجلاس میں دی جائے گی۔ اس سال کسی قسم کی منتقلی جزل ریزرو میں نہیں کی گئی۔ ان مالیاتی گوشواروں میں تجویز کردہ حتمی ڈویڈنڈ شامل نہیں ہے۔

### بنیادی سرگرمیاں:

انٹروپ لیمٹڈ 25 اپریل 1992 کو پاکستان میں قائم کی گئی تھی اور اسے 05 اپریل 2019 کو باضابطہ طور پر پاکستان اسٹاک ایکسچینج میں درج کروایا گیا۔ انٹروپ عمودی طور پر مربوط کثیر زمرہ مکمل خاندانی کمپنی کی کمپنی ہے جو ممتاز بین الاقوامی برانڈز اور ریٹیلرز کے لئے ہوزری، ڈینیم، ٹیڈ اپیرل اور سیم لیس ایکٹو ویئر پراڈکٹس تیار کرتی ہے۔ یہ مختلف ٹیکسٹائل کسٹمرز کے لئے دھاگہ بھی تیار کرتی ہے۔ سارا سال کمپنی کی بنیادی سرگرمیوں میں کوئی تبدیلی نہیں آئی۔

عمودی تجزیہ	2024	2025
مربوط منافع	28%	20%
آپریٹنگ منافع	18%	11%
قبل از ٹیکس منافع	11%	5%
بعد از ٹیکس خالص منافع	10%	3%
EBITDA	20%	14%



#### مالی اور کاروباری کارکردگی - مربوط

کمپنی نے 30 جون، 2025 کو ختم ہونے والے سال کے لیے انٹرنیشنل فنانشل رپورٹنگ سٹینڈرڈز اوپنیز ایکٹ، 2017 کے تقاضوں کے مطابق مربوط مالی گوشوارے منسلک کیے ہیں۔

گروپ نے 179,405 ملین پاکستانی روپے کی نیٹ سیلز رپورٹ کیں جو پچھلے سال کی 158,183 ملین پاکستانی روپے کے مقابلے میں 13% کے صحت مند اضافے کی عکاسی کرتی ہیں۔ نیٹ سیلز میں اضافے کے باوجود پرافٹ مارجن دباؤ کا شکار رہا۔ مربوط منافع میں 17% کمی آئی، جو کہ 36,761 ملین پاکستانی روپے بنتا ہے، اس کی بنیادی وجوہات بلند پیداواری لاگت اور ملبوسات کے ماسٹر پراجیکٹ کے تکنیکی مرحلے کا دورانیہ شامل ہے۔

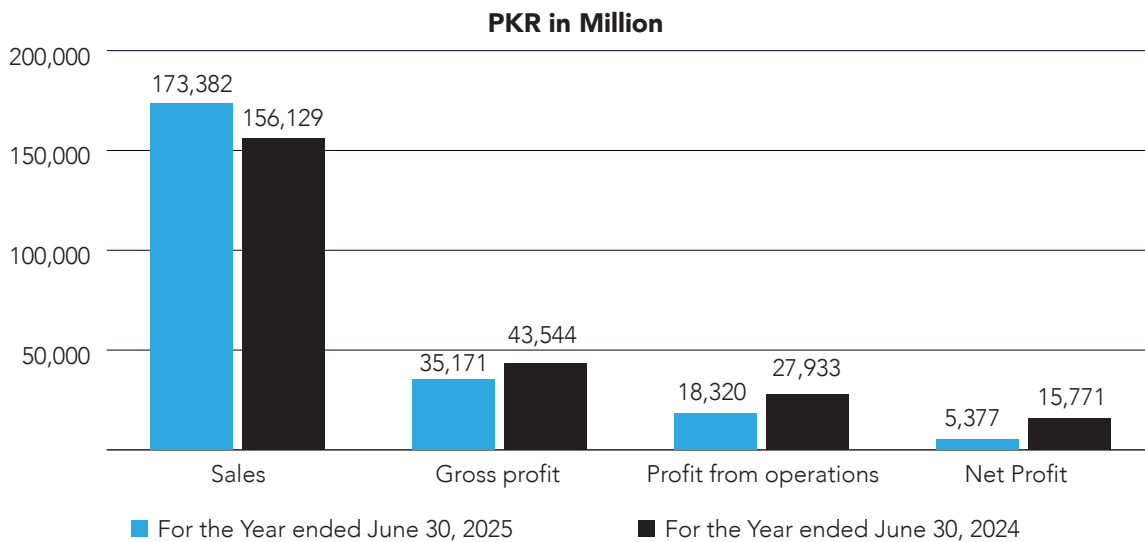
مجموعی منافع میں اس کمی نے EBITDA میں 22% گراؤ کی راہ ہموار کی، جو 25,404 ملین پاکستانی روپے پر آ گیا کیونکہ زیادہ آپریشنل اخراجات اور پراجیکٹ کی ابتدائی لاگت نے آمدنی پر اثر ڈالا۔ آپریشنز سے منافع بھی 35% گرا کر 18,648 ملین پاکستانی روپے رہ گیا۔ اس کے نتیجے میں قبل از ٹیکس منافع 51% کم ہو کر 9,086 ملین پاکستانی روپے پر آ گیا اور بعد از ٹیکس منافع پر بھی بہت زیادہ اثر پڑا، جو 66% کم ہو کر 5,647 ملین پاکستانی روپے ہو گیا۔

ذیل میں، 30 جون، 2024 کے مقابلے میں 30 جون، 2025 کو ختم ہونے والے سال کے لیے گروپ کی مربوط مالی کارکردگی کا خلاصہ پیش کیا جا رہا ہے:

30 جون کو ختم ہونے والا سال			
VAR %	2024 روپے ملین میں	2025	
13%	158,183	179,405	خالص سیلز
-17%	44,166	36,761	مجموعی منافع
-22%	32,767	25,404	EBITDA
-35%	28,648	18,648	کاروبار سے منافع
-51%	18,492	9,086	قبل از ٹیکس منافع
-66%	16,456	5,647	بعد از ٹیکس منافع

آئی ایل پی نے اس سال کے مشکل حالات کے باوجود، دوسری ششماہی، خاص طور سے مالی سال 2025 کی چوتھی سہ ماہی میں بہتر کارکردگی کا مظاہرہ کیا، جس سے اس کے مارجنز میں بحالی کی صورتحال پیدا ہوئی۔ آمدنی سہ ماہی بنیادوں پر 16% بڑھ گئی اور خالص منافع تیسری سہ ماہی کے 3.2% سے بہتر ہو کر چوتھی سہ ماہی میں 5.6% ہو گیا، جو کہ پیداواری لاگت پر کنٹرول اور برآمدی آمدنی میں اضافے کی عکاسی کرتا ہے۔

30 جون کو ختم ہونے والا سال		
2024	2025	
روپے ملین میں		
156,129	173,382	خالص سیلز
43,544	35,171	مربوط منافع
31,910	24,794	EBITDA
17,807	8,787	قبل از ٹیکس منافع
(2,036)	(3,410)	ٹیکس اخراجات
15,771	5,377	بعد از ٹیکس منافع
(460)	(182)	دیگر جامع خسارہ
15,311	5,195	کل جامع آمدنی
26,641	36,357	غیر تخصیص شدہ منافع جو آگے ملایا گیا
		تخصیصات
(2,803)		حتمی منافع منقسمہ 2023
(2,803)	-	عبوری منافع منقسمہ 2024
10	-	منسوخ شدہ شیئر آپشنز مالی سال 2024
-	(3,504)	حتمی منافع منقسمہ 2024
<b>36,357</b>	<b>38,047</b>	غیر تخصیص شدہ منافع آگے ملایا گیا
11.25	3.84	فی شیئر آمدنی-- بنیادی (PKR)
11.25	3.84	فی شیئر آمدنی-- تحلیل شدہ (PKR)



# ڈائریکٹر صاحبان کی جائزہ رپورٹ

برائے سال اختتام 30 جون، 2025

انٹروپ لمیٹڈ ("کمپنی" یا "ILP") کے بورڈ آف ڈائریکٹرز ("بورڈ") کو 30 جون 2025 کو ختم ہونے والے سال کے لیے کمپنی کی سالانہ رپورٹ، مع سالانہ آڈٹ شدہ مالی گوشوارے (مربوط اور غیر مربوط) اور اس کے ساتھ ڈیٹرز رپورٹ پیش کرتے ہوئے خوشی ہو رہی ہے۔

یہ رپورٹ کمپنیز ایکٹ، 2017 کے سیکشن 227 اور لسٹڈ کمپنیز (کوڈ آف کارپوریٹ گورننس) ریگولیشنز، 2019 کے مطابق تیار کی گئی ہے۔

## معاشی جائزہ:

عالمی معیشت 2025 کے وسط میں معتدل نمو کا مظاہرہ کر رہی ہے، آئی ایم ایف 2025 کے لیے 3.0 فیصد اور 2026 میں 3.1% عالمی شرح نمو کی توقع ظاہر کر رہا ہے، جو پہلے کی پیش گوئیوں سے نسبتاً بہتری کی طرف نظر ثانی کی عکاسی کرتی ہے، جبکہ اس بارے میں بھی خبردار کر رہا ہے کہ امریکی ٹریف کی بڑھتی شرح، جغرافیائی و سیاسی کشیدگی اور تجارتی پالیسی کی غیر یقینی، صارفین کی ادائیگی اور سرمایہ کاری پر مسلسل اثر انداز ہو رہی ہے۔ عالمی افراط زر اگرچہ معتدل رہنے کی امید ہے مگر یہ برقرار رہے گی اور 2025 میں ہیڈ لائن ریٹس 4.2 فیصد رہنے کی امید ہے۔

پاکستان میں معیشت استحکام کی جانب گامزن ہے۔ جیسا کہ اقتصادی جائزے میں بتایا گیا ہے، مالی سال 2025 میں حقیقی جی ڈی پی نمو 2.7 فیصد پر پہنچنے کی امید ہے جو گزشتہ سال کی 2.5 فیصد سے زیادہ ہے۔ افراط زر سی پی آئی (Index) کے مطابق 4.6 فیصد پر آگیا، جو کہ مالی سال 2024 میں 29 فیصد سے بھی زیادہ تھا۔ اس وجہ سے مایوسی کو بڑی حد تک بہتر بنانے میں مدد ملی۔ اسٹیٹ بینک آف پاکستان نے سود کی شرح 22 فیصد سے کم کر 11 فیصد کر دی، جس کا مقصد معاشی بحالی کی رفتار تیز کرنا ہے۔

بیرونی شعبہ میں بڑی حد تک مثبت تبدیلی نظر آئی، پاکستان نے 14 سال میں پہلی بار مالی سال 2025 میں 2.1 بلین امریکی ڈالر کا کرنٹ اکاؤنٹ سرپلس حاصل کیا، جس کی وجہ ترسیلات زر میں 27 فیصد کے خطیر اضافے سے ان کا 38.3 بلین امریکی ڈالر تک پہنچ جانا اور ٹیکسٹائل کی برآمدات 7.4 فیصد اضافے سے 17.9 بلین امریکی ڈالر ہو گئیں۔ بہتر بیرونی بیلنس اور ڈھانچہ جاتی اصلاحات نے زرمبادلہ کے ذخائر کو بہتر بنانے اور شرح مبادلہ کو مستحکم کرنے میں مدد دی۔

## ایپریل اور ٹیکسٹائل کی صنعت کا جائزہ:

عالمی مانگ میں کمی، سخت مالی حالات اور توانائی کی زیادہ لاگت کے باعث پاکستان کا ایپریل اور ٹیکسٹائل کا شعبہ مشکلات کا شکار رہا۔ اس سیکٹر نے مالی سال 2025 میں 7.4 فیصد افزائش ریکارڈ کی، جس کی بنیادی وجہ ویلیو ایڈڈ ٹیکسٹائل کی بہترین کارکردگی رہی، جس سے مالی سال 2024 کی کل برآمدات 16.7 بلین امریکی ڈالر کے مقابلے میں 2025 میں 17.9 بلین امریکی ڈالر تک پہنچ گئیں۔ نٹ وز کی برآمدات 13.7 فیصد اضافے سے 5.1 بلین امریکی ڈالر ہو گئیں، جبکہ ہیڈ وئیر ایکسپورٹ 11.07 فیصد اضافے سے 3.1 بلین امریکی ڈالر پہنچ گئی اور ریڈی میڈ گارمنٹس میں 15.9 فیصد کا متاثر کن اضافہ ہوا اور ان کی برآمد 4.1 بلین امریکی ڈالر پہنچ گئی۔ تاہم اس سیکٹر میں بنیادی ڈھانچے کی کمزوریاں برقرار ہیں، جس سے خام مال کی بنیاد پر تیار ہونے والی بعض اہم مصنوعات کی برآمد میں کمی آئی، سوئی دھاگے میں 28.8 سے فیصد کمی آئی، جب کہ سوئی کپڑا پچھلے سال کے مقابلے میں 3.1 فیصد نیچے آگیا۔ اس کے برعکس، کم کاشت، ناموافق موسم اور کیڑوں کے مسائل کی وجہ سے کپاس کی پیداوار سال کی بنیاد پر 34.2 فیصد کم ہو کر 5.5 بلین گاندرہ گئی۔

## مالی اور کاروباری کارکردگی غیر مربوط:

انٹروپ اس سال کے دوران منافع بخش رہی، مشکل کاروباری ماحول میں ترقی کے راستے پر سفر جاری رکھا۔ مالی سال 2025 میں خالص سیلز 173,382 ملین پاکستانی روپے رہیں، جو مالی سال 2024 میں 156,129 ملین پاکستانی روپے کے مقابلے میں 11% اضافہ ظاہر کرتی ہیں۔ تاہم، ایپریل کے توسیع منصوبے کے (ramp up)، لاگت میں اضافے کے اخراجات میں اضافہ، افراط زر کے مستقل دباؤ، عالمی اور ملکی ناموافق معاشی حالات کی وجہ سے مجموعی منافع میں 19% گراؤ آئی، جو پچھلے سال 43,544 ملین پاکستانی روپے سے کم ہو کر اس سال 35,171 ملین پاکستانی روپے رہ گیا۔ مجموعی مارجنز میں اس کی اور اس کے ساتھ زیادہ آپریٹنگ اور ہیڈز کی لاگت میں اضافہ، آپریٹنگ منافع میں 34% کمی کا باعث بنے، جو مالی سال 2024 میں 27,933 ملین پاکستانی روپے کے مقابلے میں کم ہو کر 18,320 ملین پاکستانی روپے ہو گیا۔

مزید دباؤ اضافی مالی چارجز سے پیدا ہوا، جس کی بنیادی وجہ توسیعی منصوبوں پر اخراجات اور کاروباری سرمائے کی زیادہ ضروریات تھیں۔ NTR Tax Regime میں منتقلی کی وجہ سے کمپنی کا ٹیکس میں تقریباً 67% اضافہ ہو گیا۔ ان محرکات کی وجہ سے مجموعی خالص منافع میں 66% کمی ہوئی جو مالی سال 2024 میں 15,771 ملین پاکستانی روپے سے کم ہو کر 5,377 ملین پاکستانی روپے ہو گیا۔ نی شیئر آمدنی (بنیادی اور تحلیل شدہ) گزشتہ سال 11.25 پاکستانی روپے سے کم ہو کر اس سال 3.84 پاکستانی روپے پر آگئی۔



# STATEMENT OF COMPLIANCE

## LISTED COMPANIES (CODE OF CORPORATE GOVERNANCE) REGULATIONS, 2019

Name of Company: Interloop Limited  
Year Ended: June 30, 2025

Interloop Limited (the "Company") has complied with the requirements of the Listed Companies (Code of Corporate Governance) Regulations, 2019 (the "Regulations") for the year ended June 30, 2025 in the following manner:

1. The total number of Directors are Nine (9) as per the following:
  - a) Male: Five (5)
  - b) Female: Four (4)
2. The composition of Board is as follows:

CATEGORY	NAMES
Independent Directors including Female Directors	Farwa Hasnain
	Fatima Asad Khan
	Romana Abdullah
	Tariq Iqbal Khan
Non-Executive Directors	Musadaq Zulqarnain
	Jahan Zeb Khan Bant
Executive Directors including Female Director	Navid Fazil
	Muhammad Maqsood
	Faryal Sadiq

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 Chairperson of the Board and, in his absence, by a Director elected by the Board for this purpose. The Board has complied with the requirements of Act and the Regulations with respect to frequency, recording and circulating minutes of meeting of the Board;
8. The Board has a formal policy and transparent procedures for remuneration of Directors, in accordance with the Act and the Regulations;
9. All the Directors are either exempt or have acquired the prescribed certification under Directors' Training Program (DTP) specified and approved by the Commission. Supplemental to that, the Code encourages to arrange trainings for female executives and the head of the department. Accordingly, the DTP certification for one of our female senior executive/head of department has been completed.

10. The Board has approved the appointment of the Chief Financial Officer, Company Secretary, and Head of Internal Audit, including their remuneration and terms and conditions of employment and complied with the relevant requirements of the Regulations;
11. Chief Financial Officer and Chief Executive Officer duly endorsed the financial statements before approval of the Board;
12. The Board has formed its Board committees comprising of members given below:

#### **A) AUDIT COMMITTEE**

1	Tariq Iqbal Khan	Chairperson
2	Farwa Hasnain	Member
3	Romana Abdullah	Member
4	Jahan Zeb Khan Banth	Member

#### **B) HUMAN RESOURCE AND REMUNERATION COMMITTEE**

1	Fatima Asad Khan	Chairperson
2	Navid Fazil	Member
3	Farwa Hasnain	Member
4	Faryal Sadiq	Member
5	Jahan Zeb Khan Banth	Member

#### **C) NOMINATION COMMITTEE**

1	Musadaq Zulqarnain	Chairperson
2	Navid Fazil	Member
3	Muhammad Maqsood	Member

#### **D) RISK MANAGEMENT COMMITTEE**

1	Tariq Iqbal Khan	Chairperson
2	Muhammad Maqsood	Member
3	Fatima Asad Khan	Member
4	Romana Abdullah	Member

#### **E) ENVIRONMENTAL, SOCIAL & GOVERNANCE COMMITTEE**

1	Navid Fazil	Chairperson
2	Farwa Hasnain	Member
3	Faryal Sadiq	Member

13. The terms of reference of the aforesaid committees have been formed, documented and advised to the committees for compliance;
14. The frequency of meetings (quarterly/half yearly/yearly) of the committees were as per following;

	Committee	Frequency	Meetings during FY 2025
a)	Audit Committee	Quarterly and on requirement basis	10
b)	Human Resource and Remuneration Committee	Annually/On requirement basis	3
c)	Nomination Committee	On requirement basis	1
d)	Risk Management Committee	On requirement basis	3
e)	Environmental, Social & Governance Committee	On requirement basis	1

15. The Board has set up an effective Internal Audit function which comprises of professionals suitably qualified and experienced for the purpose and are conversant with the policies and procedures of the Company;
16. The statutory auditors of the Company have confirmed that they have been given a satisfactory rating under the Quality Control Review program of the Institute of Chartered Accountants of Pakistan and registered with Audit Oversight Board of Pakistan, that they and all their partners are in compliance with International Federation of Accountants (IFAC) guidelines on code of ethics as adopted by the Institute of Chartered Accountants of Pakistan and that they and the partners of the firm involved in the audit are not a close relative (spouse, parent, dependent and non-dependent children) of the Chief Executive Officer, Chief Financial Officer, Head of Internal Audit, Company Secretary or Director of the Company;
17. The statutory auditors or the persons associated with them have not been appointed to provide other services except in accordance with the Act, 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.



**NAVID FAZIL**

Chief Executive Officer



**JAHAN ZEB KHAN BANTH**

Director

**Faisalabad**

**September 10, 2025**

# INDEPENDENT AUDITORS' REVIEW REPORT TO THE MEMBERS ON STATEMENT OF COMPLIANCE

## **Review Report on the Statement of Compliance Contained In Listed Companies (Code of Corporate Governance) Regulations, 2019**

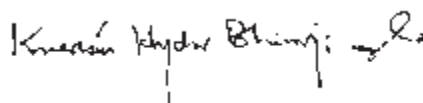
We have reviewed the enclosed Statement of Compliance with the Listed Companies (Code of Corporate Governance) Regulation, 2019 (the Regulations) prepared by the Board of Directors of Interloop Limited (the Company) for the year ended June 30, 2025, in accordance with the requirements of regulation 36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

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

As a part of our audit of the financial statements we are required to obtain an understanding of the accounting and internal control system 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 recommendations 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 June 30, 2025.



**Date: September 10, 2025**

**Place: Faisalabad**

**UDIN: CR202510475K9SI6V8NU**

**KRESTON HYDER BHIMJI & CO.  
CHARTERED ACCOUNTANTS**

Engagement Partner: Syed Aftab Hameed



***Laser Application | ILP Denim Plant***





# **RISK MANAGEMENT**

**FULL FAMILY CLOTHING  
PARTNER OF CHOICE**



# RISK MANAGEMENT

Risk Management encompasses identification, evaluation, controlling and reporting of risk factors that form part of Interloop Limited's processes and systems. Interloop understands that effective Risk Management means controlling future outcomes as much as possible by acting proactively rather than reactively and therefore, reducing both the possibility of occurrence of a risk and its potential impact.

# RISK GOVERNANCE

The Board of Directors approves and periodically reviews the Risk Management Policy. It provides oversight to ensure that the policies, processes, and systems are implemented effectively at all decision making levels. The Risk Management Committee (RMC) assists the Board in development and monitoring the Risk Management framework. RMC is also responsible for reviewing strategic and operational controls and ensuring robust mitigation measures. The Risk Management Policy adopts the three lines of defense model, and clarifies roles among the Board, RMC and Senior Management, including the Risk Management Department.

The Board has set up a dedicated Risk Management Department (RMD) for effective implementation of Risk Management Policy, Risks & Mitigation Strategies and associated framework. RMD is responsible for providing support and monitoring for the development, implementation, and continuous improvement of risk management practices including internal controls at all levels. It also collaborates with other departments to identify and evaluate risks related to their areas and devise suitable mitigating strategies. In addition, RMD also promotes the risk and responsible culture across ILP where risk can be identified and mitigated, effectively.

# RISK MITIGATION

The Management, in collaboration with Risk Management Department, carries out an in-depth analysis of the major risks faced by the company business that could threaten the business model, future performance, solvency or liquidity of the company. Risks are identified along with the nature of their impact and likelihood of occurrence, and mitigation strategies are deployed to manage these risks.

# INADEQUACY IN THE CAPITAL STRUCTURE & PLANS TO ADDRESS SUCH INADEQUACY

The Company manages its capital structure in the context of economic conditions and the risk characteristics of the underlying assets. For further details, related to the Company's capital risk management, please refer to note in the financial statement.

## LIQUIDITY RISK STRATEGY

### LIQUIDITY AND CASH FLOW MANAGEMENT STRATEGY

The Company is diligently managing its cash flow stream and has thoughtfully crafted its portfolio of investment and borrowing. Management meticulously reviews key financial ratios and adjusts the Company's strategy to maintain financial discipline. Additionally, the Company maintains adequate reserves along with sufficient funded lines from financial institutions.

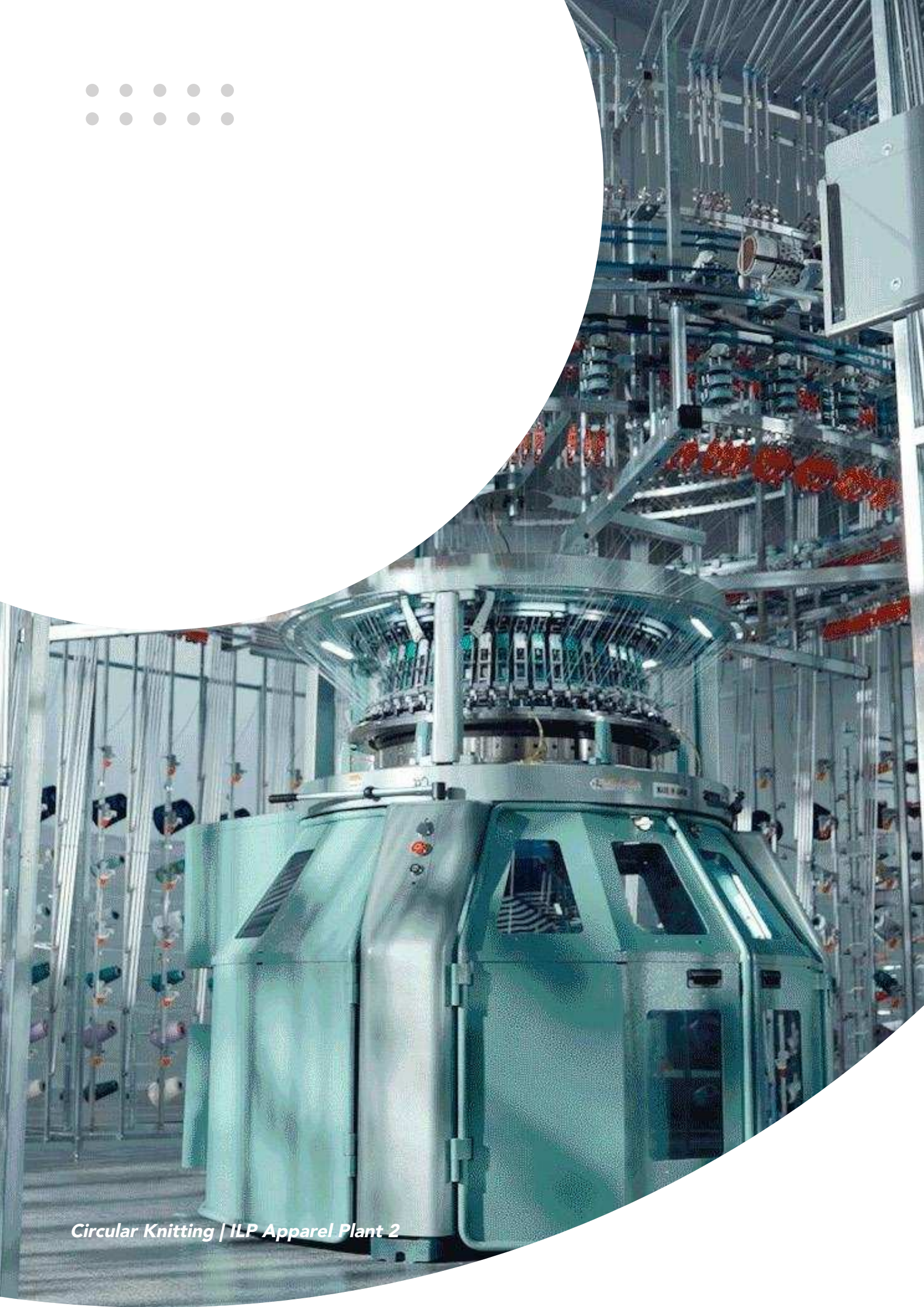
### LIQUIDITY GENERATION

Liquidity generation is ensured through internal cash flows derived from revenues and income from deposits or short-term investments. Customer receipts are effectively managed through optimized credit control. The Management closely monitors operating cash flow requirements using effective forecasting techniques and regularly evaluates planned versus actual results, taking corrective measures as needed. Furthermore, before opting for external financing, the Company conducts in-depth cash flow forecasting and evaluates optimal returns, ensuring an optimal weighted average cost of capital and minimizing reliance on external sources.

### INVESTMENTS AND PLACEMENT OF FUNDS

The Company has strategically diversified its portfolio overtime to maintain maximum returns while taking prudent levels of risks and exposure. The Company prefers premium credit-rated institutions for investment and placement of funds to minimize liquidity and credit risk, and profitable returns are ensured by investments in the money-market / government securities, term deposits with banks / financial institutions, and any other investment schemes to enhance profitability and increase shareholders' return. Further liquidity risk-related information is given in the financial statement.





*Circular Knitting | ILP Apparel Plant 2*





# **PERFORMANCE & POSITION**

**FULL FAMILY CLOTHING  
PARTNER OF CHOICE**





# KEY FINANCIAL HIGHLIGHTS

PARTICULARS		2025	2024	2023	2022	2021	2020
<b>PROFITABILITY RATIOS</b>							
Gross Profit Margin	%	20.29	27.89	33.45	28.68	25.86	21.66
Net Profit Margin	%	3.10	10.10	16.92	13.60	11.45	4.95
Return on Equity	%	9.74	29.46	46.05	41.28	30.67	10.40
<b>LIQUIDITY RATIOS</b>							
Current Ratio	Times	1.17	1.14	1.14	1.30	1.22	1.14
Quick/Acid Test Ratio	Times	0.80	0.72	0.75	0.77	0.77	0.59
<b>INVESTMENT/MARKET RATIOS</b>							
Earnings per share - basic & diluted	Rs	3.84	11.25	14.39	8.82	4.49	1.28
Dividend Yield Ratio	%	1.48	6.35	14.18	6.56	3.57	4.55
Cash dividend per share - declared	Rs	1.00	4.50	5.00	4.00	2.50	2.00
Market Price - at year end	Rs	67.76	70.83	35.26	61.00	70.03	43.92
Break up value per share	Rs	39.40	38.19	31.26	33.33	23.52	19.81
<b>CAPITAL STRUCTURE</b>							
Gearing Ratio	%	62.19	56.25	57.57	63.12	59.62	55.53
Interest Cover	Times	1.98	2.85	5.20	7.16	8.29	3.15
Operating Cycle	Days	131.44	127.33	156.20	151.97	135.56	144.66

# LAST SIX YEARS STATEMENT OF FINANCIAL POSITION

PARTICULARS	2025	2024	2023	2022	2021	2020
Rupees in '000						
<b>ASSETS</b>						
<b>Non Current Assets</b>						
Property, plant and equipment	82,102,936	67,804,680	58,650,853	34,730,382	26,193,029	22,744,239
Intangible Asset	485,395	454,557	394,618	227,457	209,623	171,459
Long term investments	1,727,763	1,727,763	–	–	–	1,853,735
Long term loans	198,075	176,873	147,858	179,626	144,673	113,823
Long term deposits	95,481	89,451	81,701	86,955	60,478	38,337
Deferred taxation – net	–	350,141	–	–	–	–
<b>Total non current assets</b>	<b>84,609,650</b>	<b>70,603,465</b>	<b>59,275,030</b>	<b>35,224,420</b>	<b>26,607,803</b>	<b>24,921,593</b>
<b>Current Assets</b>						
Stores and spares	3,476,263	3,184,425	2,490,975	1,866,417	1,199,116	1,062,524
Stock in trade	25,735,469	26,360,852	19,728,810	23,142,048	11,276,308	8,810,625
Trade debts	48,314,852	41,193,604	34,138,665	28,603,965	15,052,940	7,207,391
Loan and advances	1,897,224	1,924,171	2,112,755	1,633,562	1,034,836	485,930
Deposit, prepayment and other receivables	296,554	347,722	671,874	998,491	318,708	193,182
Derivative financial instruments	–	59,248	21,672	–	–	–
Accrued Income	877	1,497	1,623	4,570	2,131	2,239
Refunds due from Government and statutory authorities	11,538,248	7,128,807	4,758,814	4,224,938	4,328,555	2,408,014
Short term investments	500,000	500,000	500,000	500,000	500,000	125,044
Cash and bank balances	357,519	370,386	1,544,502	117,119	374,442	150,787
<b>Total current assets</b>	<b>92,117,006</b>	<b>81,070,712</b>	<b>65,969,690</b>	<b>61,091,110</b>	<b>34,087,036</b>	<b>20,445,736</b>
<b>Total Assets</b>	<b>176,726,656</b>	<b>151,674,177</b>	<b>125,244,720</b>	<b>96,315,530</b>	<b>60,694,839</b>	<b>45,367,329</b>
<b>EQUITY &amp; LIABILITIES</b>						
<b>Equity</b>						
Issued, subscribed and paid up capital	14,017,095	14,017,095	14,014,469	8,983,635	8,721,975	8,721,975
Reserves	3,158,734	3,158,734	3,150,573	3,528,149	3,791,602	3,791,602
Unappropriated profit	38,047,206	36,356,646	26,641,364	17,428,486	8,001,035	4,766,115
<b>Total equity</b>	<b>55,223,035</b>	<b>53,532,475</b>	<b>43,806,406</b>	<b>29,940,270</b>	<b>20,514,612</b>	<b>17,279,692</b>
<b>Non current liabilities</b>						
Long term financing	28,593,987	16,194,813	15,348,901	14,396,116	8,213,978	6,861,130
Lease liabilities	166,688	190,965	57,011	93,973	152,969	102,158
Deferred liabilities	14,323,587	10,786,348	7,999,204	5,048,654	3,816,001	3,140,682
<b>Total non current liabilities</b>	<b>43,084,262</b>	<b>27,172,126</b>	<b>23,405,116</b>	<b>19,538,743</b>	<b>12,182,948</b>	<b>10,103,970</b>
<b>Current liabilities</b>						
Trade and other payables	15,033,780	15,536,209	12,003,908	9,084,790	5,551,641	3,031,231
Unclaimed dividend	3,112	3,077	4,074	3,006	4,004	2,952
Accrued mark up	1,022,132	2,689,232	1,830,013	702,689	221,674	191,136
Short term borrowings	59,829,892	49,903,571	42,148,912	35,007,908	19,636,066	14,354,861
Derivative financial instruments	13,056	–	–	94,154	33,074	–
Current portion of non current liabilities	2,517,387	2,837,487	2,046,291	1,943,970	2,550,820	403,487
<b>Total current liabilities</b>	<b>78,419,359</b>	<b>70,969,576</b>	<b>58,033,198</b>	<b>46,836,517</b>	<b>27,997,279</b>	<b>17,983,667</b>
<b>Total equity and liabilities</b>	<b>176,726,656</b>	<b>151,674,177</b>	<b>125,244,720</b>	<b>96,315,530</b>	<b>60,694,839</b>	<b>45,367,329</b>

# HORIZONTAL ANALYSIS

## ON STATEMENT OF FINANCIAL POSITION

PARTICULARS	2025 vs 2024	2024 vs 2023	2023 vs 2022	2022 vs 2021	2021 vs 2020	2020 vs 2019
Percentage						
ASSETS						
Non Current Assets						
Property, plant and equipment	21%	16%	69%	33%	15%	25%
Intangible Asset	7%	15%	73%	9%	22%	159%
Long term investments	0%	100%	0%	0%	-100%	84%
Long term loans	12%	20%	-18%	24%	27%	73%
Long term deposits	7%	9%	-6%	44%	58%	37%
Deferred taxation - net	-100%	100%	0%	0%	0%	0%
Total non current assets	20%	19%	68%	32%	7%	28%
Current Assets						
Stores and spares	9%	28%	33%	56%	13%	20%
Stock in trade	-2%	34%	-15%	105%	28%	40%
Trade debts	17%	21%	19%	90%	109%	-13%
Loan and advances	-1%	-9%	29%	58%	113%	-54%
Deposit, prepayment and other receivables	-15%	-48%	-33%	213%	65%	-1%
Derivative financial instruments	-100%	173%	100%	-	-	-
Accrued Income	-41%	-8%	-64%	114%	-5%	-79%
Refunds due from Government and statutory authorities	62%	50%	13%	-2%	80%	25%
Short term investments	0%	0%	0%	0%	300%	-90%
Cash and bank balances	-3%	-76%	1219%	-69%	148%	-90%
Total current assets	14%	23%	8%	79%	67%	-4%
Total Assets	17%	21%	30%	59%	34%	11%
EQUITY & LIABILITIES						
Equity						
Issued, subscribed and paid up capital	0%	0%	56%	3%	0%	0%
Reserves	0%	0%	-11%	-7%	0%	0%
Unappropriated profit	5%	36%	53%	118%	68%	-11%
Total equity	3%	22%	46%	46%	19%	-3%
Non current liabilities						
Long term financing	77%	6%	7%	75%	20%	89%
Lease liabilities	-13%	235%	-39%	-39%	50%	100%
Deferred liabilities	33%	35%	58%	32%	22%	27%
Total non current liabilities	59%	16%	20%	60%	21%	65%
Current liabilities						
Trade and other payables	-3%	29%	32%	64%	83%	-15%
Unclaimed dividend	1%	-24%	36%	-25%	36%	-98%
Accrued mark up	-62%	47%	160%	217%	16%	73%
Short term borrowings	20%	18%	20%	78%	37%	22%
Derivative financial instruments	100%	0%	-100%	185%	100%	0%
Current portion of non current liabilities	-11%	39%	5%	-24%	532%	-68%
Total current liabilities	10%	22%	24%	67%	56%	7%
Total equity and liabilities	17%	21%	30%	59%	34%	11%

# VERTICAL ANALYSIS ON STATEMENT OF FINANCIAL POSITION

PARTICULARS	2025	2024	2023	2022	2021	2020
	Percentage					
ASSETS						
Non Current Assets						
Property, plant and equipment	47%	45%	47%	36%	43%	50%
Intangible Asset	0%	0%	0%	0%	0%	0%
Long term investments	1%	1%	0%	0%	0%	4%
Long term loans	0%	0%	0%	0%	0%	0%
Long term deposits	0%	0%	0%	0%	0%	0%
Deferred taxation - net	0%	0%				
Total non current assets	48%	47%	47%	36%	43%	54%
Current Assets						
Stores and spares	2%	2%	2%	2%	2%	2%
Stock in trade	15%	17%	16%	24%	19%	19%
Trade debts	27%	27%	27%	30%	25%	16%
Loan and advances	1%	1%	2%	2%	2%	1%
Deposit, prepayment and other receivables	0%	0%	1%	1%	0%	1%
Derivative financial instruments	0%	0%	0%	-	-	-
Accrued Income	0%	0%	0%	0%	0%	0%
Refunds due from Government and statutory authorities	7%	5%	4%	4%	7%	5%
Short term investments	0%	0%	0%	1%	1%	1%
Cash and bank balances	0%	0%	1%	0%	1%	1%
Total current assets	52%	53%	53%	64%	57%	46%
Total Assets	100%	100%	100%	100%	100%	100%
EQUITY & LIABILITIES						
Equity						
Issued, subscribed and paid up capital	8%	9%	11%	9%	14%	19%
Reserves	2%	2%	3%	4%	6%	8%
Unappropriated profit	22%	24%	21%	18%	13%	11%
Total equity	32%	35%	35%	31%	33%	38%
Non current liabilities						
Long term financing	16%	11%	12%	15%	14%	15%
Lease liabilities	0%	0%	0%	0%	0%	0%
Deferred liabilities	8%	7%	6%	6%	7%	7%
Total non current liabilities	24%	18%	18%	21%	21%	22%
Current liabilities						
Trade and other payables	9%	10%	10%	9%	9%	7%
Unclaimed dividend	0%	0%	0%	0%	0%	0%
Accrued mark up	1%	2%	2%	1%	1%	0%
Short term borrowings	34%	33%	34%	36%	32%	32%
Derivative financial instruments	0%	0%	0%	0%	0%	0%
Current portion of non current liabilities	1%	2%	2%	2%	4%	1%
Total current liabilities	44%	47%	47%	48%	46%	40%
Total equity and liabilities	100%	100%	100%	100%	100%	100%

# LAST SIX YEARS STATEMENT OF PROFIT OR LOSS

PARTICULARS	2025	2024	2023	2022	2021	2020
	Rupees in '000					
Sales	173,381,533	156,128,865	119,200,293	90,894,049	54,962,265	36,302,794
<b>Gross Profit</b>	<b>35,171,086</b>	<b>43,544,183</b>	<b>39,872,372</b>	<b>26,066,169</b>	<b>14,212,280</b>	<b>7,863,718</b>
Operating expenses	(16,851,161)	(15,611,680)	(12,760,981)	(10,149,751)	(6,192,379)	(4,610,725)
<b>Profit from operations</b>	<b>18,319,925</b>	<b>27,932,503</b>	<b>27,111,391</b>	<b>15,916,418</b>	<b>8,019,901</b>	<b>3,252,993</b>
Finance cost	(9,533,364)	(10,125,154)	(5,527,536)	(2,492,950)	(1,147,038)	(1,137,162)
<b>Profit before taxation</b>	<b>8,786,561</b>	<b>17,807,349</b>	<b>21,583,855</b>	<b>13,423,468</b>	<b>6,872,863</b>	<b>2,115,831</b>
Taxation	(3,409,962)	(2,036,082)	(1,412,009)	(1,063,972)	(581,292)	(319,428)
<b>Profit for the year</b>	<b>5,376,599</b>	<b>15,771,267</b>	<b>20,171,846</b>	<b>12,359,496</b>	<b>6,291,571</b>	<b>1,796,403</b>

## HORIZONTAL ANALYSIS ON STATEMENT OF PROFIT OR LOSS

PARTICULARS	2025 vs 2024	2024 vs 2023	2023 vs 2022	2022 vs 2021	2021 vs 2020	2020 vs 2019
	Percentage					
Sales	11%	31%	31%	65%	51%	-3%
<b>Gross Profit</b>	<b>-19%</b>	<b>9%</b>	<b>53%</b>	<b>83%</b>	<b>81%</b>	<b>-34%</b>
Operating expenses	8%	22%	26%	64%	34%	-17%
<b>Profit from operations</b>	<b>-34%</b>	<b>3%</b>	<b>70%</b>	<b>98%</b>	<b>147%</b>	<b>-49%</b>
Finance cost	-6%	83%	122%	117%	1%	14%
<b>Profit before taxation</b>	<b>-51%</b>	<b>-17%</b>	<b>61%</b>	<b>95%</b>	<b>225%</b>	<b>-61%</b>
Taxation	67%	44%	33%	83%	82%	41%
<b>Profit for the year</b>	<b>-66%</b>	<b>-22%</b>	<b>63%</b>	<b>96%</b>	<b>250%</b>	<b>-65%</b>



# VERTICAL ANALYSIS ON STATEMENT OF PROFIT OR LOSS

PARTICULARS	2025	2024	2023	2022	2021	2020
	Percentage					
Sales	100%	100%	100%	100%	100%	100%
<b>Gross Profit</b>	20.29%	27.89%	33.45%	28.68%	25.86%	21.66%
Operating expenses	-9.72%	-10.00%	-10.71%	-11.17%	-11.27%	-12.70%
<b>Profit from operations</b>	10.57%	17.89%	22.74%	17.51%	14.59%	8.96%
Finance cost	-5.50%	-6.49%	-4.64%	-2.74%	-2.09%	-3.13%
<b>Profit before taxation</b>	5.07%	11.41%	18.11%	14.77%	12.50%	5.83%
Taxation	-1.97%	-1.30%	-1.18%	-1.17%	-1.06%	-0.88%
<b>Profit for the year</b>	3.10%	10.10%	16.92%	13.60%	11.45%	4.95%

# LAST SIX YEARS STATEMENT OF CASH FLOWS

PARTICULARS	2025	2024	2023	2022	2021	2020
	Rupees in '000					
Cash Flows from Operating Activities	2,943,678	10,319,560	25,358,188	(7,205,843)	(707,684)	2,602,454
Cash Flows from Investing Activities	(21,312,377)	(15,090,977)	(27,349,129)	(11,390,899)	(4,618,250)	(7,283,840)
Cash Flows from Financing Activities	18,350,048	3,637,503	3,418,324	18,339,419	5,413,852	2,477,398
<b>Net (decrease) / increase in cash and cash equivalents</b>	(18,651)	(1,133,914)	1,427,383	(257,323)	87,918	(2,203,988)



*Students / Interloop - TCF School, Faisalabad*



# **SUSTAINABILITY & CORPORATE SOCIAL RESPONSIBILITY**

**FULL FAMILY CLOTHING  
PARTNER OF CHOICE**

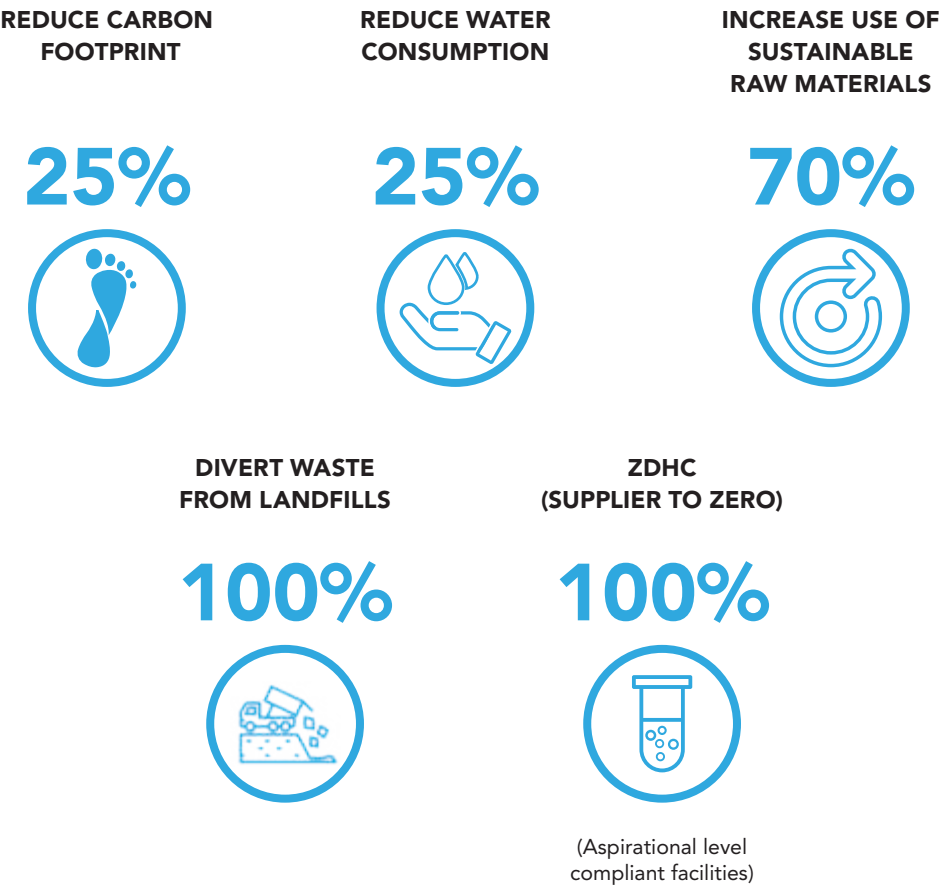


# PLANET

## ENVIRONMENT & SOCIAL GOAL 2025-26

Lead the way in responsible manufacturing meeting the highest standards of environmental and social performance.

### ENVIRONMENTAL TARGETS 2025-26



### ACHIVEMENTS VS TARGETS 2025

IMPACT AREAS	TARGETS	ACHIEVEMENTS
GHG EMISSIONS (KG CO <sub>2</sub> /KG)	-20%	-21.17%
WATER (Liters/KG)	-20%	-19.67%
SUSTAINABLE MATERIAL (% of total Material Procured)	70%	63%
SOLID WASTE (Diversion from Landfills)	90%	90%
CHEMICAL MANAGEMENT	ZDHC (Supplier to Zero) (Progressive level compliant facilities)	Achieved

# PEOPLE

## PEOPLE GOAL 2025-26

Building a diverse, inclusive, and engaged workforce creating a high-performing organization.

### PEOPLE TARGETS 2025-26

**INCREASE WORKFORCE DIVERSITY**



**BOOST EMPLOYEE ENGAGEMENT**



**TRAIN WORKFORCE ON RELEVANT AND FUTURE COMPETENCIES**



### ACHIVEMENTS VS TARGETS 2025

IMPACT AREAS		TARGETS	ACHIEVEMENTS	REMARKS
WORKFORCE DIVERSITY		15%	11.3%	Women Ratio
EMPLOYEE ENGAGEMENT		65%	64.8%	
WORKFORCE TRAININGS	Events / Sessions	63	69	For Executives Only
	Man Hours	22,671	26,594	For Executives Only
	IDPs	560	336	It is based on Formal / Blended Learning and Coaching & Mentoring

### HIGHLIGHTS

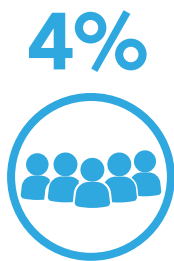
DOMAIN	AREA	DETAIL
People & Leadership Development	Elevate Leadership Competencies (ELCs)	The Elevate Leadership Competencies (ELCs) framework is designed to nurture inclusive, value-driven leaders by providing tools, knowledge, and experiences that link individual aspirations with business needs, accelerate career growth, and identify high-potential talent for future leadership roles. By aligning leadership behaviors with Interloop's ICARE values, ELCs drive collaboration, engagement, and inclusion across the organization. Integrated into core HR processes, the framework strengthens the leadership pipeline and embeds leadership as part of Interloop's DNA. In 2025, an awareness campaign was launched through HOD onboarding, Change Navigators, interactive sessions, and sustained reinforcement, ensuring resilient teams, sustainable growth, and a thriving organizational culture that empowers people to shape the company's future.



# COMMUNITY

## SOCIAL TARGETS 2025-26

INVEST IN  
COMMUNITY WELL-BEING



## ACHIVEMENTS VS TARGETS 2025

IMPACT AREA	TARGET	ACHIEVEMENT	INITIATIVES
INVEST % OF PROFIT IN COMMUNITY WELL-BEING	4%	2.33%	<ul style="list-style-type: none"><li>Affordable, equitable quality education for 5,700+* children through sponsorship of 36 TCF schools, including 3 higher secondary schools for girls; 3 new schools under construction</li><li>833+* higher education scholarships awarded through the Interloop Scholarship Program across leading institutions, including 566+ for women at GCWUF</li><li>Equal access to education and rehabilitation for 2,000+* children with special abilities</li><li>Free nutritious meals daily for 2,127+* students across 14 schools in Faisalabad &amp; Lahore under the School Khana Program</li><li>Support for 30 children with autism at the Faisalabad Autism Unit, with an enhancement plan for the future</li><li>Partnered with the Academic Leaders Innovation Forum to support ECO Schools, embedding sustainability in education through training, mentorship, and youth-led action</li><li>Free and quality healthcare services for 200,000+* deserving patients; also established a new Operation Theatre at Mujahid Hospital, Faisalabad</li><li>Partnered with Karachi Down Syndrome Program to establish its Faisalabad Chapter, providing early intervention and family support for children with Down syndrome</li><li>Grassroots sports initiatives benefiting 6,000+* local talent; provided sports facilities and equipment to a Government Girls School in Faisalabad</li><li>Supported the Karishma Ali Foundation to empower 1,000* young girls in marginalized regions through sports, leadership, and climate advocacy</li><li>Supported the 4th Wheelchair T20 Cup, Pakistan's premier inclusive cricket tournament, promoting talent, resilience, and unity</li><li>Independent mobility for 2,347+* women through the Women on Wheels program with motorbike training, safety workshops, and subsidized bikes</li><li>Partnered with ConnectHear to advance accessibility for the deaf community through sign language training, app-based support, career guidance, and inclusive hiring</li></ul>

\* Approximate Figure

# PROSPERITY

## ECONOMIC PERFORMANCE

PARTICULARS		FY 2025 PKR MILLION	FY 2024 PKR MILLION
DIRECT ECONOMIC VALUE GENERATED			
Revenue	a	175,600	157,583
DIRECT ECONOMIC VALUE DISTRIBUTED			
Operating Cost	b	111,570	92,679
Employee Wages/Benefits	c	41,408	34,041
Payment to Providers of Capital	d	10,908	16,402
Payment to Government	e	7,795	4,824
Investments in Community	f	125	633
ECONOMIC VALUE RETAINED	g=a-b-c-d-e-f	3,793	9,005

# CERTIFICATIONS

Interloop supports multiple environmental and social initiatives to ensure sustainability in the supply chain and the betterment of communities.

## ENVIRONMENTAL CERTIFICATIONS



\* Hosiery Plant 4,5 & 6 \*\* Denim & Apparel Plant 2 \*\*\* Hosiery Plant 2 \*\*\*\* Hosiery Plant 3 & Denim \*\*\*\*\* Spinning & Denim Plant \*\*\*\*\* Hosiery Plants & Spinning

## SOCIAL CERTIFICATIONS



## OTHERS



\* Hosiery Plant 1, 2 & IL Apparel Park

## CHEMICAL MANAGEMENT PORTALS



## COMMITMENTS & COLLABORATIONS



# MEMBERSHIPS





*Auto Screen Printing | ILP Apparel Plant 2*





# **FINANCIAL STATEMENTS**

**FULL FAMILY CLOTHING  
PARTNER OF CHOICE**



# UNCONSOLIDATED FINANCIAL STATEMENTS



# INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF INTERLOOP LIMITED

## Report on the Audit of Unconsolidated Financial Statements

### Opinion

We have audited the annexed unconsolidated financial statements of **Interloop Limited ("the Company")**, which comprise the unconsolidated statement of financial position as at June 30, 2025, the unconsolidated statement of profit or loss, the unconsolidated statement of comprehensive income, the unconsolidated statement of changes in equity, the unconsolidated statement of cash flows for the year then ended and notes to the unconsolidated financial statements comprising 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 purpose of the audit.

In our opinion and to the best of our information and according to the explanations given to us, the unconsolidated statement of financial position, the unconsolidated statement of profit or loss, the unconsolidated statement of comprehensive income, the unconsolidated statement of changes in equity and the unconsolidated 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 June 30, 2025 and of the profit, other comprehensive loss, 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 Auditors' Responsibilities for the Audit of the unconsolidated 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 unconsolidated financial statements of the current period. These matters were addressed in the context of our audit of the unconsolidated financial statements as a whole, and in forming our opinion thereon, we do not provide a separate opinion on these matters.

Following are the Key Audit Matter(s):

S. No	Key Audit Matter(s)	How the Matter was addressed in audit
1.	<b>Borrowings:</b> (Refer notes 23, 25.2 and 28 to the unconsolidated financial statements)	
	<p>The Company has significant amounts of borrowings from Banks amounting to Rs. 90.927 billion, being 74.83% of total liabilities, as at reporting date.</p> <p>Given the significant level of borrowings, finance costs, significant gearing, the disclosure given by the management in unconsolidated financial statements and compliance with various loan covenants, this is considered to be a key audit matter.</p>	<p>Our audit procedures included:</p> <ul style="list-style-type: none"> <li>Review of loan agreements and facility letters to ascertain the terms and conditions of repayment, rates of markup used and disclosed by management for finance costs and to ensure that the borrowings have been approved at appropriate levels.</li> <li>Verification of disbursement of loans and utilization on sample basis. Review of documents for charge registration with regulator - SECP.</li> <li>Verification of repayments made by the Company during the year on sample basis to confirm that repayments are being made on time and no default has been made.</li> </ul>

Office No.1, 2<sup>nd</sup> Floor, Legacy Tower, Kohinoor City, Faisalabad-Pakistan. Phone: + 92-41-8731632, 8731650

Email: hyderbhimjifsd@gmail.com Website: www.krestonhnb.com

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S. No	Key Audit Matter(s)	How the Matter was addressed in audit
		<ul style="list-style-type: none"> <li>Assessing procedures designed by management to comply with the debt covenants and performing covenant tests on sample basis.</li> <li>Obtaining direct confirmations from Banks of the Company to confirm balances, terms &amp; conditions stated in the facility offer letters and compliance thereof.</li> <li>Performing analytical procedures, recalculations and other related procedures for verification of finance costs.</li> <li>Ensuring that the outstanding liabilities have been properly classified and related securities and other terms are adequately disclosed in the unconsolidated financial statements.</li> </ul>
<b>2.</b>	<b>Capital expenditures:</b> (Refer notes 6 to the unconsolidated financial statements)	
	<p>The Company is investing significant amounts in its operations and there is a number of areas where management's judgment impacts the carrying value of property, plant and equipment and its respective depreciation profile. These include among others the decision to capitalize costs; and review of useful life of the assets.</p> <p>The Company's material accounting policy information on operating fixed assets and capital work in progress are disclosed in notes – 5.1 and 5.2 to the unconsolidated financial statements.</p> <p>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.</p>	<p>Our audit procedures in relation to capitalization of property, plant and equipment, amongst others include the following:</p> <ul style="list-style-type: none"> <li>Understanding the design and implementation of management controls over capitalization and performing tests of control over authorization of capital expenditure and accuracy of its recording in the system.</li> <li>Testing, on sample basis, the costs incurred on projects with supporting documents and contracts.</li> <li>Assessing the nature of costs incurred for capital projects through testing, on sample basis, of amounts recorded and considering whether the expenditure meets the criteria for capitalization as per the accounting policy and applicable accounting standards.</li> <li>Checked the reasonableness of management's assessment of categories of assets and working of reclassification in categories of assets including impact of reclassification on both cost of assets and accumulated depreciation in each category.</li> <li>Inspecting supporting documents for the date of capitalization when project was ready for its intended use to assess whether depreciation commenced and further capitalization of costs ceased from that date and assessing the useful life assigned by management including the calculation of related depreciation.</li> </ul>

S. No	Key Audit Matter(s)	How the Matter was addressed in audit
3.	<b>Inventory existence and valuation:</b> (Refer notes 11 and 12 to the unconsolidated financial statements)	
	<p>The Company has significant levels of inventories amounting to Rs. 29.212 billion as at the reporting date, being 16.53% of the total assets of the Company.</p> <p>There is a risk in estimating the eventual NRV of items held, as well as assessing which items may be slow-moving or obsolete.</p> <p>The Company's material accounting policy information on stores and spares and stock in trade are disclosed in notes – 5.6 and 5.7 to the unconsolidated financial statements.</p> <p>The significance of the balance coupled with the judgments and estimates involved on their valuation has resulted in the inventories being considered as a key audit matter.</p>	<p>Our audit procedures over existence and valuation of inventory include, but were not limited to:</p> <ul style="list-style-type: none"> <li>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;</li> <li>For a sample of inventory items, re-performed the weighted average cost calculation and compared the weighted average cost appearing on valuation sheets;</li> <li>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;</li> <li>On a sample basis, we tested the net realizable value of inventory items to recent selling prices and reperformed the calculation of the inventory write down, if any;</li> <li>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.</li> </ul>
4.	<b>Revenue recognition:</b> (Refer note 31 to the unconsolidated financial statements)	
	<p>We identified recognition of revenue of the Company as a key audit matter because revenue is one of the key performance indicators and gives rise to an inherent risk that revenue could be subject to misstatement to meet expectations or targets.</p> <p>The Company earns revenue from multiple business lines which operate as distinct business segments with significant volume of revenue transactions.</p> <p>Revenue is recorded in accordance with the requirements of IFRS-15 which provides a comprehensive model of revenue recognition and requires the Company to exercise judgement, taking into consideration all of the relevant facts and circumstances when applying the model to contracts with customers.</p> <p>The Company's material accounting policy information on revenue recognition is disclosed in notes – 5.19 to the unconsolidated financial statements.</p>	<p>We performed a range of audit procedures in relation to revenue including the following:</p> <ul style="list-style-type: none"> <li>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;</li> <li>We compared a sample of revenue transactions recorded during the year with sales orders, sales invoices, delivery documents and other relevant underlying documents;</li> <li>We performed analytical review procedures and other test of details over various revenue streams including the cut-off procedures to check that revenue has been recognized in the appropriate accounting period;</li> <li>We assessed the adequacy of the disclosures as per the guidelines set out in the applicable financial reporting requirements.</li> </ul>

### Information Other than the Unconsolidated Financial Statements and Auditors' 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 unconsolidated financial statements and auditors' report thereon.

Our opinion on the unconsolidated 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 unconsolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the unconsolidated 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 Unconsolidated Financial Statements

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

In preparing the unconsolidated 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.

The Board of Directors is responsible for overseeing the Company's financial reporting process.

### Auditors' Responsibilities for the Audit of the Unconsolidated financial statements

Our objectives are to obtain reasonable assurance about whether the unconsolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' 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 unconsolidated 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 unconsolidated 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 material accounting policy information used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the unconsolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the unconsolidated financial statements, including the disclosures, and whether the unconsolidated 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 to 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.

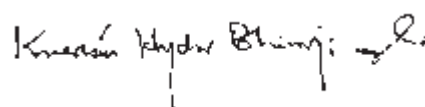
From the matters communicated with the Board of Directors, we determine those matters that were of most significance in the audit of the unconsolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation 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:

- proper books of account have been kept by the Company as required by the Companies Act, 2017 (XIX of 2017);
- the unconsolidated statement of financial position, the unconsolidated statement of profit or loss, the unconsolidated statement of comprehensive income, the unconsolidated statement of changes in equity and the unconsolidated 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;
- investments made, expenditure incurred and guarantees extended during the year were for the purpose of the Company's business; and
- zakat deductible at source under the Zakat and Ushr Ordinance, 1980 (XVIII of 1980), was deducted by the Company and deposited in the Central Zakat Fund established under section 7 of that Ordinance.

The engagement partner on the audit resulting in this independent auditors' report is Syed Aftab Hameed - FCA.



**Date: September 10, 2025**  
**Place: Faisalabad**  
**UDIN: AR202510475Ax21dGfHU**

**KRESTON HYDER BHIMJI & CO.**  
**CHARTERED ACCOUNTANTS**



# UNCONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at June 30, 2025

	Note	2025 (Rupees '000)	2024 (Rupees '000)
<b>ASSETS</b>			
<b>NON CURRENT ASSETS</b>			
Property, plant and equipment	6	82,102,936	67,804,680
Intangible assets	7	485,395	454,557
Long term investment	8	1,727,763	1,727,763
Long term loans	9	198,075	176,873
Long term deposits	10	95,481	89,451
Deferred taxation – net	25.3	–	350,141
		84,609,650	70,603,465
<b>CURRENT ASSETS</b>			
Stores and spares	11	3,476,263	3,184,425
Stock in trade	12	25,735,469	26,360,852
Trade debts	13	48,314,852	41,193,604
Loans and advances	14	1,897,224	1,924,171
Deposit, prepayments and other receivables	15	296,554	347,722
Derivative financial instruments		–	59,248
Accrued income	16	877	1,497
Refunds due from Government and statutory authorities	17	11,538,248	7,128,807
Short term investments	18	500,000	500,000
Cash and bank balances	19	357,519	370,386
		92,117,006	81,070,712
<b>TOTAL ASSETS</b>		<b>176,726,656</b>	<b>151,674,177</b>
<b>EQUITY AND LIABILITIES</b>			
<b>SHARE CAPITAL AND RESERVES</b>			
Authorized share capital	20	50,000,000	50,000,000
Issued, subscribed and paid up share capital	21	14,017,095	14,017,095
Reserve	22	3,158,734	3,158,734
Unappropriated profit		38,047,206	36,356,646
		55,223,035	53,532,475
<b>NON CURRENT LIABILITIES</b>			
Long term financing	23	28,593,987	16,194,813
Lease liabilities	24	166,688	190,965
Deferred liabilities	25	14,323,587	10,786,348
		43,084,262	27,172,126
<b>CURRENT LIABILITIES</b>			
Trade and other payables	26	15,033,780	15,536,209
Unclaimed dividend		3,112	3,077
Derivative financial instruments		13,056	–
Accrued mark up	27	1,022,132	2,689,232
Short term borrowings	28	59,829,892	49,903,571
Current portion of non current liabilities	29	2,517,387	2,837,487
		78,419,359	70,969,576
<b>CONTINGENCIES AND COMMITMENTS</b>	30	–	–
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>176,726,656</b>	<b>151,674,177</b>

The annexed notes 1 to 52 form an integral part of these unconsolidated financial statements.

Chief Executive Officer

Director

Chief Financial Officer

# UNCONSOLIDATED STATEMENT OF PROFIT OR LOSS

For the year ended June 30, 2025

	Note	2025 (Rupees '000)	2024 (Rupees '000)
Sales – net	31	173,381,533	156,128,865
Cost of sales	32	(138,210,447)	(112,584,682)
<b>Gross profit</b>		<b>35,171,086</b>	<b>43,544,183</b>
<b>Operating expenses</b>			
Distribution cost	33	(6,682,333)	(5,627,791)
Administrative expenses	34	(9,620,445)	(8,582,768)
Other operating expenses	35	(948,128)	(2,041,452)
		(17,250,906)	(16,252,011)
Other income	36	399,745	640,331
<b>Profit from operations</b>		<b>18,319,925</b>	<b>27,932,503</b>
Finance cost	37	(9,533,364)	(10,125,154)
<b>Profit before income tax and levies</b>		<b>8,786,561</b>	<b>17,807,349</b>
Levies	38	21,568	(2,046,211)
<b>Profit before income tax</b>		<b>8,808,129</b>	<b>15,761,138</b>
Income tax	39	(3,431,530)	10,129
<b>Profit for the year</b>		<b>5,376,599</b>	<b>15,771,267</b>
<b>Earnings per share – basic and diluted (Rupees)</b>	40	<b>3.84</b>	<b>11.25</b>

The annexed notes 1 to 52 form an integral part of these unconsolidated financial statements.



Chief Executive Officer



Director



Chief Financial Officer

# UNCONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the year ended June 30, 2025

	Note	2025 (Rupees '000)	2024 (Rupees '000)
Profit for the year		5,376,599	15,771,267
Other comprehensive loss:			
Items that will not be reclassified subsequently to profit or loss:			
Actuarial loss on remeasurement of post retirement benefits obligations	25.1.4	(297,975)	(753,756)
Related effect of deferred tax		116,210	293,965
		(181,765)	(459,791)
<b>Total comprehensive income for the year</b>		<b>5,194,834</b>	<b>15,311,476</b>

The annexed notes 1 to 52 form an integral part of these unconsolidated financial statements.



Chief Executive Officer



Director



Chief Financial Officer

# UNCONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended June 30, 2025

	Share Capital	Capital Reserves		Revenue Reserve	Total
		Share Premium	Employee Share Option Compensation Reserve	Unappropriated Profit	
(Rupees '000)					
Balance as at July 01, 2023	14,014,469	3,143,605	6,968	26,641,364	43,806,406
Profit for the year	–	–	–	15,771,267	15,771,267
Other comprehensive loss	–	–	–	(459,791)	(459,791)
Total comprehensive income for the year	–	–	–	15,311,476	15,311,476
Transaction cost on issuance of bonus shares	–	(34)	–	–	(34)
Employee share option scheme (ESOS)	–	–	4,187	–	4,187
Forfeited share options	–	–	(10,119)	10,119	–
Transactions with owners:					
Shares issued under employee share option scheme	2,626	15,163	(1,036)	–	16,753
Final cash dividend @ Rs. 2 per share for the year ended June 30, 2023	–	–	–	(2,802,894)	(2,802,894)
Interim cash dividend @ Rs. 2 per share for the year ended June 30, 2024	–	–	–	(2,803,419)	(2,803,419)
Balance as at June 30, 2024	14,017,095	3,158,734	–	36,356,646	53,532,475
Profit for the year	–	–	–	5,376,599	5,376,599
Other comprehensive loss	–	–	–	(181,765)	(181,765)
Total comprehensive income for the year	–	–	–	5,194,834	5,194,834
Transactions with owners:					
Final cash dividend @ Rs. 2.5 per share for the year ended June 30, 2024	–	–	–	(3,504,274)	(3,504,274)
Balance as at June 30, 2025	14,017,095	3,158,734	–	38,047,206	55,223,035

The annexed notes 1 to 52 form an integral part of these unconsolidated financial statements.

Chief Executive Officer

Director

Chief Financial Officer

# UNCONSOLIDATED STATEMENT OF CASH FLOWS

For the year ended June 30, 2025

	Note	2025 (Rupees '000)	2024 (Rupees '000)
<b>a) CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Profit before income tax and levies		8,786,561	17,807,349
<b>Adjustments for:</b>			
Depreciation	6.1.2	6,838,364	4,320,377
Amortization	7.2	78,220	73,273
Depreciation on right of use assets	6.3.1	99,893	95,501
Workers' welfare fund	35	179,317	363,416
Workers' profit participation fund	35	463,465	943,788
Staff retirement gratuity	25.1.3	3,559,300	2,796,402
Employee share option compensation expense		–	4,187
Loss on disposal of non current assets	35.1	136,410	32,659
Exchange (gain)/loss – net	36 & 35	(3,698)	20,769
Provision for obsolete inventory	35	30,489	48,274
Realized gain on derivative financial instruments	36	(288,794)	(442,679)
Unrealized loss/(gain) on derivative financial instruments	35 & 36	13,056	(59,248)
Profit on term finance certificates (TFCs)	36	(84,058)	(118,072)
Dividend income	36	(22,927)	(19,794)
Finance cost	37	9,533,364	10,125,154
<b>Operating cash flows before working capital changes</b>		<b>29,318,962</b>	<b>35,991,356</b>
<b>Changes in working capital</b>			
<b>(Increase)/decrease in current assets</b>			
Stores and spares		(291,838)	(693,450)
Stock in trade		594,894	(6,680,316)
Trade debts		(7,121,248)	(7,054,939)
Loans and advances		127,428	210,345
Deposit, prepayments and other receivables		51,168	324,152
Refunds due from Government and statutory authorities		(3,031,534)	(2,190,538)
<b>(Decrease)/increase in current liabilities</b>			
Trade and other payables		(106,098)	3,351,956
		(9,777,228)	(12,732,790)
<b>Cash generated from operations</b>		<b>19,541,734</b>	<b>23,258,566</b>
Finance cost paid		(11,135,716)	(9,203,381)
Income tax paid		(3,775,633)	(2,271,714)
Staff retirement gratuity paid	25.1.1	(839,114)	(734,428)
Workers' profit participation fund paid	26.6	(975,836)	(1,154,741)
Workers' welfare fund paid	26.7	(90,000)	–
Long term loans paid		(121,683)	(50,776)
Long term deposits paid		(6,030)	(7,750)
Settlement of derivative financial instruments		288,794	442,679
Exchange gain – net		57,162	41,105
<b>Net cash generated from operating activities</b>		<b>2,943,678</b>	<b>10,319,560</b>



	Note	2025 (Rupees '000)	2024 (Rupees '000)
<b>b) CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Additions in:			
Property, plant and equipment		(21,584,044)	(13,517,609)
Intangible assets		(114,384)	(133,212)
Proceeds from disposal of non current assets		278,446	149,615
Long term investments		–	(1,727,763)
Profit on term finance certificates (TFCs) received		84,678	118,198
Dividend received		22,927	19,794
<b>Net cash used in investing activities</b>		<b>(21,312,377)</b>	<b>(15,090,977)</b>
<b>c) CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Long term financing obtained		16,332,285	3,568,165
Repayment of long term financing		(4,275,344)	(1,974,071)
Payment of lease rentals	24	(128,975)	(120,659)
Changes in short term borrowings – net		9,926,321	7,754,659
Share capital issued		–	2,626
Share premium net of transaction cost		–	14,093
Dividend paid		(3,504,239)	(5,607,310)
<b>Net cash generated from financing activities</b>		<b>18,350,048</b>	<b>3,637,503</b>
<b>Net decrease in cash and cash equivalents</b>	(a+b+c)	<b>(18,651)</b>	<b>(1,133,914)</b>
<b>Cash and cash equivalents at the beginning of the year</b>		<b>370,386</b>	<b>1,544,502</b>
<b>Effect of exchange rate changes on cash and cash equivalents</b>		<b>5,784</b>	<b>(40,202)</b>
<b>Cash and cash equivalents at the end of the year</b>	19	<b>357,519</b>	<b>370,386</b>

The annexed notes 1 to 52 form an integral part of these unconsolidated financial statements.

Chief Executive Officer

Director

Chief Financial Officer

# NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS

For the year ended June 30, 2025

## 1. LEGAL STATUS AND OPERATIONS

Interloop Limited (the Company) was incorporated in Pakistan on April 25, 1992 and publicly listed on Pakistan Stock Exchange on April 5, 2019. The registered office of the Company is situated at 15-A, Peoples Colony No. 1, Faisalabad, Pakistan. The manufacturing facilities are located at 1-km, 6-km, 7-km Jaranwala Road, Khurrianwala, Faisalabad and 8-km Manga Mandi, Raiwand Road, Lahore. The Company is a vertically integrated multi-category Full Family Clothing, manufacturing Hosiery, Denim, Knitted Apparel and Seamless Active wear, for top international brands and retailers, besides producing yarns for a range of textile customers. The Company's commitment to environmental, social responsibility & governance (ESG) is deeply rooted in its mission and has gained it global recognition as a pioneer in responsible manufacturing. The Company's diverse & engaged workforce and operational excellence has established it as a Partner of Choice for its customers.

These financial statements (hereinafter referred to as 'unconsolidated financial statements') are the separate financial statements of the Company in which investment in subsidiary has been accounted for at cost less accumulated impairment losses, if any. The consolidated financial statements of the Company are presented separately. Details of investment held by the Company in its subsidiary has been presented in note 8 of these unconsolidated financial statements.

## 2. BASIS OF PREPARATION

### 2.1 Statement of compliance

These unconsolidated 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;
- Islamic Financial Accounting Standards (IFAS) issued by the Institute of Chartered Accountants of Pakistan as are notified under the Companies Act, 2017; and
- Provisions of and directives issued under the Companies Act, 2017.

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

### 2.2 Basis of measurement

These unconsolidated financial statements have been prepared under the historical cost convention except as otherwise stated in the respective accounting policy information notes. In these unconsolidated financial statements, all the transactions are recorded on actual basis except for the statement of cash flows.

### 2.3 Functional and presentation currency

These unconsolidated financial statements are presented in Pakistani Rupee which is also the Company's functional currency.

## 3. NEW AND REVISED STANDARDS, INTERPRETATIONS, AMENDMENTS AND IMPROVEMENTS

### 3.1 Standards, interpretations and amendments to approved accounting standards which became effective during the year

There are certain amendments to the accounting and reporting standards which became effective during the year and are adopted by the Company for the financial year beginning on July 01, 2024. However, these amendments do not have any significant impact on the Company's financial reporting.

- **Amendments to IAS 1 – 'Presentation of Financial Statements'**  
**Classification of Liabilities as Current or Non-current and Non-current Liabilities with Covenants**

# NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS

For the year ended June 30, 2025

*(Effective for annual periods beginning on or after January 1, 2024)*

The amendments aim to enhance consistency in classifying liabilities in the statement of financial position, particularly where the timing of settlement is uncertain. They clarify that classification depends on whether the entity has a right to defer settlement at the end of the reporting period, regardless of expectations of settlement. In addition, the amendments address non-current liabilities with covenants that must be complied with within twelve months after the reporting date. Only covenants with which an entity is required to comply on or before the reporting date affect the classification of a liability as current or non-current. Entities are now required to provide enhanced disclosures to help users assess the risk of early repayment if those covenants are not met.

## – Amendments to IFRS 16 – ‘Leases’

### Lease Liability in a Sale and Leaseback

*(Effective for annual periods beginning on or after January 1, 2024)*

The amendments clarify the requirements for a seller-lessee in a sale and leaseback transaction, particularly in relation to the subsequent measurement of lease liabilities and recognition of any gains or losses. These amendments ensure that the seller-lessee continues to account for the lease liability arising from the leaseback in a way that does not recognize any gain relating to the right of use retained. The new requirements do not prevent a seller-lessee from recognizing in profit or loss any gain or loss relating to the partial or full termination of a lease. A seller-lessee applies the amendments retrospectively in accordance with IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors to sale and leaseback transactions entered into after the date of initial application.

## – Amendments to IAS 7 – ‘Statement of Cash Flows’ and IFRS 7 – ‘Financial Instruments: Disclosures’

### Supplier Finance Arrangements, disclosure requirements to enhance the transparency of supplier finance arrangements and their effects on a Company's liabilities, cash flows and exposure to liquidity risk

*(Effective for annual periods beginning on or after January 1, 2024)*

These amendments introduce new disclosure requirements that are supplement to existing disclosure requirements to IFRS accounting standards and are aimed at enhancing the transparency of supplier finance arrangements. These require a Company to disclose;

- i) the terms and conditions of arrangements;
- ii) the amount of the liabilities that are part of the arrangements, breaking out the amounts for which the suppliers have already received payment from the finance providers, and stating where the liabilities stand on the statement of financial position;
- iii) ranges of payment due dates;
- iv) liquidity risk information.

The adoption of above amendments have no material impact on these unconsolidated financial statements other than presentation and disclosures.

## 3.2 Standards, interpretations, amendments and improvements to approved accounting standards that are issued but not yet effective and have not been early adopted by the Company

The following standards, amendments and improvements with respect to the approved accounting standards as applicable in Pakistan would be effective from the dates mentioned below and have not been early adopted by the Company:

# NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS

For the year ended June 30, 2025

Standards Interpretations and Amendments		Effective date (Annual periods beginning on or after)
IAS 21	'The effects of changes in foreign exchange rates', Lack of exchangeability — (Amendments)	01 January 2025
IFRS 9	'Financial instruments: Disclosures', To address matters identified during the post-implementation review of the classification and measurement requirements of IFRS 9 — (Amendments)	01 January 2026
IFRS 7 IFRS 9	'Financial Instruments' and 'Financial instruments: Disclosures', Contracts Referencing Nature-dependent Electricity — (Amendments)	01 January 2026
IFRS 17	'Insurance contracts'	01 January 2026
Annual Improvements	Annual Improvements to IFRS Accounting Standards — Volume 11 (related to IFRS 1, IFRS 7, IFRS 9, IFRS 10 and IAS 7)	01 January 2026
IFRS S1	'General Requirements for Disclosure of Sustainability-Related Financial Information'	01 July 2025
IFRS S2	'Climate-Related Disclosures'	01 July 2025

Further, the following new standards have been issued by IASB and ISSB which are yet to be notified by the Securities and Exchange Commission of Pakistan (SECP) for the purpose of applicability in Pakistan:

## Standard

IFRS 1	First-time adoption of International Financial Reporting Standards
IFRS 18	Presentation and Disclosure in Financial Statements
IFRS 19	Subsidiaries without Public Accountability: Disclosures

The management expects that the adoption of above standards, amendments and improvements will not have any material impact on the Company's unconsolidated financial statements except for presentation and disclosures.

## 4. KEY JUDGMENTS AND ESTIMATES

The preparation of these unconsolidated financial statements in conformity with the approved accounting standards require management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and associated assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised if the revision affects only that period, or in the period of the revision and future periods. Judgments made by management in application of the approved accounting standards that have significant effect on the financial statements and estimates with a significant risk of material adjustments in the next year are discussed in respective policy notes. The areas where various assumptions and estimates are significant to the Company's unconsolidated financial statements or where judgment was exercised in application of accounting policies are as follows:

- Estimate of useful life of operating fixed assets – note 5.1
- Estimated useful life of intangible assets – note 5.3
- Impairment of non-financial assets – note 5.5
- Stores and spares – note 5.6
- Stock-in-trade – note 5.7
- Estimates for expected credit loss (ECL) of financial assets i.e. trade debts and other receivables– note 5.8

# NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS

For the year ended June 30, 2025

- Estimation used in right of use asset and corresponding lease liability – note 5.10
- Staff retirement benefits – note 5.12
- Provisions – note 5.16
- Contingencies – note 5.17
- Estimates as to expected value or most likely amount method for determination of variable consideration of transaction price – note 5.19
- Taxation – note 5.21
- Derivative financial instruments – note 5.26
- Impairment of financial assets – note 5.26

## 5. MATERIAL ACCOUNTING POLICY INFORMATION

The material accounting policies set out below have been applied consistently to all periods presented in these unconsolidated financial statements.

### 5.1 Operating fixed assets and depreciation

Operating fixed assets, except freehold land which is stated at cost, are stated at cost less accumulated depreciation and identified accumulated impairment loss, if any. Cost comprises acquisition and other directly attributable costs.

Depreciation is calculated on reducing balance method at the rates stated in note – 6.1 of these unconsolidated financial statements. The useful life and residual value of major components of operating fixed assets are reviewed annually to determine that expectations are not significantly different from the previous estimates. Adjustment in depreciation rate for current and future periods is made if expectations are significantly different from the previous estimates. Depreciation is charged from the month when an asset becomes available for use, whereas no depreciation is charged in the month of its disposal.

Expenditure, which enhances or extends the performance of operating fixed assets beyond its original specification and its useful life, is recognized as a capital expenditure and is added to the cost of the relevant category of operating fixed assets. These are depreciated on reducing balance method at the rate mentioned in note – 6.1.

An item of operating fixed asset and any significant part initially recognized is derecognized upon disposal or when no future economic benefits are expected from its use. The gain or loss arising on derecognition of an item of operating fixed asset is determined as the difference between the sales proceeds and the carrying amounts of the asset and is recognized in the statement of profit or loss.

### 5.2 Capital work in progress

Capital work in progress is stated at cost less identified impairment loss, if any, and represents direct cost of material, labour, applicable overheads and borrowing costs on qualifying assets. Transfers are made to relevant category of property, plant and equipment as and when assets are available for its intended use.

### 5.3 Intangible assets – Computer software

Intangible assets are recognized if it is probable that future economic benefits attributable to the assets will flow to the Company and that the cost of such assets can be measured reliably. These are stated at cost less accumulated amortization and impairment, if any.

Costs that are directly associated with identifiable software and have probable economic benefits exceeding one year, are recognized as intangible asset at the time of initial recognition. Direct costs include the purchase cost of software, implementation cost and related overhead cost.

Expenditure, which enhances or extends the performance of computer software beyond its original specification and useful life, is recognized as a capital expenditure and added to the cost of the software.

Intangible assets are amortized using the reducing balance method at the rates given in note – 7.1 of these unconsolidated financial statements. Amortization on additions is charged from the month in which an intangible asset is available for use, while no amortization is charged for the month in which intangible asset is disposed off.



# NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS

For the year ended June 30, 2025

The carrying value of intangible assets are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable. If any such indication exists and where the carrying value exceeds the estimated recoverable amount, the assets are written down to their recoverable amount.

## 5.3.1 Development costs

Development costs that are directly attributable to the design and testing of identifiable and unique software products controlled by the Company are recognized as development cost in intangible assets. Directly attributable costs that are capitalized as part of the software include advance payments for the software. Capitalized development costs are recorded as intangible assets and amortized from the point at which the asset is ready for use.

## 5.4 Investment in subsidiary

Investment in subsidiary is recognized at cost less impairment loss, if any, in accordance with IAS-27 'Consolidated and separate financial statements'. Cost in relation to investment made in foreign currency is determined by translating the consideration paid in foreign currency into Pak Rupees at exchange rate prevailing on the date of transaction.

At each reporting date, the recoverable amount is estimated to determine the extent of impairment loss, if any, and carrying amount of investment is adjusted accordingly. Impairment loss is recognized as expense. Where impairment loss subsequently reverse, the carrying amount of the investment is increased to the revised recoverable amount but limited to the extent of initial cost of investment. A reversal of impairment loss is recognized in the unconsolidated statement of profit or loss. The profits and losses of subsidiary are not dealt within these unconsolidated financial statements except to the extent of dividend declared by the subsidiary. Gain and loss on disposal of investment is included in other income.

## 5.5 Impairment of non-financial assets

The carrying amounts of the Company's non-financial assets, other than stock in trade and stores & spares, are assessed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated. For goodwill and intangible assets that have indefinite lives or that are not yet available for use, recoverable amount is assessed at each reporting date.

An impairment loss is recognized if the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. A cash-generating unit is the smallest identifiable asset group that generates cash flows that largely are independent from other assets and groups.

Impairment losses are recognized as expense in unconsolidated statement of profit or loss. Impairment losses recognized in respect of cash-generating units are allocated first to reduce the carrying amount of any goodwill allocated to the units and then to reduce the carrying amount of the other assets of the unit on a pro-rata basis. Impairment losses on goodwill shall not be reversed.

An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only 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 no impairment loss had been recognized. Prior impairments of non-financial assets are reviewed for possible reversal at each reporting date.

## 5.6 Stores and spares

Stores and spares are carried at moving average cost. Provision is made for slow moving and obsolete store items when so identified. Stores and spares held for capital expenditure are included in capital work in progress.

# NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS

For the year ended June 30, 2025

## 5.7 Stock-in-trade

These are stated at the lower of cost and net realizable value (NRV). The methods used for the calculation of cost are as follows:

Raw material – At factory	Moving average cost
– In transit	Invoice value plus direct charges in respect thereof.
Work in process and finished goods	Prime cost including a proportion of production overheads.
Wastes	Net realizable value.

Stock-in-trade is regularly reviewed by the management and any obsolete items are brought down to their net realizable value. Net realizable value signifies the selling price in the ordinary course of business less costs necessary to be incurred to affect such sale.

## 5.8 Trade debts and other receivables

Trade debts are recognized and carried at the original invoice amounts, being the fair value, less allowance for expected credit loss, if any. For measurement of loss allowance for trade debts, the Company applies simplified approach to measure the expected credit loss as required by IFRS 9.

Other receivables are recognized at amortized cost, less any allowance for expected credit loss.

## 5.9 Cash and cash equivalents

Cash and cash equivalents comprise of cash in hand, cheques in hand/cheques overdrawn, balances with banks and include short term highly liquid investments with original maturities of three months or less. The cash and cash equivalents are readily convertible to known amount of cash and are subject to insignificant risk of change in value.

## 5.10 Leases

### Right of use assets

At inception, the Company assesses whether a contract is or contains a lease. This assessment involves the exercise of judgement about whether the Company obtains substantially all the economic benefits from the use of the asset and whether the Company has a right to direct the use of the asset. The Company recognizes right of use assets (RoU) at the commencement date of the lease (i.e. the date the underlying asset is available for use). Right of use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of RoU includes the amount of lease liabilities recognized, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received.

Unless the Company is reasonably certain to obtain ownership of the leased asset at the end of the lease term, the recognized right of use assets are depreciated on a straight-line basis over the shorter of its estimated useful life and the lease term. Depreciation of RoU is charged to statement of profit or loss. Residual value and the useful life of an RoU are reviewed at least at each financial year-end and the impact on depreciation is adjusted in the statement of profit or loss. Depreciation on additions to RoU is charged from the month in which an asset is acquired, while no depreciation is charged for the month in which the asset is disposed off.

### Lease liabilities

At the commencement date of the lease, the Company recognizes lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees.

# NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS

For the year ended June 30, 2025

The related payment obligations, net of finance costs are classified as current and long term liability depending upon the timing of the payment.

In calculating the present value of lease payments, the Company uses the incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the in-substance fixed lease payments or a change in the assessment to purchase the underlying asset.

Each lease payment is allocated between the liability and finance cost so as to achieve a constant rate on the balance outstanding. The interest element of the rental is charged to statement of profit or loss over the lease term.

Payments associated with short-term leases and leases of low-value assets are recognized on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less and leases of low value items.

## 5.11 Share capital

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

## 5.12 Staff retirement benefits

The Company operates an unfunded gratuity scheme for all its employees (executives and non executives) and also a contributory provident fund for only executive employees of the Company. Executive employees of the Company can avail contributory provident fund along with 50% of their entitlement for gratuity.

### (a) Defined benefit plan

The Company operates an un-funded gratuity scheme covering all eligible employees completing the minimum qualifying period of service as specified by the scheme. Annual provision is made on the basis of actuarial valuation to cover obligations under the scheme for all employees eligible to gratuity benefits respective of the qualifying period. The projected unit credit method used for the valuation of the scheme is based on assumptions stated in Note 25.1 of these unconsolidated financial statements.

The Company's net obligation in respect of defined benefit plans is calculated by estimating the amount of future benefit that employees would have earned in the current and prior periods and discounting that amount. The calculation of defined benefit obligations is performed by a qualified actuary using the projected unit credit method.

Remeasurements of the net defined benefit liability, which comprise actuarial gains and losses, are recognized immediately in other comprehensive income. The Company determines the net interest expense on the net defined benefit liability for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then net defined benefit liability, taking into account any changes in the net defined benefit liability during the period as a result of the benefit payments. Net interest expense and other expenses related to defined benefit plan are recognized in unconsolidated statement of profit or loss. Past service costs are immediately recognized in unconsolidated statement of profit or loss.

### (b) Defined contribution plan

The Company also operates a contributory provident fund scheme for only executive staff of the Company for which contributions are charged to profit or loss as and when incurred.

Equal monthly contributions are made to the fund, both by the Company and the employees at the rate of 7.5% of the monthly basic pay. However, employees have the option to contribute more than 7.5% but not exceeding 12.5% of the basic pay subject to the written approval of the Board. The assets of the fund are held separately under the control of trustees.

# NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS

For the year ended June 30, 2025

**(c) Compensated absences**

The Company provides leave encashment benefit to its executive employees as per the company policy. The executive employees are entitled to 14 days annual leaves per annum. The un-utilized leaves are accumulated subject to a maximum of 28 days, any un-availed leaves over 28 days lapse. The company has made provision against accumulated leaves of employees on the basis of last drawn salary.

**5.13 Government grants**

Government grants are transfers of resources to an entity by a government entity in return for compliance with certain past or future conditions related to the entity's operating activities – e.g. a government subsidy. The definition of "government" refers to governments, government agencies and similar bodies, whether local, national or international.

The Company recognizes government grants when there is reasonable assurance that grants will be received and the Company will be able to comply with conditions associated with grants. Government grants are recognized at fair value, as deferred income, when there is reasonable assurance that the grants will be received and the Company will be able to comply with the conditions associated with the grants.

Grants that compensate the Company for expenses incurred, are recognized on a systematic basis in the income for the year in which the related expenses are recognized. Grants that compensate for the cost of an asset are recognized in income on a systematic basis over the expected useful life of the related asset.

Government grant includes any benefit earned on account of a government loan obtained at below-market rate of interest. The loan is initially recognized and subsequently measured at its fair value in accordance with IFRS 9. The fair value of the loan would be the present value of loan proceeds received, discounted using prevailing market rate of mark-up for a similar instrument. The benefit of below-market mark-up (i.e. differential between the loan proceeds and fair value of the loan) is accounted for as deferred income – Government grant. In subsequent periods, the loan amount would be accreted by the amortized amount of Government grant. The accretion would increase the carrying value of the loan with a corresponding effect on the carrying value of Government grant. As per IFRS 9, the loan liability and related Government grant shall be derecognized when it is extinguished i.e., these amounts are paid-off.

**5.14 Trade and other payables**

Liabilities for trade and other payables are carried at their amortized cost, which approximate fair value of the consideration to be paid in future for goods and services received, whether or not billed to the Company. Exchange gain and loss arising on translation in respect of liabilities in foreign currency are added to the carrying amount of the respective liabilities.

**5.15 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.

**5.16 Provisions**

Provisions are recognized when the Company has a present legal or constructive obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation and a reliable estimate of the amount can be made.

Provisions are reviewed at each reporting date and are adjusted to reflect the current best estimate. If it is no longer probable that an outflow of resources embodying economic benefits will be required to settle the obligation, the provisions are reversed.

# NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS

For the year ended June 30, 2025

## 5.17 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.

## 5.18 Foreign currency translation

Transactions in foreign currency during the period are initially recorded in the functional currency at the rate prevailing at the date of transaction. Monetary assets and liabilities denominated in foreign currencies are translated at functional currency at the rate of exchange prevailing at the reporting date. All non-monetary assets and liabilities are translated into rupees at exchange rates prevailing on the date of transaction or on date when fair values are determined. Exchange differences are recognized in statement of profit or loss.

## 5.19 Revenue recognition

Revenue is recognized at an amount that reflects the consideration to which the Company is expected to be entitled in exchange for transferring goods or services to a customer. For each contract with a customer, the Company: identifies the contract with a customer; identifies the performance obligations in the contract; determines the transaction price which takes into account estimates of variable consideration and the time value of money; allocates the transaction price to the separate performance obligations on the basis of the relative stand-alone selling price of each distinct good or service to be delivered; and recognizes revenue when or as each performance obligation is satisfied in a manner that depicts the transfer to the customer of the goods or services promised.

Variable consideration within the transaction price, if any, reflects concessions provided to the customer such as discounts, rebates and refunds, any potential bonuses receivable from the customer and any other contingent events. Such estimates are determined using either the 'expected value' or 'most likely amount' method. The measurement of variable consideration is subject to a constraining principle whereby revenue will only be recognized to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognized will not occur. The measurement constraint continues until the uncertainty associated with the variable consideration is subsequently resolved. Amounts received that are subject to the constraining principle are initially recognized as deferred revenue in the form of a separate refund liability.

### a) Sale of goods

Revenue from the sale of goods is recognized at the point in time when the customer obtains control of the goods, which is generally at the time of delivery. Otherwise, control is transferred over time and revenue is recognized over time by reference to the progress towards complete satisfaction of the relevant performance obligation if one of the following criteria is met:

- the customer simultaneously receives and consumes the benefits provided by the Company's performance as the Company performs;
- the Company's performance creates and enhances an asset that the customer controls as the Company performs; or
- the Company's performance does not create an asset with an alternative use to the Company and the Company has an enforceable right to payment for performance completed to date.

### b) Rendering of services

Revenue from a contract to provide services is recognized over time as the services are rendered.

### c) Interest income

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



# NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS

For the year ended June 30, 2025

**d) Other revenue**

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

**5.20 Borrowing costs**

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time when the assets are substantially ready for their intended use or sale. All other borrowing costs are charged to statement of profit or loss in the period of as and when incurred.

**5.21 Taxation**

**Income tax**

The charge for current income tax is based on taxable income at current rates of taxation including related super tax applicable for companies after taking into account tax credits, rebates and exemptions available, if any. The charge for current tax also includes adjustments, where considered necessary, and the tax assessed from assessments framed during the year for such years is over/under the provision of tax then made.

The Company designate the amount calculated on taxable income using the notified tax rate as an income tax within the scope of IAS 12 'Income Taxes' and recognize it as current income tax expense. Any excess over the amount designated as income tax, is then recognized as a levy falling under the scope of IFRIC 21/IAS 37.

**Levies**

The Company recognize the charge for minimum and final taxes, calculated under the provisions of the Income Tax Ordinance, 2001, as levies. The charge for levies are not based on 'taxable profit' as defined in IAS 12 but calculated on turnover or other basis as per provisions and applicable tax rates under minimum and final tax regime. The charge for levies also includes adjustments, where considered necessary, and the tax assessed from assessments framed during the year for such years is over/under the provision of tax then made.

**Deferred tax**

Deferred tax is accounted for using the balance sheet liability method in respect of temporary differences arising from differences between the carrying amount of assets and liabilities in the financial statements and the corresponding tax basis used in the computation of taxable income. Deferred tax is calculated by using the tax rates enacted at the reporting date.

Deferred tax liability is recognized for all taxable temporary differences and deferred tax asset is recognized for all deductible temporary differences and carry forward of unused tax losses and unused tax credits, if any, to the extent that it is probable that future taxable profit will be available against which these can be utilized.

Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefit will be realized. Significant management judgment is required to determine the amount of deferred tax assets that can be recognized, based upon the likely timing and level of future taxable profits together with future tax planning strategies.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised based on tax laws and rates that have been enacted or substantively enacted at the reporting date.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

# NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS

For the year ended June 30, 2025

Deferred tax is charged or credited in the statement of profit or loss, except to the extent that it relates to items recognized in other comprehensive income or directly in equity. In this case the tax is also recognized in other comprehensive income or directly in equity, respectively.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

## 5.22 Earnings per share

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

## 5.23 Dividend

Dividend is recognized as a liability in the period in which it is declared. Movement in reserves is recognized in the year in which it is approved.

Final dividend distributions to the Company's shareholders are recognized as a liability in the unconsolidated financial statements in the period in which the dividends are approved by the Company's shareholders at the Annual General Meeting, while interim dividend distributions are recognized in the period in which the dividends are declared by the Board of Directors.

## 5.24 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 operating decision maker ('CODM') to make decisions about resources to be allocated to the segment and assess its performance, and for which discrete financial information is available. The CODM, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Board of Directors of the Company that makes the strategic decisions.

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

Transactions among the business segments are recorded at cost. Inter segment sales and purchases are eliminated from the total.

## 5.25 Related party transactions

All transactions with related parties are carried out at arm's length prices. Each transaction is evaluated to be characterized as an "arm's length transaction" and approximated to the arm's length criteria using one of the following methodologies:

- Market-based pricing
- Negotiated pricing
- Cost-based pricing

# NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS

For the year ended June 30, 2025

## 5.26 Financial instruments:

### 5.26.1 Financial assets

A financial asset is measured at amortized cost if it is held in order to collect contractual cash flows which arise on specified dates and that are 'solely payment of principal and interest (SPPI)' on the principal amount outstanding. A debt investment is measured at fair value through other comprehensive income if it is held in order to collect contractual cash flows which arise on specified dates that are solely principal and interest and as well as selling the asset on the basis of its fair value. All other financial assets are classified and measured at fair value through profit or loss unless the Company makes an irrevocable election on initial recognition to present gains and losses on equity instruments in other comprehensive income. Despite these requirements, a financial asset may be irrevocably designated as measured at fair value through profit or loss to reduce the effect of, or eliminate, an accounting mismatch.

#### A. Classification and measurement of financial assets

##### Investments and other financial assets

##### **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. In order for a financial asset to be classified and measured at amortized cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level. The Company's business model for managing financial assets refers to how it manages its financial assets in order to generate 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 investments when and only when its business model for managing those assets changes.

##### **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 statement of 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 amortized cost. Interest income from these financial assets is included in other income using the effective interest rate method. Any gain or loss arising on derecognition is recognized directly in statement of profit or loss and presented in other income / (other operating expenses) together with foreign exchange gains and losses. Impairment losses are presented as separate line item in the statement of profit or loss.

# NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS

For the year ended June 30, 2025

## 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 recognized in statement of profit or loss. When the financial asset is derecognized, the cumulative gain or loss previously recognized in other comprehensive income is reclassified from equity to profit or loss and recognized in other income / (other operating expenses). Interest income from these financial assets is included in other income using the effective interest rate method. Foreign exchange gains and losses are presented in other income/ (other operating expenses) and impairment losses are presented as separate line item in the statement of profit or loss.

## Fair value through profit or loss

Financial assets at fair value through profit or loss include financial assets held for trading, financial assets designated upon initial recognition at fair value through profit or loss, or financial assets mandatorily required to be measured at fair value. Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term. Financial assets with cash flows that are not solely payments of principal and interest are classified and measured at fair value through profit or loss, irrespective of the business model. Notwithstanding the criteria for debt instruments to be classified at amortized cost or at fair value through OCI, as described above, debt instruments may be designated at fair value through profit or loss on initial recognition if doing so eliminates, or significantly reduces, an accounting mismatch.

Financial assets at fair value through profit or loss are carried in the statement of financial position at fair value with net changes in fair value recognized in the statement of profit or loss.

## B. Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognized when:

The rights to receive cash flows from the asset have expired, or

The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if, and to what extent, it has retained the risks and rewards of ownership.

When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognize the transferred asset to the extent of its continuing involvement. In that case, the Company also recognizes an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

## C. Impairment

The Company record an allowance for a forward-looking expected credit loss (ECL) approach for all loans and other debt financial assets not held at FVPL.

# NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS

For the year ended June 30, 2025

ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Company expects to receive. The shortfall is then discounted at an approximation to the asset's original effective interest rate.

For trade and other receivables, the Company has applied the standard's simplified approach and has calculated ECLs based on lifetime expected credit losses. The Company has established a provision 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. However, in certain cases, the Company may also consider a financial asset to be in default when internal or external information indicates that the Company is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Company.

## **D. 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, with all gains or losses, realized and unrealized, recognized in the statement of profit or loss.

## **5.26.2 Financial liabilities**

### **A. Classification and measurement**

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

#### **i) Financial liabilities at fair value through profit or loss**

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Gains or losses on liabilities held for trading are recognized in the statement of profit or loss. Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition, and only if the criteria in IFRS 9 are satisfied. The Company has not designated any financial liability as at fair value through profit or loss.

#### **ii) Loans and borrowings**

This is the category most relevant to the Company. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in the statement of profit or loss when the liabilities are derecognized as well as through the EIR amortization process.

Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the statement of profit or loss.

This category generally applies to interest-bearing loans and borrowings.

### **B. Derecognition**

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of profit or loss.



# NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS

For the year ended June 30, 2025

## 5.26.3 Offsetting of financial assets and liabilities

Financial assets and financial liabilities are set off and the net amount is reported in the unconsolidated financial statements when there is a legally 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.

	Note	2025 (Rupees '000)	2024 (Rupees '000)
<b>6. PROPERTY, PLANT AND EQUIPMENT</b>			
Operating fixed assets	6.1	72,704,304	46,610,901
Capital work in progress	6.2	9,193,409	20,951,344
Right of use assets	6.3	205,223	242,435
		<b>82,102,936</b>	<b>67,804,680</b>

## 6.1 Operating fixed assets

2025										
Description	Cost				Depreciation				W.D.V	Rate %
	As On July 1, 2024	Additions	Deletions	As on June 30, 2025	As on July 1, 2024	For the year	Adjustments	As on June 30, 2025	As on June 30, 2025	
	(Rupees '000)									
Owned										
Freehold land	2,676,955	869,341	–	3,546,296	–	–	–	–	3,546,296	–
Buildings on freehold land	19,759,349	5,601,379	–	25,360,728	5,438,610	1,715,619	–	7,154,229	18,206,499	10
Buildings on leasehold land	225,811	4,692	–	230,503	62,484	16,684	–	79,168	151,335	10
Plant and machinery	36,958,063	19,693,525	(463,999)	56,187,589	14,748,249	3,558,027	(237,347)	18,068,929	38,118,660	10
Tools and equipment	2,626,731	1,747,444	(10,149)	4,364,026	980,854	294,664	(5,637)	1,269,881	3,094,145	10
Office equipment	1,366,446	752,343	(17,445)	2,101,344	661,203	253,378	(11,098)	903,483	1,197,861	20
Electric installations	4,154,854	2,790,561	(20,907)	6,924,508	1,474,137	471,320	(15,330)	1,930,127	4,994,381	10
Furniture and fixtures	1,229,964	968,754	(5,004)	2,193,714	410,857	156,643	(3,346)	564,154	1,629,560	10
Vehicles	1,986,187	913,940	(330,117)	2,570,010	597,065	372,029	(164,651)	804,443	1,765,567	20
Total	70,984,360	33,341,979	(847,621)	103,478,718	24,373,459	6,838,364	(437,409)	30,774,414	72,704,304	

2024										
Description	Cost				Depreciation				W.D.V	Rate %
	As On July 1, 2023	Additions	Deletions	As on June 30, 2024	As on July 1, 2023	For the year	Adjustments	As on June 30, 2024	As on June 30, 2024	
	(Rupees '000)									
Owned										
Freehold land	2,651,715	25,240	–	2,676,955	–	–	–	–	2,676,955	–
Buildings on freehold land	11,121,222	8,638,517	(390)	19,759,349	4,250,473	1,188,205	(68)	5,438,610	14,320,739	100
Buildings on leasehold land	233,051	1,140	(8,380)	225,811	47,929	18,399	(3,844)	62,484	163,327	100
Plant and machinery	30,264,956	6,885,230	(192,123)	36,958,063	12,733,111	2,174,353	(159,215)	14,748,249	22,209,814	100
Tools and equipment	2,357,623	273,945	(4,837)	2,626,731	813,529	169,552	(2,227)	980,854	1,645,877	100
Office equipment	1,127,693	259,726	(20,973)	1,366,446	533,096	140,674	(12,567)	661,203	705,243	200
Electric installations	3,767,795	392,403	(5,344)	4,154,854	1,215,359	261,336	(2,558)	1,474,137	2,680,717	100
Furniture and fixtures	1,038,088	204,264	(12,388)	1,229,964	336,198	81,984	(7,325)	410,857	819,107	100
Vehicles	1,408,380	845,264	(267,457)	1,986,187	452,760	285,874	(141,569)	597,065	1,389,122	200
Total	53,970,523	17,525,729	(511,892)	70,984,360	20,382,455	4,320,377	(329,373)	24,373,459	46,610,901	

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## 6.1.1 The detail of operating fixed assets disposed / written off during the year are as follows:

Description	Cost	Accumulated Depreciation	Book Value	Sale Proceeds	Gain / (Loss)	Mode of Disposal	Relationship of Buyer with the Company	Particulars of Buyers
	(Rupees '000)							
Assets having book value exceeding Rs. 500,000 each								
Plant and Machinery								
Boarding Machines - Tecnopea - Ghibli	34,361	27,534	6,827	2,542	(4,285)	Negotiation	Independent Third Party	Al-Mushtaq Corporation, Opposite Multan Golf City, Sher Shah Road, Multan Cantt.
Filament Dyeing Machine - Allwin - 2054A-208 KGs	40,032	5,792	34,240	48,011	13,771	Negotiation	Independent Third Party	Fong's National Dyeing and Finishing Machinery Co., Ltd.
Knitting Machine - Lonati - L-462- L-462J	54,230	9,894	44,336	8,100	(36,236)	Negotiation	Independent Third Party	Aartexx Mills, Chak # 245 RB, Abbas Pur, Jhang Road, Faisalabad.
Knitting Machines - Lonati - L474J	1,677	124	1,553	300	(1,253)	Negotiation	Independent Third Party	Aartexx Mills, Chak # 245 RB, Abbas Pur, Jhang Road, Faisalabad.
Knitting Machines - Lonati - L454J	38,420	2,833	35,587	8,100	(27,487)	Negotiation	Independent Third Party	Aartexx Mills, Chak # 245 RB, Abbas Pur, Jhang Road, Faisalabad.
Knitting Machines - Lonati - FL54J	2,373	119	2,254	216	(2,038)	Negotiation	Independent Third Party	Fine Knit Enterprises, Ismaeel Road, Opp. Sitara Sapna City, Main Daewoo Road, Fsd.
Knitting Machines - Lonati - L454J	7,218	361	6,857	720	(6,137)	Negotiation	Independent Third Party	Fine Knit Enterprises, Ismaeel Road, Opp. Sitara Sapna City, Main Daewoo Road, Fsd.
Knitting Machines - Lonati - L472	6,442	322	6,120	504	(5,616)	Negotiation	Independent Third Party	Fine Knit Enterprises, Ismaeel Road, Opp. Sitara Sapna City, Main Daewoo Road, Fsd.
Knitting Machines - Lonati - L474- L474J	36,519	1,826	34,693	2,809	(31,884)	Negotiation	Independent Third Party	Fine Knit Enterprises, Ismaeel Road, Opp. Sitara Sapna City, Main Daewoo Road, Fsd.
Sub Total	221,272	48,805	172,467	71,302	(101,165)			
Tools and Equipments								
Spectro Photometer - Processing Lab	6,613	4,112	2,501	3	(2,498)	Negotiation	Independent Third Party	Al-Mushtaq Corporation, Opposite Multan Golf City, Sher Shah Road, Multan Cantt.
Fire Alarm System - LIFCO UK	1,326	764	562	2	(560)	Negotiation	Independent Third Party	Al-Mushtaq Corporation, Opposite Multan Golf City, Sher Shah Road, Multan Cantt.
Sub Total	7,939	4,876	3,063	5	(3,058)			
Electric Installations								
Outdoor Condensing Unit - Haier 30.14 Tons - AV44NMMEUB	2,816	1,528	1,288	29	(1,259)	Negotiation	Independent Third Party	Al-Mushtaq Corporation, Opposite Multan Golf City, Sher Shah Road, Multan Cantt.
Outdoor Condensing Unit - Haier 27.30 Tons - AV40NMMEUB	2,351	1,275	1,076	29	(1,047)	Negotiation	Independent Third Party	Al-Mushtaq Corporation, Opposite Multan Golf City, Sher Shah Road, Multan Cantt.
HD-I Unit - I Main Building - HT LT	7,645	6,697	948	121	(827)	Negotiation	Independent Third Party	Mr. Muhammad Rizwan - Faisalabad.
Sub Total	12,812	9,500	3,312	179	(3,133)			
Furniture and Fixtures								
Storage Racks and Pallets	3,250	2,297	953	67	(886)	Negotiation	Independent Third Party	Al-Mushtaq Corporation, Opposite Multan Golf City, Sher Shah Road, Multan Cantt.
Vehicles								
BMW 530-E	21,012	14,815	6,197	6,197	-	Company Policy	Company Employee	Mr. Tariq Rashid Malik
Toyota - Yaris Ativ Cvt 1.3	5,189	1,081	4,108	4,500	392	Company Policy	Company Employee	Mr. Mubashar Shafiq
Toyota Fortuner	9,596	5,618	3,978	1,597	(2,381)	Company Policy	Company Employee	Mr. Feroze Ahmed
KIA Sportage	5,580	3,294	2,286	1,425	(861)	Company Policy	Company Employee	Mr. Waheed Iqbal
Honda Civic	4,127	2,323	1,804	1,497	(307)	Company Policy	Company Employee	Mr. Jamshaid Iqbal
Toyota Corolla Altis Grande	4,175	2,379	1,796	1,017	(779)	Company Policy	Company Employee	Mr. Sajjad Ahmad Gill
Toyota - Corolla Grande Cvt	4,076	2,328	1,748	1,497	(251)	Company Policy	Company Employee	Mr. Ghulam Qasim Shaheen
Toyota Corolla Altis	3,566	2,028	1,538	812	(726)	Company Policy	Company Employee	Mr. Muhammad Shahid Mahmood
Toyota - Yaris 1.3 Ativ Mt	2,786	1,262	1,524	1,550	26	Company Policy	Company Employee	Mr. Sajjad Ahmad Shah
Toyota Altis	3,512	2,003	1,509	712	(797)	Company Policy	Company Employee	Mr. Muhammad Irfan Saeed
Toyota Altis	3,403	1,966	1,437	1,121	(316)	Company Policy	Company Employee	Mr. Muhammad Awais Asghar
Corolla Altis 1.6L	3,483	2,046	1,437	712	(725)	Company Policy	Company Employee	Mr. Altaf Rasool
Honda Civic	3,961	2,550	1,411	876	(535)	Company Policy	Company Employee	Mr. Fahid Hussain Kahlon
Honda City Aspire	3,007	1,621	1,386	1,121	(265)	Company Policy	Company Employee	Mr. Saeed Hassan Bhatti
Toyota Yaris Ativ	3,175	1,810	1,365	1,017	(348)	Company Policy	Company Employee	Mr. Rizwan Zahid
Honda BRV	3,256	1,910	1,346	1,105	(241)	Company Policy	Company Employee	Mr. Humayun Javed Khan
Toyota Corolla Altis	3,286	1,940	1,346	1,021	(325)	Company Policy	Company Employee	Mr. Aftab Ahmad Gondal
Toyota Yaris	3,104	1,769	1,335	812	(523)	Company Policy	Company Employee	Mr. Muhammad Abid Bilal
Toyota Yaris 1.5	3,104	1,770	1,334	1,017	(317)	Company Policy	Company Employee	Mr. Muhammad Waqas Ahsan
Toyota Yaris 1.3H Mt	2,787	1,500	1,287	812	(475)	Company Policy	Company Employee	Mr. Ghulam Murtaza
Honda City Pt	2,943	1,674	1,269	798	(471)	Company Policy	Company Employee	Mr. Imtiaz Ahmad
Toyota Yaris 1.3H Cvt	2,890	1,629	1,261	436	(825)	Company Policy	Company Employee	Mr. Jamshed Khalid
Toyota Yaris 1.5	3,036	1,781	1,255	1,017	(238)	Company Policy	Company Employee	Mr. Abid Ali Gill
Toyota Yaris	2,869	1,615	1,254	812	(442)	Company Policy	Company Employee	Mr. Amjad Farooq
Toyota Yaris 1.5X	3,065	1,818	1,247	712	(535)	Company Policy	Company Employee	Mr. Saad Mahmood

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Description	Cost	Accumulated Depreciation	Book Value	Sale Proceeds	Gain / (Loss)	Mode of Disposal	Relationship of Buyer with the Company	Particulars of Buyers
(Rupees '000)								
Toyota Yaris	2,921	1,687	1,234	1,017	(217)	Company Policy	Company Employee	Mr. Imran Riaz
Toyota Yaris 1.5L	2,997	1,755	1,242	1,017	(225)	Company Policy	Company Employee	Mr. Muhammad Rafique
Toyota Yaris 1.3	2,868	1,628	1,240	812	(428)	Company Policy	Company Employee	Mr. Safdar Ali
Toyota Yaris	2,868	1,631	1,237	812	(425)	Company Policy	Company Employee	Mr. Ghazala Karwal
Toyota Yaris 1.3H Mt	2,803	1,578	1,225	812	(413)	Company Policy	Company Employee	Mr. Ateeq Ur Rehman
Toyota Yaris	2,880	1,664	1,216	798	(418)	Company Policy	Company Employee	Mr. Danish Shafiq
Honda City - Aspire Pt	2,934	1,719	1,215	1,001	(214)	Company Policy	Company Employee	Mr. Muhammad Saboor Abid
Toyota Yaris 1.3H Cvt	2,830	1,637	1,193	712	(481)	Company Policy	Company Employee	Mr. Muhammad Fahim
Toyota Yaris Cvt	2,834	1,660	1,174	712	(462)	Company Policy	Company Employee	Mr. Shakeel Anwar Khan
Toyota Yaris	2,824	1,649	1,175	1,001	(174)	Company Policy	Company Employee	Mr. Mian Muhammad Tahir
Toyota Corolla Altis	3,290	2,139	1,151	476	(675)	Company Policy	Company Employee	Mr. Amjad Mahmood Vaince
Toyota Yaris 1.3L	2,718	1,570	1,148	812	(336)	Company Policy	Company Employee	Mr. Tazeel Ur Rehman
Honda - City Mts	2,579	1,447	1,132	712	(420)	Company Policy	Company Employee	Mr. Muhammad Toufique
Toyota Yaris Gli	2,565	1,463	1,102	712	(390)	Company Policy	Company Employee	Mr. Muhammad Afzal
Suzuki Swift	2,201	1,105	1,096	1,100	4	Company Policy	Company Employee	Ms. Sana Ehsan
Honda BRV	3,153	2,068	1,085	691	(394)	Company Policy	Company Employee	Mr. Fauz Ul Azeem
Suzuki Cultus	1,815	808	1,007	1,010	3	Company Policy	Company Employee	Mr. Zain Amjad
Suzuki Swift - Dlx A/T	2,201	1,242	959	859	(100)	Company Policy	Company Employee	Mr. Muhammad Ayub
Suzuki Swift	2,193	1,267	926	798	(128)	Company Policy	Company Employee	Mr. Salman Khalil
Honda City	2,795	1,885	910	436	(474)	Company Policy	Company Employee	Mr. Rehan Saleem
Suzuki Cultus Vxl	2,010	1,095	915	712	(203)	Company Policy	Company Employee	Mr. Muhammad Ayub
Suzuki Cultus	2,010	1,095	915	712	(203)	Company Policy	Company Employee	Mr. Rasheed Ahmad
KIA Picanto	2,114	1,205	909	712	(197)	Company Policy	Company Employee	Mr. Kashif Javaid
KIA Picanto	2,122	1,226	896	712	(184)	Company Policy	Company Employee	Mr. Junaid Khalid
KIA Picanto	2,114	1,221	893	712	(181)	Company Policy	Company Employee	Mr. Boota Muhammad Mushtaq
Suzuki Cultus Vxl	2,010	1,118	892	712	(180)	Company Policy	Company Employee	Mr. Muhammad Shahbaz
Toyota Corolla Xli M/T	2,613	1,721	892	633	(259)	Company Policy	Company Employee	Mr. Muhammad Shafique
Suzuki Cultus AGS	2,071	1,181	890	712	(178)	Company Policy	Company Employee	Mr. Wasiud Din
KIA Picanto	2,111	1,236	875	712	(163)	Company Policy	Company Employee	Mr. Ijaz Hussain
Suzuki Cultus Vxl	2,071	1,198	873	712	(161)	Company Policy	Company Employee	Mr. Mussanis Raza
Honda City Pt 1500Cc	2,613	1,753	860	712	(148)	Company Policy	Company Employee	Mr. Shahid Imran
Suzuki Wagon R AGS	1,934	1,076	858	712	(146)	Company Policy	Company Employee	Mr. Ali Javaid
Suzuki Cultus Vxl	1,940	1,092	848	712	(136)	Company Policy	Company Employee	Mr. Usman Akram Khan
KIA Picanto	1,962	1,119	843	712	(131)	Company Policy	Company Employee	Ms. Maimoona Jameel
Suzuki Cultus Vxl	2,010	1,170	840	712	(128)	Company Policy	Company Employee	Mr. Maqbool Alam Baig
Honda City Mts	2,438	1,599	839	499	(340)	Company Policy	Company Employee	Mr. Naveed Ur Rehman
KIA Picanto	1,962	1,134	828	712	(116)	Company Policy	Company Employee	Mr. Omer Ali Bhatti
Honda City	2,441	1,616	825	499	(326)	Company Policy	Company Employee	Mr. Atif Haved
Suzuki Cultus Vxl	1,940	1,121	819	712	(107)	Company Policy	Company Employee	Mr. Sajjad Akbar
Suzuki Cultus Vxr	1,875	1,059	816	712	(104)	Company Policy	Company Employee	Mr. Mudassar Salman
Honda City Mts 1339Cc	2,384	1,580	804	436	(368)	Company Policy	Company Employee	Mr. Touqeer Qamar
Suzuki Cultus Vxl	1,940	1,136	804	712	(92)	Company Policy	Company Employee	Mr. Haseeb Ahmad
Suzuki Cultus Vxr	1,819	1,027	792	712	(80)	Company Policy	Company Employee	Mr. Muhammad Rizwan
Honda City Mts	2,381	1,595	786	436	(350)	Company Policy	Company Employee	Mr. Muhammad Muzaffar Iqbal
Suzuki Cultus Vxr	1,818	1,040	778	712	(66)	Company Policy	Company Employee	Ms. Arshia Zia
Suzuki Cultus Vxr	1,819	1,052	767	712	(55)	Company Policy	Company Employee	Mr. Muhammad Azam
Suzuki Cultus	1,819	1,056	763	712	(51)	Company Policy	Company Employee	Mr. Shahid Aslam
Suzuki Cultus Vxr	1,818	1,067	751	712	(39)	Company Policy	Company Employee	Mr. Muhammad Zubair Afzal
Honda City	2,441	1,721	720	499	(221)	Company Policy	Company Employee	Mr. Abdul Nasir Minhas
Suzuki Swift Dlx A/T	1,255	559	696	436	(260)	Company Policy	Company Employee	Mrs. Afsheen Adnan
KIA Picanto	2,038	1,350	688	436	(252)	Company Policy	Company Employee	Ms. Muniba Rashid
Suzuki Cultus	1,903	1,238	665	436	(229)	Company Policy	Company Employee	Mr. Muhammad Jumshaid Nisar
Suzuki Swift	1,953	1,294	659	476	(183)	Company Policy	Company Employee	Mr. Muhammad Imran
Suzuki Cultus Vxl	1,893	1,253	640	436	(204)	Company Policy	Company Employee	Mr. Shabbir Ahmad
Suzuki Cultus Vxl	1,893	1,253	640	436	(204)	Company Policy	Company Employee	Mr. Muhammad Naeem Akhtar
Suzuki Cultus Vxl	1,903	1,267	636	436	(200)	Company Policy	Company Employee	Mr. Asghar Ali
Suzuki Cultus Vxl	1,893	1,267	626	436	(190)	Company Policy	Company Employee	Mr. Raza Ul Mustafa
Suzuki Cultus Vxl	1,893	1,277	616	436	(180)	Company Policy	Company Employee	Mr. Zahid Latif
Suzuki Cultus Vxr	1,784	1,170	614	436	(178)	Company Policy	Company Employee	Mr. Umair Javed
Suzuki Cultus Vxr	1,792	1,186	606	436	(170)	Company Policy	Company Employee	Mr. Umair Qamar
Suzuki Cultus Vxr	1,782	1,206	576	436	(140)	Company Policy	Company Employee	Mr. Bilal Anwar Minhas
Toyota Yaris 1.3 Cvt Ativ	3,171	1,508	1,663	1,675	12	Negotiation	Independent Third Party	Saeed Autos - Mr. Sheraz - House No. P-231, Street No. 1 Muhammad Pura Faisalabad.
Hyundai - Elnara A/T 1999Cc	4,059	2,085	1,974	2,050	76	Negotiation	Independent Third Party	Saeed Autos - Mr. Sheraz - House No. P-231, Street No. 1 Muhammad Pura Faisalabad.
Toyota Yaris 1.3 Ativ Mt	3,112	1,153	1,959	2,000	41	Negotiation	Independent Third Party	Saeed Autos - Mr. Sheraz - House No. P-231, Street No. 1 Muhammad Pura Faisalabad.
Honda - City 1.2L Mt	4,788	239	4,549	4,100	(449)	Negotiation	Independent Third Party	Saeed Autos - Mr. Sheraz - House No. P-231, Street No. 1 Muhammad Pura Faisalabad.
Honda - City 1.2L Cvt	4,815	469	4,346	4,350	4	Negotiation	Independent Third Party	Saeed Autos - Mr. Sheraz - House No. P-231, Street No. 1 Muhammad Pura Faisalabad.
Toyota Yaris Ativ Cvt 1.3	5,088	1,119	3,969	4,000	31	Negotiation	Independent Third Party	Saeed Autos - Mr. Sheraz - House No. P-231, Street No. 1 Muhammad Pura Faisalabad.

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For the year ended June 30, 2025

Description	Cost	Accumulated Depreciation	Book Value	Sale Proceeds	Gain / (Loss)	Mode of Disposal	Relationship of Buyer with the Company	Particulars of Buyers
	(Rupees '000)							
KIA - Stonic Ex Plus	5,691	285	5,406	5,425	19	Negotiation	Independent Third Party	Mr. Muhammad Majid, House No. P-214, 203 RB, Faisal Town, Faisalabad.
Toyota Yaris Gli 1.3 Cvt	4,949	247	4,702	4,650	(52)	Negotiation	Independent Third Party	Mr. Tanveer Ahmad, Dak Khana Khas, Chak 77 RB, Lahoka Kalan, Distt. Faisalabad.
Toyota - Yaris Gli 1.3 Cvt	4,949	495	4,454	4,550	96	Negotiation	Independent Third Party	Mr. Furrugh Mahmood, House No. P-559, Jawala Nagar, Faisalabad.
Honda - City 1.2L Cvt	4,979	871	4,108	4,125	17	Negotiation	Independent Third Party	Mr. Tanveer Ahmad, Dak Khana Khas, Chak 77 RB, Lahoka Kalan, Distt. Faisalabad.
High Roof Van ARF - 908 (lct)	4,822	1,206	3,616	1,800	(1,816)	Negotiation	Independent Third Party	Mr. Rashid Mahmood, House No. P-5003, Street No. 15, Data Park, Faisalabad.
Suzuki - Swift GL-M/T 1198 Cc	4,350	1,212	3,138	3,150	12	Negotiation	Independent Third Party	Mr. Mohsin Raza, House No. 185-F, Eden Valley, Faisalabad.
Changan Oshan X7 Future Sense 1.5L	8,961	597	8,364	8,749	385	Insurance Claim	Independent Third Party	EFU General Insurance Limited.
Hyundai Tucson Awd Ultimate	9,054	3,139	5,915	8,859	2,944	Insurance Claim	Independent Third Party	EFU General Insurance Limited.
Changan Alsvin 1.5 Dct Lumiere	4,700	1,249	3,451	4,600	1,149	Insurance Claim	Independent Third Party	EFU General Insurance Limited.
Honda City 1.2 Mt	3,882	1,177	2,705	4,000	1,295	Insurance Claim	Independent Third Party	EFU General Insurance Limited.
<b>Sub Total</b>	<b>329,209</b>	<b>163,812</b>	<b>165,397</b>	<b>143,226</b>	<b>(22,171)</b>			
<b>Other assets having book value below Rs. 500,000 each</b>	<b>273,139</b>	<b>208,119</b>	<b>65,020</b>	<b>63,667</b>	<b>(1,353)</b>			
<b>Total - 2025</b>	<b>847,621</b>	<b>437,409</b>	<b>410,212</b>	<b>278,446</b>	<b>(131,766)</b>			
<b>Total - 2024</b>	<b>511,892</b>	<b>329,373</b>	<b>182,519</b>	<b>149,615</b>	<b>(32,904)</b>			

	Note	2025 (Rupees '000)	2024 (Rupees '000)
<b>6.1.2 Depreciation expense for the year has been allocated as under;</b>			
Cost of sales	32	5,917,682	3,753,104
Administrative expenses	34	920,682	567,273
		<b>6,838,364</b>	<b>4,320,377</b>

<b>6.2 Capital work in progress</b>			
Civil works	6.2.1	1,952,364	3,650,569
Plant and machinery	6.2.1	4,994,429	12,226,029
Capital stores	6.2.2	1,467,218	4,134,937
Advances to suppliers		779,398	939,809
		<b>9,193,409</b>	<b>20,951,344</b>

**6.2.1** Civil works and plant and machinery includes borrowing cost capitalized during the year, calculated at the rate of 7.50% to 22.95% per annum (2024: 4.50% to 24.14% per annum).

	2025 (Rupees '000)	2024 (Rupees '000)
Civil works	72,141	649,819
Plant and machinery	64,503	612,075
	<b>136,644</b>	<b>1,261,894</b>

**6.2.2** Capital stores include factory tools and equipment, office equipment, electric installations and furniture and fixtures that are held in store for future use and capitalization.

# NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS

For the year ended June 30, 2025

	Note	2025 (Rupees '000)	2024 (Rupees '000)
<b>6.3 Right of use assets</b>			
<b>Buildings</b>			
<b>Cost:</b>			
Opening balance		556,254	324,521
Additions during the year		92,541	236,558
Disposal during the year		(33,124)	(4,825)
Closing balance		615,671	556,254
<b>Accumulated depreciation:</b>			
Opening balance		313,819	221,200
Depreciation for the year	6.3.1	99,893	95,501
Adjustment on disposal		(3,264)	(2,882)
Closing balance		410,448	313,819
Net book value		205,223	242,435

**6.3.1** Depreciation on right of use assets has been allocated as under;

	Note	2025 (Rupees '000)	2024 (Rupees '000)
Cost of sales	32	97,283	89,293
Administrative expenses	34	2,610	6,208
		99,893	95,501

**6.4** Details of immovable property in the name of the Company:

Usage	Location	Area
Plant 1	Chak # 76 RB. 1 - KM, Jaranwala Road, Khurrianwala, Faisalabad.	22 Acres 7 Kanals 15 Marlas
	Chak # 194 RB. 1 - KM, Jaranwala Road, Khurrianwala, Faisalabad.	3 Acres 13 Marlas
	Chak # 108 RB. 1 - KM, Jaranwala Road, Khurrianwala, Faisalabad.	9 Marlas
Interloop Industrial Park - (Plant 2, Plant 4 & Spinning unit)	Chak # 103 RB, 7 - KM, Jaranwala Road, Khurrianwala, Faisalabad.	142 Acres 4 Kanals 7 Marlas 5 Sarsai
Plant 3	8 - KM, Manga Raiwind Road, Distt. Kasur, Lahore.	41 Acres 3 Kanals 8 Marlas
Denim Division	8 - KM, Manga Raiwind Road, Distt. Kasur, Lahore.	26 Acres 7 Kanals 14 Marlas
Apparel Industrial Park - (Plant 5 & Apparel unit)	Chak # 106 RB, 6 - KM, By Pass Road, Khurrianwala, Faisalabad.	247 Acres 4 Kanals 8 Sarsai
Land	Chak # 200 RB, Near Toll Plaza Gatwala, Lathianwala, Faisalabad.	2 Acres 13 Marlas 5 Sarsai
	Chak # 33/10-R, Tehsil & District Khanewal.	13 Acres 7 Kanals 3 Marlas 5 Sarsai
	Chak # 266 RB, Tehsil Jaranwala, District Faisalabad.	29 Acres 7 Marlas



# NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS

For the year ended June 30, 2025

	Note	2025 (Rupees '000)	2024 (Rupees '000)
<b>7. INTANGIBLE ASSETS</b>			
Computer software	7.1	374,359	299,594
Development cost - in progress		111,036	154,963
		485,395	454,557
<b>7.1 Computer Software</b>			
<b>Cost:</b>			
Opening balance		574,137	562,825
Addition during the year		158,311	11,312
Written off during the year		(19,208)	–
		713,240	574,137
<b>Amortization:</b>			
Opening balance		274,543	201,270
For the year amortization	7.2	78,220	73,273
Adjustment		(13,882)	–
		338,881	274,543
Net book value		374,359	299,594
Amortization rate		20%	20%
<b>7.2 Amortization on intangible assets has been allocated as under;</b>			
Cost of sales	32	426	–
Administrative expenses	34	77,794	73,273
		78,220	73,273
<b>8. LONG TERM INVESTMENT</b>			
<b>Unquoted equity - at cost</b>			
<b>Subsidiary company</b>			
Top Circle Hosiery Mills Co., Inc.	8.1	1,727,763	1,727,763
<b>8.1</b>	This represents investment in 640 fully paid ordinary shares of \$ 1 each of Top Circle Hosiery Mills Co., Inc., which is incorporated under the laws of the United States of America. This investment represents 64% of issued subscribed and paid up capital of Top Circle Hosiery Mills Co., Inc.		
	Consequently, following subsidiaries of Top Circle Hosiery Mills Co., Inc have also been considered subsidiaries of the Company:		
	<ul style="list-style-type: none"> <li>– Shanghai Haolu Trading Co., Ltd</li> <li>– Pinghu Top Circle Knitting Co., Ltd</li> <li>– Zhejiang Top Circle Textiles Co., Ltd</li> <li>– Shanghai Chenzhou Industry Co., Ltd</li> <li>– Haolu Trading USA Co., Inc.</li> </ul>		

**For the year ended June 30, 2025**

9.1	Loans to employees		
	Opening balance	397,439	342,047
	Add: disbursement made during the year	1,738,839	463,885
		2,136,278	805,932
	Less: amount received during the year	(1,613,503)	(408,493)
		522,775	397,439
	Less: receivable within twelve months	(324,700)	(223,066)
		198,075	174,373

		2025 (Rupees '000)	2024 (Rupees '000)
9.2	Loan to director		
	Opening balance	3,653	8,269
	Less: amount received/amortized during the year	(3,653)	(4,616)
		—	3,653
	Less: receivable within twelve months	14	(1,153)
		—	2,500

**9.2.2** The maximum aggregate amount of loan to director at the end of any month during the year was Rs. 3.27 million (2024: Rs. 7.89 million).

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# NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS

For the year ended June 30, 2025

	Note	2025 (Rupees '000)	2024 (Rupees '000)
<b>11. STORES AND SPARES</b>			
Stores		1,123,896	1,120,474
Spares		2,352,367	2,063,951
		3,476,263	3,184,425
<b>12. STOCK IN TRADE</b>			
Raw materials		12,406,832	14,673,464
Work in process		5,012,176	4,466,813
Finished goods		8,346,950	7,268,849
		25,765,958	26,409,126
Less: Provision for obsolete inventory	12.1	(30,489)	(48,274)
		25,735,469	26,360,852
<b>12.1 Provision for obsolete inventory</b>			
Opening balance		48,274	–
Provision for the year	35	30,489	48,274
Written off during the year		(48,274)	–
Closing balance		30,489	48,274
<b>13. TRADE DEBTS</b>			
<b>Considered good:</b>			
<b>Foreign</b>			
- Secured	13.1	13,475,660	18,317,679
- Unsecured		33,156,592	21,189,023
		46,632,252	39,506,702
<b>Local</b>			
- Unsecured	13.1	1,682,600	1,686,902
		48,314,852	41,193,604
<b>13.1 It includes receivables from following related parties;</b>			
<b>Foreign</b>			
Texlan Center (Pvt) Limited		607,515	526,313
Interloop Europe		375,571	79,875
<b>Local</b>			
Socks & Socks (Pvt) Limited		139,230	184,530
		1,122,316	790,718
<b>13.2</b>	The maximum aggregate amount of receivable due from related parties at the end of any month during the year was Rs. 1,122.316 million (2024: Rs. 1,301.287 million).		

# NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS

For the year ended June 30, 2025

- 13.3** At June 30, 2025, trade debts due from related parties aggregating to Rs. 225.040 million (2024: Rs. 181.496 million) were past due but not impaired. The aging analysis of receivables from related parties is as follows:

	Note	2025 (Rupees '000)	2024 (Rupees '000)
Not yet due		897,276	609,222
Upto 1 month		91,636	30,298
More than 1 month		133,404	151,198
		1,122,316	790,718

## 14. LOANS AND ADVANCES

### Considered good:

#### Loans - secured

- Current portion of loans to employees 9.1 324,700 223,066  
Current portion of loan to director 9.2 – 1,153

#### Advances - unsecured

- Advances to suppliers 14.1 1,547,623 1,678,337  
Advances to employees 14.2 24,901 21,615

1,897,224 1,924,171

### 14.1 It includes advances to following related parties;

- Socks & Socks (Pvt) Limited 12,709 22,865  
IRC Dairy Products (Pvt) Limited 72 –

12,781 22,865

- 14.1.1** The maximum aggregate amount of receivable due from related parties at the end of any month during the year was Rs. 54.325 million (2024: Rs. 229.289 million). The aging analysis of these advances is as follows:

	2025 (Rupees '000)	2024 (Rupees '000)
Less than 3 months	12,781	22,865

- 14.2** Advances to employees are given to meet business expenses and are settled as and when expenses are incurred.

# NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS

For the year ended June 30, 2025

	Note	2025 (Rupees '000)	2024 (Rupees '000)
<b>15. DEPOSIT, PREPAYMENTS AND OTHER RECEIVABLES</b>			
<b>Deposit</b>			
LC margin		83,099	61,755
<b>Prepayments</b>			
Insurance premium		22,142	16,905
Prepaid expenses		169,610	195,276
<b>Other receivables - considered good</b>			
Subsidy on gas	15.1	–	60,619
Others		21,703	13,167
		<b>296,554</b>	<b>347,722</b>

**15.1** This represents the subsidy receivable against sui gas consumption from Sui Northern Gas Pipelines Limited (SNGPL) amounting to Nil (2024: Rs. 60.619 million). SNGPL allowed 25% system gas adjustment capped at initial contractual load. During the year, the entire receivable balance was fully adjusted against amounts payable in SNGPL's billing.

	Note	2025 (Rupees '000)	2024 (Rupees '000)
<b>16. ACCRUED INCOME</b>			
Profit on term finance certificates (TFCs)		877	1,497
<b>17. REFUNDS DUE FROM GOVERNMENT AND STATUTORY AUTHORITIES</b>			
DDT		1,331,404	1,328,799
Sales tax refundable		8,232,977	5,204,048
Income tax refundable		1,973,867	595,960
		<b>11,538,248</b>	<b>7,128,807</b>

<b>18. SHORT TERM INVESTMENTS</b>			
Term Finance Certificates (TFCs) - Amortized cost:			
Habib Bank Limited	18.1	500,000	500,000

**18.1** This represents investment as fully paid-up, rated, privately placed, perpetual, unsecured, subordinated, noncumulative, contingent convertible, additional Tier 1, capital eligible 5,000 term finance certificates (TFCs) of Habib Bank Limited having face value of Rs. 100,000/- each aggregating to Rs. 500 million (2024: Rs. 500 million). TFCs carry profit at the rate of 3 months KIBOR + 1.60% per annum payable quarterly in arrears.

		2025 (Rupees '000)	2024 (Rupees '000)
<b>19. CASH AND BANK BALANCES</b>			
Cash in hand		15,911	25,880
Cash at banks			
In current accounts		295,899	35,206
In foreign currency accounts		45,709	309,300
		<b>341,608</b>	<b>344,506</b>
		<b>357,519</b>	<b>370,386</b>



# NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS

For the year ended June 30, 2025

## 20. AUTHORIZED SHARE CAPITAL

2025 (Number of shares in '000)	2024 (Number of shares in '000)		2025 (Rupees '000)	2024 (Rupees '000)
5,000,000	5,000,000	Ordinary shares of Rs. 10 each	50,000,000	50,000,000

## 21. ISSUED, SUBSCRIBED AND PAID UP SHARE CAPITAL

2025 (Number of shares in '000)	2024 (Number of shares in '000)		2025 (Rupees '000)	2024 (Rupees '000)
132,429	132,429	Ordinary shares of Rs. 10 each fully paid in cash	1,324,289	1,324,289
1,269,281	1,269,281	Ordinary shares of Rs. 10 each issued as fully paid bonus shares	12,692,806	12,692,806
1,401,710	1,401,710		14,017,095	14,017,095

### 21.1 Movement in issued, subscribed and paid up share capital

	2025		2024	
	Ordinary shares of Rs. 10 each		Ordinary shares of Rs. 10 each	
	Fully paid in cash	Fully paid bonus shares	Fully paid in cash	Fully paid bonus shares
	Number of shares in '000		Number of shares in '000	
Opening balance	132,429	1,269,281	132,166	1,269,281
Issued during the year	–	–	263	–
Closing balance	132,429	1,269,281	132,429	1,269,281

**21.2** All ordinary shares rank equally with regard to the Company's residual assets. Holders of these shares are entitled to dividends from time to time and are entitled to one vote per share at the general meetings of the Company.

	Note	2025 (Rupees '000)	2024 (Rupees '000)
<b>22. RESERVE</b>			
<b>Capital reserve</b>			
Share premium	22.1	3,158,734	3,158,734

**22.1** This represents premium received over and above face value of the shares issued to institutional investors, high net worth individuals and general public through initial public offering (IPO) and employees of the Company through employees stock option scheme (ESOS). This reserve can be utilized by the Company only for the purposes specified in section 81 of the Companies Act, 2017.

# NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS

For the year ended June 30, 2025

## 23. LONG TERM FINANCING

				Note	2025 (Rupees '000)	2024 (Rupees '000)
	Pricing per annum	Tenor	Repayment	Final repayment date		
<b>From financial institutions - secured</b>						
<b>Islamic banking:</b>						
Islamic long term finance facility - ILTF	SBP ILTF rate + 0.75%	10 years including 2 years grace period	32 quarterly payments	April 7, 2032	2,284,016	2,746,374
Islamic temporary economic refinance facility - ITERF	SBP ITERF rate + 0.95%	10 years including 2 years grace period	32 quarterly payments	June 14, 2031	34,200	39,733
Islamic finance renewable energy - IRE	SBP rate + 0.75%	6 years including 1 year grace period	20 quarterly payments	October 1, 2026	74,328	123,880
Diminishing musharaka	3 months KIBOR + 0.10% to 0.15%	6 to 10 years including 1 to 2 years grace period	20 to 32 quarterly payments	December 24, 2034	15,745,809	6,766,377
<b>Conventional banking:</b>						
Long term financing facility - LTFF	SBP LTFF rate + 0.50% to 0.75%	10 years including 2 years grace period	32 quarterly payments	November 14, 2032	2,579,228	2,977,521
Demand finance loan	3 months KIBOR + 0.05%	10 years including 2 years grace period	32 quarterly payments	October 22, 2034	8,049,696	3,676,993
Temporary economic refinance facility - TERF	SBP TERF rate + 0.75% to 1.25%	10 years including 2 years grace period	32 quarterly payments	May 19, 2032	2,105,889	2,436,849
SBP renewable energy	SBP rate + 0.75%	12 years including 2 years grace period	40 quarterly payments	March 1, 2034	132,286	149,635
Less: Current portion of long term financing					31,005,452	18,917,362
				29	(2,411,465)	(2,722,549)
					28,593,987	16,194,813

**23.1** The Company has obtained long-term financing facilities from various banks to fund its capex and BMR projects. These facilities are secured against 1st Joint Pari Passu (JPP) charge of Rs. 30,860 million, 1st specific charge of Rs. 6,660 million, mortgage charge of Rs. 2,667 million and ranking charge of Rs. 25,668 million over all present and future fixed assets of the Company (land, building and plant & machinery).

The Government of Pakistan has introduced Islamic Temporary Economic Refinance Facility (ITERF) and Temporary Economic Refinance Facility (TERF) for setting of new industrial units and for undertaking Balancing, Modernization and Replacement and /or expansion of projects / businesses. The Company has availed this facility from various banks at concessional rate of markup. The loan under these facilities was initially recognized at fair value in accordance with IFRS 9 - Financial Instruments using an effective interest rate at respective drawdown dates. The difference between the fair value of the loan and loan proceeds has been recognized as deferred income as per requirements of IAS 20 (Accounting for Government grants and disclosure of Government assistance) and as per Circular 11/2020 issued by the Institute of Chartered Accountants of Pakistan.

# NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS

For the year ended June 30, 2025

	Note	2025 (Rupees '000)	2024 (Rupees '000)	
24. LEASE LIABILITIES				
Opening balance		274,716	128,935	
Additions during the year		92,541	236,558	
Accretion of interest		38,025	32,070	
Payments during the year		(128,975)	(120,659)	
Termination during the year		(30,542)	(2,188)	
		245,765	274,716	
Less: Current portion shown under current liabilities	29	(79,077)	(83,751)	
		166,688	190,965	
24.1 These represent lease contracts for Company manufacturing facility, warehouses, and employees hostel and have estimated lease terms between 3 to 5 years. These are discounted using incremental borrowing rate of the Company.				
24.2 The future minimum lease payments to which the Company is committed under the agreements will be due as follows:				
		Not later than one year	Later than one year and not later than three years	More than three years
		(Rupees '000)		
At 30 June 2025				
Future minimum lease payments	108,098	185,276	7,907	
Less: Un-amortized finance charges	(29,021)	(26,355)	(140)	
Present value of future minimum lease payments	79,077	158,921	7,767	
At 30 June 2024				
Future minimum lease payments	118,223	225,323	9,482	
Less: Un-amortized finance charges	(34,472)	(43,776)	(64)	
Present value of future minimum lease payments	83,751	181,547	9,418	
	Note	2025 (Rupees '000)	2024 (Rupees '000)	
25. DEFERRED LIABILITIES				
Staff retirement gratuity	25.1	13,712,790	10,694,629	
Deferred income - Government grant	25.2	64,912	91,719	
Deferred taxation - net	25.3	545,885	–	
		14,323,587	10,786,348	

## 25.1 Staff retirement gratuity

This represents an unfunded gratuity scheme which provides termination benefits for all employees of the Company who attain the minimum qualifying period. The latest actuarial valuation of the defined benefit plan was carried out as at June 30, 2025 using the Projected Unit Credit (PUC) Actuarial Cost Method. Details of the defined benefit plan are as follows:

# NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS

For the year ended June 30, 2025

	Note	2025 (Rupees '000)	2024 (Rupees '000)
<b>25.1.1 Movement in the present value of defined benefit obligation</b>			
Opening balance		10,694,629	7,876,298
Expenses recognized in the statement of profit or loss	25.1.2	3,559,300	2,796,402
Remeasurement of plan obligation chargeable to other comprehensive income	25.1.4	297,975	753,756
Balance transferred from associated companies		—	2,601
Paid during the year		(839,114)	(734,428)
Closing balance		13,712,790	10,694,629
<b>25.1.2 Expenses recognized in the statement of profit or loss</b>			
Current service cost		2,121,347	1,613,721
Past service cost		(557)	—
Interest cost		1,438,510	1,182,681
		3,559,300	2,796,402
<b>25.1.3 Amounts charged in the statement of profit or loss are as follows:</b>			
Cost of sales	32	3,112,743	2,401,355
Distribution cost	33	82,967	60,518
Administrative expenses	34	363,590	334,529
		3,559,300	2,796,402
<b>25.1.4 Total remeasurement chargeable to other comprehensive income</b>			
Remeasurement of plan obligation:			
Actuarial gain from changes in financial assumptions		(416,005)	(274,791)
Experience adjustments		713,980	1,028,547
		297,975	753,756
		<b>2025</b>	<b>2024</b>
<b>25.1.5 Principal actuarial assumptions used</b>			
Discount rate used for profit and loss charge		14.00%	15.75%
Discount rate for year end obligation		12.50%	14.00%
Salary increase used for year end obligation			
Salary increase for FY 2025		N/A	12.00%
Salary increase for FY 2026		10% for executive & 5% for workers	12.00%
Salary increase for FY 2027		12.00%	12.00%
Salary increase for FY 2028		12.50%	14.00%
Salary increase for FY 2029		12.50%	14.00%
Salary increase for FY 2030		12.50%	14.00%
Salary increase for FY 2031 onward		12.50%	14.00%
<b>Demographic assumption</b>			
Mortality rates (for deaths in service)		SLIC 2001-2005 Setback 1 year	SLIC 2001-2005 Setback 1 year
Retirement assumption		60 years	60 years

# NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS

For the year ended June 30, 2025

**25.1.6** The expected contribution to defined benefit obligation for the year ending June 30, 2026 will be Rs. 4,057.934 million.

## **25.1.7 Sensitivity analysis**

If the significant actuarial assumptions used to estimate the defined benefit obligation at the reporting date, had fluctuated by 100 bps with all other variables held constant, the present value of the defined benefit obligation as at June 30, 2025 would have been as follows:

	2025 (Rupees '000)	2024 (Rupees '000)
Discount rate + 100 bps	12,318,371	9,618,138
Discount rate - 100 bps	15,376,283	11,977,603
Salary change + 100 bps	15,398,929	11,994,564
Salary change - 100 bps	12,273,104	9,583,819

The sensitivity analysis of the defined benefit obligation to the significant actuarial assumptions has been performed using the same calculation techniques as applied for calculation of defined benefit obligation reported in the statement of financial position.

## **25.1.8 Maturity profile**

The average duration of defined benefit obligation for the year ended 2025 is 11 years (2024: 11 years).

The expected benefit payment for the upcoming years is as follows;

	Note	2025 (Rupees '000)	2024 (Rupees '000)
Between 1 to 3 years		3,933,760	3,288,112
Between 3 to 5 years		3,218,927	2,715,233
Beyond 5 years		571,988,687	678,814,505
		579,141,374	684,817,850

## **25.2 Deferred income - Government grant**

Opening balance		122,906	158,092
For the year amortization		(31,149)	(35,186)
		91,757	122,906
Current portion of deferred income	29	(26,845)	(31,187)
Closing balance		64,912	91,719

**25.2.1** There are no unfulfilled conditions or other contingencies attaching to these grants.

	Note	2025 (Rupees '000)	2024 (Rupees '000)
<b>25.3 Deferred taxation - net</b>			
Deferred tax liability/(asset)	25.3.1	545,885	(350,141)

# NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS

For the year ended June 30, 2025

	Note	2025 (Rupees '000)	2024 (Rupees '000)
<b>25.3.1 Movement in deferred tax liability/(asset) is as follows;</b>			
Opening balance		(350,141)	–
Deferred tax expense/(credit) recognized in profit or loss		1,012,236	(56,176)
Deferred tax credit recognized in other comprehensive income		(116,210)	(293,965)
		896,026	(350,141)
Closing balance	25.3.2	545,885	(350,141)
<b>25.3.2 This comprise of following:</b>			
<b>Taxable temporary differences arising in respect of;</b>			
Accelerated tax depreciation allowance		7,025,704	4,709,175
Right of use assets		80,037	94,550
Intangibles		65,144	49,792
Derivative financial instruments		–	23,107
<b>Deductible temporary differences arising in respect of;</b>			
Staff retirement gratuity		(5,347,988)	(4,170,905)
Lease liabilities		(95,849)	(107,139)
Derivative financial instruments		(5,092)	–
Disallowance of provisions		(1,176,071)	(948,721)
		545,885	(350,141)
<b>26. TRADE AND OTHER PAYABLES</b>			
Trade creditors	26.1	6,148,664	5,393,385
Accrued liabilities	26.2	6,019,633	6,912,256
Contract liabilities - advances from customers	26.3	113,423	93,592
Other payables	26.4	556,656	607,617
Payable to employees provident fund trust	26.5	12,369	9,001
Withholding tax payable		347,308	288,300
Workers' profit participation fund	26.6	484,652	970,300
Workers' welfare fund	26.7	1,351,075	1,261,758
		15,033,780	15,536,209
<b>26.1 It includes payable to following related parties;</b>			
Interloop Holdings (Pvt) Limited		31,607	12,313
Octans Digital (Pvt) Limited		31,014	7,503
Printkraft (Pvt) Limited		16,593	39,652
Momentum Logistics (Pvt) Limited		104,927	114,571
Zhejiang Top Circle Textiles Co., Limited		464,795	221,870
Texlan Center (Pvt) Limited		271,070	–
		920,006	395,909
<b>26.2</b>	It includes an amount of Rs. 1,634.010 million (2024: Rs. 1,122.971 million) relating to infrastructure cess payable.		



# NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS

For the year ended June 30, 2025

**26.2.1** Honourable Sindh High Court in its decision dated September 17, 2008 declared the imposition of infrastructure cess before December 28, 2006 as void and invalid. However, the Excise and Taxation Department filed an appeal before the Honourable Supreme Court of Pakistan. The Honourable Supreme court of Pakistan had disposed off the appeal with a joint statement of the parties that during the pendency of the appeal, another law i.e. fifth version came into existence which was not the subject matter of the appeal hence the case was referred back to High Court of Sindh with right to appeal to Supreme Court. The Company filed constitutional petition bearing No. 1809 of 2011 before Honourable High Court Sindh. On May 31, 2011, the High Court of Sindh had granted an interim relief on an application of petitioners on certain terms including discharge and return of bank guarantees / security furnished on consignment released up to December 27, 2006 and any bank guarantee / security furnished on consignment released after December 27, 2006 shall be encashed to the extent of 50% of the guaranteed or secured amount only with balance kept intact till the disposal of petition. In case the High Court upholds the applicability fifth version of law and its retrospective application, the authorities are entitled to claim the amounts due under the said law with the right to appeal available to petitioner. In the light of interim relief the Company has paid 50% of the amount of Infrastructure cess. Imports of the Company are being released against 50% payment of Infrastructure cess to Excise and Taxation Department and furnishing of bank guarantee of balance amount. On 4th June 2021, Honorable Sindh High Court passed an order whereby it upheld the contention of Sindh Government and suspend its own order for 90 days. The Company has filed writ petition CPLA NO. 4611 against the said order before the Supreme Court of Pakistan.

The Honourable Supreme Court of Pakistan granted an interim relief on September 01, 2021 against the impugned Judgment of the Sindh High Court. The Honourable Apex Court directed that till further orders, operation of the impugned Judgment of the High Court of Sindh dated June 04, 2021 and recovery of the impugned levy shall remain suspended. The petitioner shall keep the bank guarantee already submitted, pursuant to the order of the Sindh High Court, valid, operative and enforceable and shall furnish fresh bank guarantees equivalent to the amount of levy claimed by the respondents against release of all future import consignments. However, in the light of the order of the Supreme Court of Pakistan, the Company has issued bank guarantees equivalent to the amount of the levy and no payment is being made subsequent to the order date of the Court.

The full amount of Infrastructure cess forms component of cost of imported items and provision recorded in books. Bank guarantees furnished regarding imposition of infrastructure cess have been disclosed in note - 30.1.2 to these unconsolidated financial statements.

**26.2.2** The Government of Punjab imposed Punjab Infrastructure Development Levy in terms of the Punjab Infrastructure Development Cess Act, 2015 (the Act) read with PRA Notification No.PRA/IDC/2015 dated May 16, 2016 and PRA order No.PRA/Orders.08/2015 dated May 23, 2016. The Company being aggrieved filed writ petition vide WP No.24536 of 2016 before Honorable Lahore High Court challenging the constitutionality of the Act . The Lahore High Court on July 28, 2016 granted interim relief for clearance of goods subject to payment of 50% of the disputed amount and upon furnishing of a bank guarantee for the balance of 50% of the amount. The case is pending litigation before Honorable Lahore High Court, Lahore, the same has been adjourned without any next date.

**26.3** The contract liabilities primarily relate to the advance consideration received from customers for sale of goods, for which revenue is being recognized at point in time when goods are transferred. Out of Rs. 93.592 million recognized in contract liabilities as on June 30, 2024, an amount of Rs. 93.244 million has been adjusted and recognized as revenue during the year.

**26.4** It includes an amount of Rs. 125.178 million (2024: Rs. 127.145 million) payable to ILNA Inc. USA, an associated company.

**26.5** The investments out of provident fund have been made in accordance with the provisions of section 218 of the Companies Act, 2017 and the rules formulated in Employees Contributory Funds (Investment in Listed Securities) Regulations, 2018.

# NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS

For the year ended June 30, 2025

	Note	2025 (Rupees '000)	2024 (Rupees '000)
<b>26.6 Workers' profit participation fund</b>			
Opening balance		970,300	1,150,769
Interest on funds utilized in the Company's business	37	26,723	30,484
Expense allocation for the year	35	463,465	943,788
		1,460,488	2,125,041
Paid during the year		(975,836)	(1,154,741)
Closing balance		484,652	970,300
<b>26.7 Workers' welfare fund</b>			
Opening balance		1,261,758	898,342
Provision for the year	35	179,317	363,416
		1,441,075	1,261,758
Paid during the year		(90,000)	–
Closing balance		1,351,075	1,261,758
<b>27. ACCRUED MARK UP</b>			
Mark up on:			
Long term financing		959,164	631,078
Short term borrowings		62,968	2,058,154
		1,022,132	2,689,232
<b>28. SHORT TERM BORROWINGS</b>			
<b>From banking companies - Secured</b>			
Under mark up arrangements			
<b>Islamic banking:</b>			
IERS - II		3,230,000	7,030,000
Exim IERS - II		9,475,000	–
Islamic export finance scheme (IEFS)		2,100,000	2,099,982
Running musharika		–	6,793,209
<b>Conventional banking:</b>			
ERF - II		21,361,960	29,306,960
Exim ERF - II		18,413,040	–
Export finance scheme (EFS)		5,249,892	4,671,988
Running finance		–	1,432
		59,829,892	49,903,571

- 28.1** All short-term credit lines are secured against a first Joint Pari Passu (JPP) charge of Rs. 147,837 million, registered on July 16, 2025 (2024: Rs. 108,569 million). As at June 30, 2025, these facilities stood secured against a JPP charge of Rs. 108,569 million and a ranking charge of Rs. 38,670 million (2024: Nil) over all present and future current assets of the Company, in favor of all lending banks. The aggregate sanctioned limits available to the Company for short-term borrowings from all banks amount to Rs. 105,200 million (2024: Rs. 76,500 million).

# NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS

For the year ended June 30, 2025

## Mark up is charged as;

ERF - II / IERS - II	SBP Rate + 0.25% to 1% per annum (2024: SBP Rate + 0.25% to 1% per annum)
Exim ERF-II/ Exim IERS-II	SBP Rate + 0.25% to 1% per annum (2024: Nil)
EFS / IEFS	SBP refinance rate for EFS and IEFS (2024: SBP refinance rate for EFS and IEFS)
Running finance/musharika	1 to 3 months Kibor -2.8% to +1% per annum (2024: 1 to 6 months Kibor -2.7% to +1% per annum)

	Note	2025 (Rupees '000)	2024 (Rupees '000)
<b>29. CURRENT PORTION OF NON CURRENT LIABILITIES</b>			
Long term financing	23	2,411,465	2,722,549
Lease liabilities	24	79,077	83,751
Deferred income - Government grant	25.2	26,845	31,187
		<b>2,517,387</b>	<b>2,837,487</b>

## 30. CONTINGENCIES AND COMMITMENTS

### 30.1 Contingencies

**30.1.1** The Punjab Revenue Authority (PRA) raised a demand of Rs. 60.720 million against the Company for the alleged default in withholding provincial sales tax on various transport services obtained during the period March 01, 2015 to May 31, 2016. The demand, comprising principal tax, default surcharge, and penalty, was raised under the provisions of the Punjab Sales Tax on Services Act, 2012 through Order No. ENF-Unit-1/32/2018 dated March 15, 2018. Aggrieved by the order, the Company filed an appeal before the Commissioner (Appeals), PRA, who through Appellate Order No. 175/2018 partially allowed the appeal by deleting amount of Rs. 36.753 million, while upholding a balance demand of Rs. 23.967 million. The Company further contested the matter before the Honourable Appellate Tribunal PRA, which, through Order No. 85/2018 dated February 21, 2019, set aside the earlier decision and remanded the case back to the assessing officer for fresh examination.

In the second round of litigation, the Commissioner PRA, through Order-in-Original No. 16/2019 dated July 16, 2019, revised the demand to Rs. 13.195 million. The Company once again appealed before the Honourable Appellate Tribunal, which through Order-in-Appeal No. 99/2019 dated October 22, 2019, again remanded the matter back to the Additional Commissioner Enforcement – I for denovo consideration. Meanwhile, the department initiated coercive recovery measures and forcibly recovered Rs. 15.317 million by attaching the Company's bank account. In response, the Company filed a writ petition before the Honourable Lahore High Court, Lahore, which directed the concerned Commissioner PRA to review the matter and either refund the amount recovered or appropriately adjust it against any lawful tax liability.

However, in compliance with the aforementioned Order dated October 22, 2019 of the Honourable Appellate Tribunal, a third round of litigation was initiated, resulting in the creation of an alleged tax demand of Rs. 45.248 million. After adjusting the previously recovered amount of Rs. 15.317 million, a net demand of Rs. 29.931 million was raised through Order-in-Original No. 109/2020 dated June 30, 2020. The Company filed an appeal before the Commissioner (Appeals), PRA, who, through Appeal No. 203/2020 dated November 28, 2023, upheld the order of the assessing authority in its entirety. Consequently, the Company has preferred a further appeal before the Honourable Appellate Tribunal PRA, where the matter is currently pending adjudication.

The Company has not made any provision against the above demand as the management is confident that the ultimate outcome of the appeal would be in favor of the Company, inter alia on the basis of the advice of the tax consultant and relevant law and facts.

# NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS

For the year ended June 30, 2025

	2025 (Rupees '000)	2024 (Rupees '000)
<b>30.1.2</b> Bank guarantees issued by various banks on behalf of the company in favour of:		
Sui Northern Gas Pipelines limited (SNGPL) against supply of gas	1,731,380	1,598,138
The Director, Excise and Taxation, Karachi against imposition of infrastructure cess	1,462,353	942,353
Faisalabad Electric Supply Company (FESCO) against supply of electricity	154,425	152,195
Lahore Electric Supply Company (LESCO) against supply of electricity	7,370	–
Punjab Revenue Authority against imposition of infrastructure cess	11,533	11,533
Total Parco Pakistan Ltd	6,000	6,000
	<b>3,373,061</b>	<b>2,710,219</b>

**30.1.2.1** The total limits available to the Company for bank guarantees from all the banks are amounting to Rs. 6,300 million, out of which Rs. 4,100 million are available as stand alone limits and Rs. 2,200 million can be availed under sublimits of short term borrowings. These are also secured against cumulative 1st JPP charge as mentioned in note 28.1 of these unconsolidated financial statements.

	2025 (Rupees '000)	2024 (Rupees '000)
<b>30.1.3</b> Post dated cheques issued in favour of custom authorities for release of imported goods.	7,878,158	9,694,785
<b>30.2 Commitments</b>		
Under letters of credit for:		
Raw materials	2,972,579	3,385,803
Capital expenditure	622,930	3,107,762
Stores and spares	207,293	65,948
	<b>3,802,802</b>	<b>6,559,513</b>

**30.2.1** The total limits available to the Company for letters of credit - Sight/Usance from all the banks are amounting to Rs. 35,750 million, out of which Rs. 22,850 are available as stand alone limits and Rs. 12,900 million can be availed under sublimits of short term borrowings. Letter of Credit - Sights are secured against lien over valid import documents, whereas the Letter of Credit - Usance are also secured against cumulative 1st JPP charge as mentioned in note 28.1 of these unconsolidated financial statements and lien on import documents.

# NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS

For the year ended June 30, 2025

	Note	2025 (Rupees '000)	2024 (Rupees '000)
<b>31. SALES - NET</b>			
Export sales	31.1	163,938,422	148,765,593
Local sales		11,834,341	8,522,195
		175,772,763	157,287,788
Less:			
Sales discount		(572,739)	(344,673)
Sales tax		(1,818,491)	(814,250)
		(2,391,230)	(1,158,923)
		173,381,533	156,128,865

**31.1** It includes exchange gain/(loss) amounting to Rs. 893.275 million (2024: Rs. (742.727) million).

**31.2** Revenue is disaggregated based on geographical locations of our customers. The same is disclosed in note - 46.

	Note	2025 (Rupees '000)	2024 (Rupees '000)
<b>32. COST OF SALES</b>			
Raw material consumed	32.1	79,041,392	68,214,884
Stores and spares consumed	32.2	3,963,896	3,440,277
Knitting, processing and packing charges		5,979,010	3,332,674
Salaries, wages and benefits	32.3	30,297,717	23,642,444
Staff retirement gratuity	25.1.3	3,112,743	2,401,355
Fuel and power		9,732,382	8,898,497
Repairs and maintenance		980,961	901,848
Insurance		219,313	164,607
Depreciation	6.1.2	5,917,682	3,753,104
Depreciation on right of use assets	6.3.1	97,283	89,293
Amortization	7.2	426	–
Rent, rate and taxes		42,108	52,114
Other manufacturing costs		448,998	311,113
		139,833,911	115,202,210
Work in process			
Opening balance		4,466,813	3,124,698
Closing balance		(5,012,176)	(4,466,813)
		(545,363)	(1,342,115)
Cost of goods manufactured		139,288,548	113,860,095
Finished goods			
Opening balance		7,268,849	5,993,436
Closing balance		(8,346,950)	(7,268,849)
		(1,078,101)	(1,275,413)
		138,210,447	112,584,682

# NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS

For the year ended June 30, 2025

		2025 (Rupees '000)	2024 (Rupees '000)
<b>32.1</b>	<b>Raw material consumed</b>		
	Opening balance	14,673,464	10,610,676
	Purchases	76,774,760	72,277,672
		91,448,224	82,888,348
	Closing balance	(12,406,832)	(14,673,464)
		79,041,392	68,214,884
<b>32.2</b>	<b>Stores and spares consumed</b>		
	Opening balance	3,184,425	2,490,975
	Purchases	4,255,734	4,133,727
		7,440,159	6,624,702
	Closing balance	(3,476,263)	(3,184,425)
		3,963,896	3,440,277

**32.3** Salaries, wages and benefits include Rs. 21.934 million (2024: Rs. 16.967 million) in respect of the provident fund contribution.

	Note	2025 (Rupees '000)	2024 (Rupees '000)	
33.	DISTRIBUTION COST			
	Staff salaries and benefits	33.1	1,189,854	952,896
	Staff retirement gratuity	25.1.3	82,967	60,518
	Sea and air freight		863,862	507,220
	Shipping expenses		1,866,180	1,589,152
	Selling commission		1,778,499	1,815,048
	Export development surcharge		408,301	374,646
	Marketing and advertisement		492,670	328,311
			6,682,333	5,627,791

**33.1** Staff salaries and benefits include Rs. 5.194 million (2024: Rs. 3.315 million) in respect of the provident fund contribution.



# NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS

For the year ended June 30, 2025

	Note	2025 (Rupees '000)	2024 (Rupees '000)
<b>34. ADMINISTRATIVE EXPENSES</b>			
Staff salaries and benefits	34.1 & 34.2	5,375,974	4,776,412
Directors' remuneration		197,467	145,179
Staff retirement gratuity	25.1.3	363,590	334,529
Postage and communication		62,703	66,065
Electricity, gas and water		139,319	102,723
Rent, rates and taxes		765,399	585,827
Printing and stationery		265,124	244,933
Travelling and conveyance		194,949	194,357
Vehicles running and maintenance		65,436	74,734
Legal and professional charges		452,529	892,302
Repairs and maintenance		64,176	42,042
Auditors' remuneration	34.2	11,525	10,055
Insurance		46,752	36,001
Entertainment		420,011	295,897
Advertisement		8,251	3,276
Newspapers and periodicals		211	450
Depreciation	6.1.2	920,682	567,273
Depreciation on right of use assets	6.3.1	2,610	6,208
Amortization	7.2	77,794	73,273
Others		185,943	131,232
		<b>9,620,445</b>	<b>8,582,768</b>

**34.1** Staff salaries and benefits include Rs. 25.304 million (2024: Rs. 17.328 million) in respect of the provident fund contribution.

	Note	2025 (Rupees '000)	2024 (Rupees '000)
<b>34.2 Auditors' remuneration</b>			
Annual audit fee		9,450	7,875
Other certification		—	105
Half yearly review		1,575	1,575
Out of pocket expenses		500	500
		<b>11,525</b>	<b>10,055</b>

<b>35. OTHER OPERATING EXPENSES</b>			
Exchange loss - net		—	20,769
Loss on disposal of non current assets	35.1	136,410	32,659
Provision for obsolete inventory	12.1	30,489	48,274
Unrealized loss on derivative financial instruments		13,056	—
Charity and donations	35.2	125,391	632,546
Workers' profit participation fund	26.6	463,465	943,788
Workers' welfare fund	26.7	179,317	363,416
		<b>948,128</b>	<b>2,041,452</b>
<b>35.1 Loss on disposal of non current assets</b>			
Loss on disposal of operating fixed assets		131,766	32,904
Gain on disposal of right of use assets		(682)	(245)
Loss on disposal of intangible assets		5,326	—
		<b>136,410</b>	<b>32,659</b>

# NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS

For the year ended June 30, 2025

## 35.2 Charity and donations include the following;

Names of donees' in which a director or his spouse has an interest:

Name of Donee	Interest in Donee	Name of Director / Spouse	2025 (Rupees '000)	2024 (Rupees '000)
Interloop Welfare Trust	Trustees	Mr. Navid Fazil Mr. Musadaq Zulqarnain Mr. Jahanzeb Khan Banth Mr. Muhammad Maqsood	43,300	588,107
Lyallpur Literary Council	Trustees	Mr. Musadaq Zulqarnain Mrs. Nazia Navid	4,500	8,000
			47,800	596,107

	Note	2025 (Rupees '000)	2024 (Rupees '000)
<b>36. OTHER INCOME</b>			
<b>Income from financial assets</b>			
Dividend income		22,927	19,794
Exchange gain - net		3,698	—
Realized gain on derivative financial instruments		288,794	442,679
Unrealized gain on derivative financial instruments		—	59,248
Profit on term finance certificates (TFCs)		84,058	118,072
<b>Income from non-financial assets</b>			
Scrap sales		268	538
		399,745	640,331

<b>37. FINANCE COST</b>			
Mark up on:			
Short term borrowings		6,801,839	8,083,365
Long term financing - net		2,124,185	1,467,703
Interest on workers' profit participation fund	26.6	26,723	30,484
Interest on lease liabilities	24	38,025	32,070
Bank charges and commission		542,592	511,532
		9,533,364	10,125,154

<b>38. LEVIES</b>			
Current year	38.1	8,025	2,018,512
Prior year		(29,593)	27,699
		(21,568)	2,046,211

**38.1** These represent final tax under section 150 (2024: under section 154 and 150) and related super tax under section 4C, applicable for the companies, under the provisions of the Income Tax Ordinance, 2001, representing levies in terms of requirements of IFRIC 21/IAS 37.

	Note	2025 (Rupees '000)	2024 (Rupees '000)
<b>39. INCOME TAX</b>			
Current year	39.1	2,419,294	46,047
Deferred		1,012,236	(56,176)
		3,431,530	(10,129)

# NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS

For the year ended June 30, 2025

**39.1** The provision for current income tax is made on taxable income at standard rate of 29% and related super tax under section 4C, applicable for the Companies, under the provision of the Income Tax Ordinance, 2001.

**39.2** Reconciliation of current tax charge charged as per tax laws for the year, with current tax recognized in statement of profit or loss is as follows

	Note	2025 (Rupees '000)	2024 (Rupees '000)
Current tax liability for the year as per applicable tax laws	39.2.1	2,427,319	2,064,559
Current tax liability as per tax laws, representing income tax under IAS 12	39	(2,419,294)	(46,047)
Current tax liability as per tax laws, representing levies in terms of requirements of IFRIC 21/IAS 37	38	(8,025)	(2,018,512)
		-	-

**39.2.1** The aggregate of levies and income tax, amounting to Rs. 2,427.319 million represents tax liability of the Company calculated in terms of provision of the Income Tax Ordinance, 2001.

	2025 (Rupees '000)	2024 (Rupees '000)
<b>39.3 Relationship between accounting profit and tax expense:</b>		
Profit before income tax	8,808,129	15,761,138
Income tax rate	29%	29%
Income tax on profit before income tax	2,554,357	4,570,730
Tax effect of:		
- Inadmissible deductions	3,362,964	-
- Admissible deductions	(4,092,882)	-
- Presumptive tax regime and others	-	(5,129,891)
- Levies	(6,255)	593,401
- Super tax - excluding levy	626,960	11,807
- Tax credit for the year	(25,850)	-
- Deferred tax	1,012,236	(56,176)
	877,173	(4,580,859)
	3,431,530	(10,129)

	2025	2024
<b>40. EARNINGS PER SHARE - BASIC AND DILUTED</b>		
<b>40.1 Earnings per share - Basic</b>		
Profit for the year (Rupees in '000)	5,376,599	15,771,267
Weighted average number of ordinary shares outstanding during the year (Numbers in '000)	1,401,710	1,401,562
Earnings per share - basic (Rupees)	3.84	11.25

# NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS

For the year ended June 30, 2025

## 40.2 Earnings per share - Diluted

No figures for diluted earnings per share have been presented as the Company has not issued any instruments carrying options which would have an impact on earnings per share when exercised.

## 41. RECONCILIATION OF MOVEMENT OF LIABILITIES TO CASH FLOWS ARISING FROM FINANCING ACTIVITIES

	Balance as on July 01, 2024	Non Cash Changes	Cash Flows	Balance as on June 30, 2025
	(Rupees '000)			
Issued, subscribed and paid up share capital	14,017,095	–	–	14,017,095
Capital reserve - share premium	3,158,734	–	–	3,158,734
Long term financing	18,917,362	31,149	12,056,941	31,005,452
Lease liabilities	274,716	100,024	(128,975)	245,765
Short term borrowings	49,903,571	–	9,926,321	59,829,892
Unclaimed dividend	3,077	3,504,274	(3,504,239)	3,112
	86,274,555	3,635,447	18,350,048	108,260,050

	Balance as on July 01, 2023	Non Cash Changes	Cash Flows	Balance as on June 30, 2024
	(Rupees '000)			
Issued, subscribed and paid up share capital	14,014,469	–	2,626	14,017,095
Capital reserve - share premium	3,143,605	1,036	14,093	3,158,734
Long term financing	17,288,082	35,186	1,594,094	18,917,362
Lease liabilities	128,935	266,440	(120,659)	274,716
Short term borrowings	42,148,912	–	7,754,659	49,903,571
Unclaimed dividend	4,074	5,606,313	(5,607,310)	3,077
	76,728,077	5,908,975	3,637,503	86,274,555

	2025	2024
42. NUMBER OF EMPLOYEES		
Average number of employees during the year	37,122	32,537
Number of employees at end of the year	37,786	34,736

	Note	2025 (Rupees '000)	2024 (Rupees '000)
43. SHARIAH COMPLIANCE DISCLOSURE			
STATEMENT OF FINANCIAL POSITION			
Assets:			
Shariah compliant investments and bank deposits/bank balances			
Long term investment	8	1,727,763	1,727,763
Bank balances	19	26,894	59,325
Liabilities:			
Financing as per Islamic mode			
Long term financing	23	18,138,353	9,676,364
Short term borrowings	28	14,805,000	15,923,191

# NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS

For the year ended June 30, 2025

	Note	2025 (Rupees '000)	2024 (Rupees '000)
<b>Accrued mark up as per conventional mode</b>			
Long term financing	27	282,437	228,488
Short term borrowings	27	32,480	1,413,284
<b>STATEMENT OF PROFIT OR LOSS</b>			
Revenue earned from a shariah compliant business	31	173,381,533	156,128,865
Mark up on Islamic mode of financing	37	(3,156,998)	(4,097,945)
<b>Source and detailed break up of other income</b>			
Other income earned from shariah compliant:	36		
Dividend income		—	19,794
Exchange gain - net		3,698	—
Scrap sales		268	538
Other income earned from non - shariah compliant:	36		
Dividend income		22,927	—
Realized gain on derivative financial instruments		288,794	442,679
Unrealized gain on derivative financial instruments		—	59,248
Profit on term finance certificates (TFCs)		84,058	118,072

## Relationship with shariah compliant banks

Name of institutions	Relationship with institutions
MCB Islamic Bank	Bank balance, long term financing and short term borrowing
Meezan Bank Limited	Bank balance, long term financing and short term borrowing
Habib Bank Limited (Islamic Banking)	Bank balance, long term financing and short term borrowing
Faysal Bank Limited	Bank balance, long term financing and short term borrowing
Bank Alfalah Limited (Islamic)	Bank balance and short term borrowing
Bank of Punjab (Taqwa Islamic Banking)	Bank balance and short term borrowing
United Bank Limited - Ameen	Bank balance and short term borrowing
Allied Bank Limited (Islamic Banking)	Bank balance

## 44. REMUNERATION TO CHIEF EXECUTIVE, DIRECTORS AND EXECUTIVES

	2025		
	Chief Executive	Directors	Executives
	(Rupees '000)		
Managerial remuneration	61,560	99,783	4,267,225
Directorship fee	—	25,498	—
Reimbursable expenses	—	—	704,715
Bonus	—	—	313,198
Staff retirement gratuity	—	—	204,758
Contribution to provident fund	—	—	42,068
Other allowances	—	10,626	732,495
	61,560	135,907	6,264,459
Number of persons	1	9	970

# NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS

For the year ended June 30, 2025

	2024		
	Chief Executive	Directors	Executives
	(Rupees '000)		
Managerial remuneration	48,060	66,691	2,754,136
Directorship fee	–	20,900	–
Reimbursable expenses	–	–	546,252
Bonus	–	–	279,381
Staff retirement gratuity	–	–	128,856
Contribution to provident fund	–	–	28,938
Other allowances	–	9,528	344,764
	48,060	97,119	4,082,327
Number of persons	1	8	640

The chief executive officer, executive director and some executives are provided with company maintained cars.

## 45. TRANSACTIONS WITH RELATED PARTIES

Related parties include, subsidiaries, associated companies and undertakings, entities under common directorship, directors, major shareholders, key management personnel, employees benefit trust and post employment benefit plans. The Company in the normal course of business carries out transactions with various related parties. Amounts due from and to related parties are shown under the relevant notes to the unconsolidated financial statements. Remuneration to directors and key management personnel is disclosed in note 44. Detail of transactions with related parties, other than those which have been specifically disclosed elsewhere in these unconsolidated financial statements are as follows:

Name	Nature of transaction	2025 (Rupees '000)	2024 (Rupees '000)
Interloop Holdings (Pvt) Limited	Services received	561,506	264,908
	Purchase of assets – net	–	8,275
	Gratuity transferred	–	2,601
Texlan Center (Pvt) Limited	Sale of yarn	2,229,525	2,852,716
	Sale of packing material	77,438	122,989
	Services received	279,951	–
	Purchase of assets	13,908	–
Momentum Logistics (Pvt) Limited	Services received	1,546,237	1,204,122
PrintKraft (Pvt) Limited	Purchase of packing material	641,373	731,832
Octans Digital (Pvt) Limited	Services received	81,465	220,965
	Purchase of assets	62,396	46
Socks & Socks (Pvt) Limited	Services received	126,223	87,960
	Sale of goods – net	185,988	54,184
	Purchase of assets	–	838,935
Abacus Consulting Technology (Private) Limited	Services received	7,258	–
Interloop Europe	Sale of socks	694,329	952,990
ILNA Inc. USA	Services received	1,468,209	1,523,745
Zhejiang Top Circle Textiles Co., Ltd	Services received	2,662,771	547,400
Top Circle Hosiery Mills Co., Inc.	Dividend income	–	19,794
Interloop Provident Fund Trust	Contribution to the fund	138,045	101,346
Key management personnel and other related parties	Repayment of housing finance loan	1,154	4,616
	Mark up on house building finance loan	52	444
	Rent expenses	1,883	1,712
	Dividend paid	2,955,774	4,739,070



# NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS

For the year ended June 30, 2025

**45.1** Following are the related parties with whom the Company had entered into transactions or have arrangements / agreements in place.

Company Name	Basis of Relationship	Common Directorship / Percentage of shareholding	Address and Country of Incorporation
Interloop Holdings (Pvt) Limited	Associate	Common Directors	15-A, Peoples Colony No. 1, Faisalabad, Pakistan.
Interloop Dairies Limited	Associate	Common Directors	15-A, Peoples Colony No. 1, Faisalabad, Pakistan.
Texlan Center (Pvt) Limited	Associate	Common Directors	Dagonna Road, Minuwangoda, Sri Lanka.
Momentum Logistics (Pvt) Limited	Associate	Common Directors	15-A, Peoples Colony No. 1, Faisalabad, Pakistan.
PrintKraft (Pvt) Limited	Associate	Subsidiary of Associate	15-A, Peoples Colony No. 1, Faisalabad, Pakistan.
IRC Dairy products (Pvt) Limited	Associate	Common Directors	15-A, Peoples Colony No. 1, Faisalabad, Pakistan.
Global Veneer Trading Limited	Associate	Common Directors	Bahnhofsteasse 22, 6300 Zug, Switzerland.
Interloop Europe	Associate	Subsidiary of Associate	Constructieweg 1, 7451 PS Holten, Netherlands.
Interloop Welfare Trust	Trustee	Common Directors	15-A, Peoples Colony No. 1, Faisalabad, Pakistan.
Interloop Provident Fund Trust	Trustee	Post Employment Benefit Plan	15-A, Peoples Colony No. 1, Faisalabad, Pakistan.
Octans Digital (Pvt) Limited	Associate	Subsidiary of Associate	15-A, Peoples Colony No. 1, Faisalabad, Pakistan.
Shifa Medical Center Islamabad (Pvt) Limited	Associate	Common Directors	Shifa, International Hospitals, Sector H-8/4 Islamabad, Pakistan.
Shifa National Hospital Faisalabad (Pvt) Limited	Associate	Common Directors	Shifa, International Hospitals, Sector H-8/4 Islamabad, Pakistan.
Lyallpur Literary Council	Associate	Common Directors	15-A, Peoples Colony No. 1, Faisalabad, Pakistan.
Socks & Socks (Pvt) Limited	Associate	Subsidiary of Associate	15-A, Peoples Colony No. 1, Faisalabad, Pakistan.
IL Foods Limited	Associate	Common Directors	15-A, Peoples Colony No. 1, Faisalabad, Pakistan.
Abacus Consulting Technology (Private) Limited	Associate	Common Directors	Abacus House, 4 - Noon Avenue, Main Canal, Lahore. 54000
ILNA Inc. USA	Associate	Common Directors	102 West 3rd Street, Suite 200 Winton -Salem, NC 27101, US
IL Bangla Limited	Associate	Common Directors	House # 267, Road # 19, New DOHS Mohakhali, Dhaka.
Top Circle Hosiery Mills Co., Inc.	Subsidiary	64% Shareholdings	329 Franklin St. Weissport, PA, USA.

# NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS

For the year ended June 30, 2025

Company Name	Basis of Relationship	Common Directorship / Percentage of shareholding	Address and Country of Incorporation
Shanghai Haolu Trading Co., Limited	Subsidiary	Subsidiary of Subsidiary	Room 808, Pulian Building, No. 98, Rushan Road, (Shanghai) Pilot Free Trading Zone, China.
Pinghu Top Circle Knitting Co., Limited	Subsidiary	Subsidiary of Subsidiary	Southwest side of the third floor, Building 6, No. 671, Xingping 4th Floor, Zhongdai Street, Pinghou City, Jiaxing City, Zhejiang Province, China.
Zhejiang Top Circle Textiles Co., Limited	Subsidiary	Subsidiary of Subsidiary	2nd and 3rd Floors, Northeast Side of Workshop 6, No. 671, Xingping 4th Road, Pinghu Economic and Technological Development Zone, Jiaxing City, Zhejiang Province, China.
Shanghai Chenzhou Industry Co. Limited	Subsidiary	Subsidiary of Subsidiary	Room 3412, No. 800, Quyang Road, Hongkou District, Shanghai, China.
Haolu Trading USA Co., Inc.	Subsidiary	Subsidiary of Subsidiary	329 Franklin St. Weissport, PA, USA.

## 46. OPERATING SEGMENTS

Management has determined the operating segments based on the information that is presented to the Board of Directors of the Company for allocation of resources and assessment of performance. Operating segments are reported in a manner consistent with internal reporting provided to the Chief Operating Decision Maker ('CODM'). Segment performance is generally evaluated based on certain key performance indicators including business volume and gross profit.

Based on internal management reporting structure and products produced and sold, the Company is organized into the following operating segments :

### a) Hosiery

This segment relates to the sale of socks.

### b) Spinning

This segment relates to the sale of yarn and its in-house use.

### c) Denim

This segment relates to the sale of denim products and garments.

### d) Apparel

This segment relates to the sale of fashion apparels.

### e) Other operating segments

These represent various segments of the Company which currently do not meet the minimum reporting threshold mentioned in International financial reporting standards 'Operating Segments' (IFRS 8). These mainly include energy, yarn dyeing and active wear.

# NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS

For the year ended June 30, 2025

## 46.1 Segment information

	Hosiery		Spinning		Denim		Apparel		Other Segments		Elimination of Intersegment Transactions		Total Company	
	2025 (Rupees '000)	2024 (Rupees '000)	2025 (Rupees '000)	2024 (Rupees '000)	2025 (Rupees '000)	2024 (Rupees '000)	2025 (Rupees '000)	2024 (Rupees '000)	2025 (Rupees '000)	2024 (Rupees '000)	2025 (Rupees '000)	2024 (Rupees '000)	2025 (Rupees '000)	2024 (Rupees '000)
<b>Net sales</b>														
External sales	118,841,844	117,913,274	9,644,652	8,032,795	20,838,842	15,677,548	21,657,590	13,012,020	2,398,605	1,493,228	—	—	173,381,533	156,128,865
Intersegment sales	24,747	21,662	8,458,902	12,374,320	13,528	13,689	150,252	58,447	14,165,099	13,658,814	(22,812,528)	(26,126,932)	—	—
<b>Cost of sales</b>	118,866,591	117,934,936	18,103,554	20,407,115	20,852,370	15,691,237	21,807,842	13,070,467	16,563,704	15,152,042	(22,812,528)	(26,126,932)	173,381,533	156,128,865
<b>Gross profit/(loss)</b>	(82,357,036)	(76,295,767)	(17,536,849)	(18,579,123)	(19,325,520)	(14,740,002)	(26,921,531)	(15,517,733)	(14,882,039)	(13,578,989)	22,812,528	26,126,932	(138,210,447)	(112,594,682)
<b>Distribution cost</b>	36,509,555	41,639,169	566,705	1,827,992	1,526,850	951,235	(5,113,689)	(2,447,266)	1,681,665	1,573,053	—	—	35,171,086	43,544,183
<b>Administrative expenses</b>	(4,175,858)	(3,789,851)	(97,542)	(112,517)	(1,171,045)	(886,624)	(1,132,548)	(738,250)	(105,320)	(100,549)	—	—	(6,682,333)	(5,627,791)
	(7,139,618)	(6,639,030)	(221,315)	(177,332)	(664,492)	(616,460)	(1,423,780)	(1,037,869)	(171,240)	(112,077)	—	—	(9,620,445)	(8,582,768)
<b>Profit/(loss) before taxation and unallocated income and expenses</b>	(11,315,476)	(10,428,881)	(318,877)	(289,849)	(1,835,537)	(1,503,084)	(2,556,328)	(1,776,119)	(276,560)	(212,626)	—	—	(16,302,778)	(14,210,559)
<b>Other operating expenses</b>	25,194,079	31,210,288	247,828	1,538,143	(308,687)	(551,849)	(7,670,017)	(4,223,385)	1,405,111	1,360,427	—	—	18,868,308	29,333,624
<b>Other income</b>													(948,128)	(2,041,452)
<b>Finance cost</b>													399,745	640,331
<b>Levies</b>													(9,533,364)	(10,125,154)
<b>Income tax</b>													21,568	(2,046,211)
<b>Profit after taxation</b>													(3,431,530)	10,129
<b>Depreciation and amortization</b>													5,376,599	15,771,267
	2,018,205	2,027,235	180,969	191,956	512,654	523,200	2,823,991	1,104,576	1,480,658	642,184	—	—	7,016,477	4,489,151

## 46.2 Reconciliation of reportable segment assets and liabilities

	Hosiery		Spinning		Denim		Apparel		Other Segments		Unallocated		Total Company	
	2025 (Rupees '000)	2024 (Rupees '000)	2025 (Rupees '000)	2024 (Rupees '000)	2025 (Rupees '000)	2024 (Rupees '000)	2025 (Rupees '000)	2024 (Rupees '000)	2025 (Rupees '000)	2024 (Rupees '000)	2025 (Rupees '000)	2024 (Rupees '000)	2025 (Rupees '000)	2024 (Rupees '000)
<b>Assets</b>	82,833,908	68,320,454	8,532,824	7,715,957	17,632,030	14,943,787	40,637,874	40,347,253	12,861,503	10,528,827	14,228,517	9,817,899	176,726,656	151,674,177
<b>Liabilities</b>	51,357,794	37,158,345	1,000,118	763,164	3,018,280	2,504,924	3,756,205	3,945,324	1,516,088	1,174,065	60,855,136	52,595,880	121,503,621	98,141,702
<b>Segment Capital</b>														
<b>Expenditures</b>	14,065,201	5,890,310	505,546	43,815	2,274,748	255,019	1,680,042	5,725,436	3,172,891	1,736,241	—	—	21,698,428	13,650,821

## 46.3 Geographical information

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

Australia	—	75,702
Asia	7,280,143	8,875,939
Europe	78,770,641	61,222,617
United States	77,310,195	78,246,662
Africa	5,593	—
Pakistan	10,014,961	7,707,945
	173,381,533	156,128,865

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

46.4 The Company earns its revenue from a large mix of customers.

# NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS

For the year ended June 30, 2025

	UOM	2025 Figures in '000	2024 Figures in '000
<b>47. PLANT CAPACITY AND ACTUAL PRODUCTION</b>			
<b>Hosiery</b>			
Installed capacity - knitting	[DZN]	74,391	72,724
Actual production - knitting	[DZN]	57,249	59,958
<b>Spinning</b>			
Installed capacity after conversion into 20/s	[LBS]	31,377	31,377
Actual production after conversion into 20/s	[LBS]	26,731	28,729
<b>Yarn Dyeing</b>			
Installed capacity	[KGs]	6,442	6,407
Actual production	[KGs]	4,669	4,934
<b>Denim</b>			
Installed capacity	[Pieces]	9,500	6,975
Actual production	[Pieces]	8,017	6,116

## Active Wear and Apparel

The plant capacity of these divisions is indeterminable due to multi product plans involving varying processes of manufacturing and run length of order lots.

**47.1** The actual production is planned to meet the internal demand and orders in hand.

## 48. FAIR VALUE OF FINANCIAL INSTRUMENTS

The carrying values of the financial assets and financial liabilities approximate their fair values. Fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction.

### Fair value hierarchy

Fair value is defined as the price that would be received to sell an asset or paid to settle a liability in an orderly transaction between market participants at the measurement date.

Underlying the definition of fair value is the presumption that the Company is a going concern and there is no intention or requirement to curtail materially the scale of its operations or to undertake a transaction on adverse terms.

A financial instrument is regarded as quoted in an active market if quoted prices are readily and regularly available from an exchange dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis.

# NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS

For the year ended June 30, 2025

IFRS 13 'Fair Value Measurement' requires the Company to classify fair value measurements and fair value hierarchy that reflects the significance of the inputs used in making the measurements of fair value hierarchy has the following levels:

**Level 1 :** Fair value measurements using quoted (unadjusted) in active markets for identical asset or liability.

**Level 2 :** Fair value measurements using inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

**Level 3 :** Fair value measurements using inputs for the asset or liability that are not based on observable market data (i.e. unobservable inputs).

Transfer between levels of the fair value hierarchy are recognized at the end of the reporting period during which the changes have occurred.

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

2025							
Carrying Amount				Fair Value			
Fair value through profit or loss	Amortized cost	Cash and cash equivalents	Total	Level 1	Level 2	Level 3	Total
(Rupees '000)							

## On balance sheet financial instruments

### Financial assets measured at fair value

Derivative financial instruments	-	-	-	-	-	-	-
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### Financial assets not measured at fair value

Long term loans	-	198,075	-	198,075	-	-	-	-
Long term deposits	-	95,481	-	95,481	-	-	-	-
Trade debts	-	48,314,852	-	48,314,852	-	-	-	-
Loans and advances	-	324,700	-	324,700	-	-	-	-
Other receivables	-	21,703	-	21,703	-	-	-	-
Accrued income	-	877	-	877	-	-	-	-
Short term investments	-	500,000	-	500,000	-	-	-	-
Cash and bank balances	-	-	357,519	357,519	-	-	-	-
	-	49,455,688	357,519	49,813,207	-	-	-	-

### Financial liabilities measured at fair value

Derivative financial instruments	13,056	-	-	13,056	-	13,056	-	13,056
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### Financial liabilities not measured at fair value

Long term financing	-	31,005,452	-	31,005,452	-	-	-	-
Lease liabilities	-	245,765	-	245,765	-	-	-	-
Trade and other payables	-	12,737,322	-	12,737,322	-	-	-	-
Unclaimed dividend	-	3,112	-	3,112	-	-	-	-
Accrued mark up	-	1,022,132	-	1,022,132	-	-	-	-
Short term borrowings	-	59,829,892	-	59,829,892	-	-	-	-
	13,056	104,843,675	-	104,856,731	-	13,056	-	13,056

# NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS

For the year ended June 30, 2025

2024							
Carrying Amount				Fair Value			
Fair value through profit or loss	Amortized cost	Cash and cash equivalents	Total	Level 1	Level 2	Level 3	Total
(Rupees '000)							

## On balance sheet financial instruments

### Financial assets measured at fair value

Derivative financial instruments	59,248	–	–	59,248	–	59,248	–	59,248
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### Financial assets not measured at fair value

Long term loans	–	176,873	–	176,873	–	–	–	–
Long term deposits	–	89,451	–	89,451	–	–	–	–
Trade debts	–	41,193,604	–	41,193,604	–	–	–	–
Loans and advances	–	224,219	–	224,219	–	–	–	–
Other receivables	–	73,786	–	73,786	–	–	–	–
Accrued income	–	1,497	–	1,497	–	–	–	–
Short term investments	–	500,000	–	500,000	–	–	–	–
Cash and bank balances	–	–	370,386	370,386	–	–	–	–
	59,248	42,259,430	370,386	42,689,064	–	59,248	–	59,248

### Financial liabilities measured at fair value

### Financial liabilities not measured at fair value

Long term financing	–	18,917,362	–	18,917,362	–	–	–	–
Lease liabilities	–	274,716	–	274,716	–	–	–	–
Trade and other payables	–	12,922,259	–	12,922,259	–	–	–	–
Unclaimed dividend	–	3,077	–	3,077	–	–	–	–
Accrued mark up	–	2,689,232	–	2,689,232	–	–	–	–
Short term borrowings	–	49,903,571	–	49,903,571	–	–	–	–
	–	84,710,217	–	84,710,217	–	–	–	–

## 49. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Company finances its operations through equity, borrowings and management of working capital with a view to maintain an appropriate mix between various sources of finance to minimize risk. The Company follows an effective cash management and planning policy and maintains flexibility in funding by keeping committed credit lines available. Market risks are managed by the Company through the adoption of appropriate policies to cover currency risks and interest rate risks.

The Company has exposures to the following risks from its use of financial instruments:

- Market risk
- Credit risk
- Liquidity risk

### 49.1 Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises interest rate risk, currency risk and other price risk. The sensitivity analysis in the following sections relate to the position as at June 30, 2025 and 2024.



# NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS

For the year ended June 30, 2025

## 49.1.1 Interest rate risk:

Interest rate risk represents the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Majority of the interest rate exposure arises from investments in term finance certificates, long term and short term loans, lease liabilities, short term borrowings and long term financing.

At the reporting date, the interest rate profile of the Company's interest bearing financial instruments is as follows:

	2025 (Rupees '000)	2024 (Rupees '000)
<b>Fixed rate instruments</b>		
Long term financing - Secured	7,209,947	8,473,992
Lease liabilities against right of use assets	245,765	274,716
Short term borrowings - Secured	59,829,892	43,108,930
<b>Variable rate instruments</b>		
Short term investments	500,000	500,000
Loan to director - Secured	—	1,153
Long term financing from financial institutions - Secured	23,795,505	10,443,370
Short term borrowings from financial institutions - Secured	—	6,794,641

### 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 balance sheet date would not affect statement of profit or loss of the Company.

### Cash flow sensitivity analysis for variable rate instruments

The following analysis demonstrates the sensitivity to a change in interest rates of 1%, with all other variables held constant, of the Company's profit before tax. The analysis is prepared assuming the amounts of floating rate instruments outstanding at reporting date were outstanding for the whole year.

	2025 (Rupees '000)	2024 (Rupees '000)
Effect on profit and (loss) of an increase in interest rate for short term investments	4,655	4,655
Effect on profit and (loss) of an increase in interest rate for loan to director	—	11
Effect on profit and (loss) of an increase in interest rate for long term financing	(221,536)	(97,228)
Effect on profit and (loss) of an increase in interest rate for short term borrowings	—	(63,258)
	(216,881)	(155,820)

Decrease in interest rates at June 30 would have had the equal but opposite effect of these amounts. Sensitivity analysis has been prepared on symmetric basis.

# NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS

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## 49.1.2 Currency risk / Foreign Exchange 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. Foreign currency risk arises mainly where receivables and payables exist due to foreign currency transactions.

### Exposure to Currency Risk

The Company's exposure to currency risk is restricted to the amounts receivable from/payable to the foreign entities and bank balances which are denominated in currency other than the functional currency of the Company. The Company's exposure to currency risk is as follows:

Particulars	Currency	2025		2024	
		F.Currency	Rupees (Amount '000 )	F.Currency	Rupees
Foreign currency bank accounts	US \$	161.12	45,709	1,122.60	309,300
	EUR €	–	–	–	–
			45,709		309,300
Trade debts	US \$	160,240.44	45,444,188	140,794.83	39,183,202
	EUR €	3,575.81	1,188,064	1,086.01	323,500
			46,632,252		39,506,702
			46,677,961		39,816,002
Less: Payables - Creditors	US \$	(3,020.00)	(857,983)	(2,086.65)	(581,758)
	EUR €	(84.93)	(28,268)	(135.05)	(40,299)
	GBP £	(3.40)	(1,325)	–	–
	CHF	(0.60)	(213)	–	–
			(887,789)		(622,057)
Less: Other payables	US \$	(440.61)	(125,178)	(456.04)	(127,145)
<b>On Balance sheet Exposure</b>			<b>45,664,994</b>		<b>39,066,800</b>
Under letter of credit	US \$	9,784.02	2,779,641	9,307.05	2,594,806
	EUR €	870.15	289,611	7,235.19	2,159,053
	GBP £	19.83	7,728	39.30	13,828
	JPY ¥	7,765.34	15,299	46,834.50	81,047
	CHF	71.28	25,339	1,500.00	464,565
<b>Off Balance Sheet Exposure</b>			<b>3,117,618</b>		<b>5,313,299</b>

The following significant exchange rates have been applied as at reporting date:

Foreign Currency	2025		2024	
	Selling	Buying (Rupees)	Selling	Buying
US \$	284.10	283.60	278.80	278.30
EUR €	332.83	332.25	298.41	297.88
GBP £	389.65	388.97	351.85	351.22
JPY ¥	1.97	1.97	1.73	1.73
CHF	355.50	354.87	309.71	309.16

# NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS

For the year ended June 30, 2025

## Currency rate sensitivity analysis

If the functional currency, at reporting date, had weakened by 10% against the foreign currencies with all other variables held constant, the profit before taxation would have increased / (decreased) for the year 2025 and 2024 by the following amounts:

	2025 (Rupees '000)	2024 (Rupees '000)
<b>Foreign Currency</b>		
US \$	4,143,577	3,610,753
EUR €	107,977	26,366
GBP £	123	–
CHF	20	–
	<b>4,251,697</b>	<b>3,637,119</b>

A 10% strengthening of the functional currency against foreign currencies at June 30 would have had the equal but opposite effect of these amounts.

Currency risk sensitivity to foreign exchange movements has been calculated on a symmetric basis. The analysis assumes that all other variables remained constant.

### 49.1.3 Other price risk:

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 instruments traded in the market. The Company is not exposed to any significant other price risk.

### 49.2 Credit risk:

Credit risk is the risk representing accounting loss that would be recognized at the reporting date if one party to a financial instrument will fail to discharge an obligation or its failure to perform duties under the contract as contracted. Concentration of credit risk arises when a number of counterparties are engaged in similar business activities or have similar economic features that would cause their ability to meet contractual obligations that is susceptible to changes in economic, political or other conditions. Concentration of credit risk indicates the relative sensitivity of the Company's performance to developments affecting a particular industry. The maximum exposure to credit risk at the reporting date is as follows :

	2025 (Rupees '000)	2024 (Rupees '000)
Long term loans	198,075	176,873
Long term deposits	95,481	89,451
Trade debts	48,314,852	41,193,604
Loans and advances	324,700	224,219
Other receivables	21,703	73,786
Accrued income	877	1,497
Short term investments	500,000	500,000
Bank balances	341,608	344,506
	<b>49,797,296</b>	<b>42,603,936</b>

Loans and advances consist of loans to employees and director. Loans to employees and director are secured against their retirement benefits. Therefore, the Company is not exposed to any significant credit risk on these loans and advances.

# NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS

For the year ended June 30, 2025

Long term deposits have been mainly placed with suppliers of electricity, gas, telecommunication services and deposits against services and leased assets. Considering the financial position and credit quality of the parties and institutions, the Company's exposure to credit risk is not significant.

Trade debts amounting to Rs. 13,476 million (2024: Rs. 18,318 million) out of total debts are secured against letters of credit and insured contract. Furthermore, credit quality of customers is assessed taking into consideration their financial position and previous dealings and on that basis, individual credit limits are set. Moreover, the management regularly monitors and reviews customers' credit exposure. Accordingly, the Company is not exposed to any significant credit risk.

Other receivables constitute mainly subsidy on gas and receivables from custom authorities and State Bank of Pakistan. Considering the financial position of and credit quality of the institutions, the Company's exposure to credit risk is not significant.

The Company has no material expected credit loss or impairment allowance at the year end regarding trade debts and other receivables.

Short term investments are investments in TFCs. The credit risk on these investments and their accrued profit is limited because counter party is bank with reasonably high credit ratings.

The credit quality of the Company's bank balances can be assessed by reference to external credit ratings or to historical information about counterparty default rate:

Name of Bank	Date	Long term	Short term	Outlook	Agency
Allied Bank Limited	24-Jun-25	AAA	A1+	Stable	PACRA
Askari Bank Limited	24-Jun-25	AA+	A1+	Stable	PACRA
Bank Alfalah Limited	28-Jun-25	AAA	A1+	Stable	PACRA
Faysal Bank Limited	24-Jun-25	AA	A1+	Stable	PACRA
Habib Bank Limited	30-Jun-25	AAA	A1+	Stable	JCR-VIS
Habib Metropolitan Bank Limited	24-Jun-25	AA+	A1+	Stable	PACRA
MCB Bank Limited	23-Jun-25	AAA	A1+	Stable	PACRA
MCB Islamic Bank Limited	23-Jun-25	A+	A1	Stable	PACRA
Meezan Bank Limited	30-Jun-25	AAA	A1+	Stable	JCR-VIS
National Bank of Pakistan	23-Jun-25	AAA	A1+	Stable	PACRA
Standard Chartered Bank (Pakistan) Limited	23-Jun-25	AAA	A1+	Stable	PACRA
The Bank of Punjab	30-Jun-25	AA+	A1+	Stable	PACRA
United Bank Limited	30-Jun-25	AAA	A1+	Stable	JCR-VIS

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

## 49.3 Liquidity risk

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

The Company's approach to manage liquidity risk is to maintain sufficient level of liquidity by holding highly liquid assets and the availability of funding through an adequate amount of committed credit facilities. At June 30, 2025 the Company has Rs. 45,370 million (2024: Rs. 26,596 million) unutilized borrowing limits available from financial institutions and Rs. 357.519 million (2024: Rs. 370.386 million) cash and bank balances. The management believes that the Company is not exposed to any liquidity risk.

# NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS

For the year ended June 30, 2025

The following are the contractual maturity analysis of financial liabilities as at June 30, 2025 and 2024:

2025					
Carrying amount	Contractual cash flows	Within 1 Year	More than 1 Year and up to 5 years	More than 5 Years	
(Rupees '000)					
<b>Financial Liabilities :</b>					
Long term financing	31,005,452	45,416,392	5,300,251	24,670,266	15,445,875
Lease liabilities	245,765	301,281	108,098	193,183	–
Trade and other payables	12,737,322	12,737,322	12,737,322	–	–
Unclaimed dividend	3,112	3,112	3,112	–	–
Accrued mark up	1,022,132	1,022,132	1,022,132	–	–
Short term borrowings	59,829,892	59,829,892	59,829,892	–	–
	104,843,675	119,310,131	79,000,807	24,863,449	15,445,875

2024					
Carrying amount	Contractual cash flows	Within 1 Year	More than 1 Year and up to 5 years	More than 5 Years	
(Rupees '000)					
<b>Financial Liabilities :</b>					
Long term financing	18,917,362	27,389,598	4,810,932	15,384,133	7,194,533
Lease liabilities	274,716	353,028	118,223	234,805	–
Trade and other payables	12,922,259	12,922,259	12,922,259	–	–
Unclaimed dividend	3,077	3,077	3,077	–	–
Accrued mark up	2,689,232	2,689,232	2,689,232	–	–
Short term borrowings	49,903,571	49,903,571	49,903,571	–	–
	84,710,217	93,260,765	70,447,294	15,618,938	7,194,533

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 23, 24 and 28 to these unconsolidated financial statements.

## 49.4 Capital risk management

The primary objective of the Company's capital management is to safeguard the Company's ability to continue as a going concern, maintain healthy capital ratios, strong credit rating and optimal capital structures in order to ensure ample availability of finance for its existing and potential investment projects, so that it can continue to provide returns for shareholders thereby maximizing their wealth, benefits for other stakeholders and reduce the cost of capital.

The Company manages the capital structure in the context of economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company may, for example, adjust the amount of dividends paid to shareholders, issue new shares, or sell assets to reduce debt.

The Company monitors capital on the basis of debt to equity ratio, calculated on the basis of total debt to equity.

# NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS

For the year ended June 30, 2025

	2025 (Rupees '000)	2024 (Rupees '000)
Long term financing	31,005,452	18,917,362
Short term borrowings	59,829,892	49,903,571
Debts	90,835,344	68,820,933
Equity	55,223,035	53,532,475
Total capital (equity + debt)	146,058,379	122,353,408
Gearing ratio (percentage)	62.19	56.25

## 50. EVENT AFTER THE BALANCE SHEET DATE

The Board of Directors in their meeting held on September 10, 2025 have proposed a final cash dividend of Re. 1 (2024: Rs. 2.5 per share), amounting to Rs. 1,401.71 million (2024: Rs. 3,504.27 million), for approval of the members at the Annual General Meeting of the Company.

## 51. DATE OF AUTHORIZATION FOR ISSUE

These unconsolidated financial statements were authorized for issue on September 10, 2025 by the Board of Directors of the Company.

## 52. GENERAL

### 52.1 Corresponding figures

Corresponding figures have been rearranged and reclassified wherever necessary for the purpose of better presentation. However, during the year no reclassification is made in the corresponding figures.

### 52.2 Following nomenclature has been changed during the year

Previous year nomenclature	Current year nomenclature
Final taxes	Levies

### 52.3 Rounding

Figures have been rounded off to the nearest thousand of rupees.



Chief Executive Officer



Director



Chief Financial Officer



# CONSOLIDATED FINANCIAL STATEMENTS

# INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF INTERLOOP LIMITED

## Report on the Audit of Consolidated Financial Statements

### Opinion

We have audited the annexed consolidated financial statements of **Interloop Limited** and its subsidiaries ("**the Group**"), which comprise the consolidated statement of financial position as at June 30, 2025, the consolidated statement of profit or loss, the consolidated statement of comprehensive income, the consolidated statement of changes in equity, the consolidated statement of cash flows for the year then ended and notes to the consolidated financial statements comprising 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 purpose of the audit.

In our opinion, consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at June 30, 2025 and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with the accounting and reporting standards as applicable in Pakistan.

### 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 Auditors' Responsibilities for the Audit of the consolidated financial statements section of our report. We are independent of the Group 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 consolidated financial statements of the current year. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, we do not provide a separate opinion on these matters.

Following are the Key Audit Matter(s):

S. No	Key Audit Matter(s)	How the Matter was addressed in audit
1.	<b>Borrowings:</b> (Refer notes 25, 27.2 and 30 to the consolidated financial statements)	
	<p>The Group has significant amounts of borrowings from Banks amounting to Rs. 91.046 billion, being 73.87% of total liabilities, as at reporting date.</p> <p>Given the significant level of borrowings, finance costs, significant gearing, the disclosure given by the management in consolidated financial statements and compliance with various loan covenants, this is considered to be a key audit matter.</p>	<p>Our audit procedures included:</p> <ul style="list-style-type: none"> <li>Review of loan agreements and facility letters to ascertain the terms and conditions of repayment, rates of markup used and disclosed by management for finance costs and to ensure that the borrowings have been approved at appropriate levels.</li> <li>Verification of disbursement of loans and utilization on sample basis. Review of documents for charge registration with regulator - SECP.</li> <li>Verification of repayments made by the Group during the year on sample basis to confirm that repayments are being made on time and no default has been made.</li> </ul>

S. No	Key Audit Matter(s)	How the Matter was addressed in audit
		<ul style="list-style-type: none"> <li>Assessing procedures designed by management to comply with the debt covenants and performing covenant tests on sample basis.</li> <li>Obtaining direct confirmations from Banks to confirm balances, terms &amp; conditions stated in the facility offer letters and compliance thereof.</li> <li>Performing analytical procedures, recalculations and other related procedures for verification of finance costs.</li> <li>Ensuring that the outstanding liabilities have been properly classified and related securities and other terms are adequately disclosed in the consolidated financial statements.</li> </ul>
<b>2.</b>	<b>Capital expenditures:</b> (Refer note 7 to the consolidated financial statements)	
	<p>The Group is investing significant amounts in its operations and there is a number of areas where management's judgment impacts the carrying value of property, plant and equipment and its respective depreciation profile. These include among others the decision to capitalize costs; and review of useful life of the assets.</p> <p>The Group's material accounting policy information on operating fixed assets and capital work in progress are disclosed in notes – 6.1 and 6.2 to the consolidated financial statements.</p> <p>We focused on this area since the amounts have a significant impact on the financial position of the Group and there is significant management judgment required that has significant impact on the reporting of the financial position for the Group. Therefore, considered as one of the key audit matters.</p>	<p>Our audit procedures in relation to capitalization of property, plant and equipment, amongst others include the following:</p> <ul style="list-style-type: none"> <li>Understanding the design and implementation of management controls over capitalization and performing tests of control over authorization of capital expenditure and accuracy of its recording in the system.</li> <li>Testing, on sample basis, the costs incurred on projects with supporting documents and contracts.</li> <li>Assessing the nature of costs incurred for capital projects through testing, on sample basis, of amounts recorded and considering whether the expenditure meets the criteria for capitalization as per the accounting policy and applicable accounting standards.</li> <li>Checked the reasonableness of management's assessment of categories of assets and working of reclassification in categories of assets including impact of reclassification on both cost of assets and accumulated depreciation in each category.</li> <li>Inspecting supporting documents for the date of capitalization when project was ready for its intended use to assess whether depreciation commenced and further capitalization of costs ceased from that date and assessing the useful life assigned by management including the calculation of related depreciation.</li> </ul>

S. No	Key Audit Matter(s)	How the Matter was addressed in audit
3.	<b>Inventory existence and valuation:</b> (Refer notes 12 and 13 to the consolidated financial statements)	
	<p>The Group has significant levels of inventories amounting to Rs. 30.191 billion as at the reporting date, being 16.70% of the total assets of the Group.</p> <p>There is a risk in estimating the eventual NRV of items held, as well as assessing which items may be slow-moving or obsolete.</p> <p>The Group's material accounting policy information on stores and spares and stock in trade are disclosed in notes – 6.5 and 6.6 to the consolidated financial statements.</p> <p>The significance of the balance coupled with the judgments and estimates involved on their valuation has resulted in the inventories being considered as a key audit matter.</p>	<p>Our audit procedures over existence and valuation of inventory include, but were not limited to:</p> <ul style="list-style-type: none"> <li>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;</li> <li>For a sample of inventory items, re-performed the weighted average cost calculation and compared the weighted average cost appearing on valuation sheets;</li> <li>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;</li> <li>On a sample basis, we tested the net realizable value of inventory items to recent selling prices and reperformed the calculation of the inventory write down, if any;</li> <li>We also made enquiries 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.</li> </ul>
4.	<b>Revenue recognition:</b> (Refer note 33 to the consolidated financial statements)	
	<p>We identified recognition of revenue of the Group as a key audit matter because revenue is one of the key performance indicators and gives rise to an inherent risk that revenue could be subject to misstatement to meet expectations or targets.</p> <p>The Group earns revenue from multiple business lines which operate as distinct business segments with significant volume of revenue transactions.</p> <p>Revenue is recorded in accordance with the requirements of IFRS-15 which provides a comprehensive model of revenue recognition and requires the Group to exercise judgement, taking into consideration all of the relevant facts and circumstances when applying the model to contracts with customers.</p> <p>The Group's material accounting policy information on revenue recognition is disclosed in notes – 6.19 to the consolidated financial statements.</p>	<p>We performed a range of audit procedures in relation to revenue including the following:</p> <ul style="list-style-type: none"> <li>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;</li> <li>We compared a sample of revenue transactions recorded during the year with sales orders, sales invoices, delivery documents and other relevant underlying documents;</li> <li>We performed analytical review procedures and other test of details over various revenue streams including the cut-off procedures to check that revenue has been recognized in the appropriate accounting period;</li> <li>We assessed the adequacy of the disclosures as per the guidelines set out in the applicable financial reporting requirements.</li> </ul>

### Information Other than the Consolidated Financial Statements and Auditors' 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 unconsolidated financial statements, the consolidated financial statements and our auditors' report thereon.

Our opinion on the consolidated 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 consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated 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 Consolidated Financial Statements

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

In preparing the consolidated financial statements, management is responsible for assessing the Group'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 Group or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is responsible for overseeing the Group's financial reporting process.

### Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' 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 consolidated 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 consolidated 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 Group's internal control.
- Evaluate the appropriateness of material accounting policy information 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 Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group to cease to continue as a going concern.

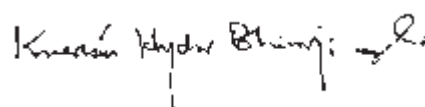
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

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 to 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 consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' 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.

The engagement partner on the audit resulting in this independent auditors' report is Syed Aftab Hameed - FCA.



**Date: September 10, 2025**  
**Place: Faisalabad**  
**UDIN: AR202510475Ayh5WmxCn**

**KRESTON HYDER BHIMJI & CO.**  
**CHARTERED ACCOUNTANTS**



# CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at June 30, 2025

	Note	2025 (Rupees '000)	2024 (Rupees '000)
<b>ASSETS</b>			
<b>NON CURRENT ASSETS</b>			
Property, plant and equipment	7	84,050,845	69,601,770
Intangible assets	8	485,463	454,709
Long term investment	9	198,017	191,526
Long term loans	10	198,075	176,873
Long term deposits	11	95,481	89,451
Deferred taxation – net	27.3	–	349,849
		85,027,881	70,864,178
<b>CURRENT ASSETS</b>			
Stores and spares	12	3,476,263	3,184,425
Stock in trade	13	26,714,281	26,903,189
Trade debts	14	49,388,925	41,638,589
Loans and advances	15	2,371,977	1,937,369
Deposits, prepayments and other receivables	16	720,788	911,260
Derivative financial instruments		–	59,248
Accrued income	17	877	1,497
Refunds due from Government and statutory authorities	18	11,538,248	7,128,807
Short term investment	19	500,000	500,000
Cash and bank balances	20	1,088,334	1,510,910
		95,799,693	83,775,294
<b>TOTAL ASSETS</b>		<b>180,827,574</b>	<b>154,639,472</b>
<b>EQUITY AND LIABILITIES</b>			
<b>SHARE CAPITAL AND RESERVES</b>			
Authorized share capital	21	50,000,000	50,000,000
Issued, subscribed and paid up share capital	22	14,017,095	14,017,095
Reserves	23	3,130,793	3,048,006
Unappropriated profit		38,960,121	37,096,363
Equity attributable to shareholders of Parent Company		56,108,009	54,161,464
Non – controlling interest	24	1,469,665	1,325,672
Total equity		57,577,674	55,487,136
<b>NON CURRENT LIABILITIES</b>			
Long term financing	25	28,593,987	16,194,813
Lease liabilities	26	312,429	190,965
Deferred liabilities	27	14,323,587	10,786,348
		43,230,003	27,172,126
<b>CURRENT LIABILITIES</b>			
Trade and other payables	28	16,515,419	16,010,051
Unclaimed dividend		3,112	3,077
Derivative financial instruments		13,056	–
Accrued mark up	29	1,022,221	2,689,751
Short term borrowings	30	59,948,702	50,439,844
Current portion of non current liabilities	31	2,517,387	2,837,487
		80,019,897	71,980,210
<b>CONTINGENCIES AND COMMITMENTS</b>	32	–	–
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>180,827,574</b>	<b>154,639,472</b>

The annexed notes 1 to 54 form an integral part of these consolidated financial statements.

Chief Executive Officer

Director

Chief Financial Officer

# CONSOLIDATED STATEMENT OF PROFIT OR LOSS

For the year ended June 30, 2025

	Note	2025 (Rupees '000)	2024 (Rupees '000)
Sales - net	33	179,405,283	158,182,719
Cost of sales	34	(142,644,672)	(114,017,105)
<b>Gross profit</b>		<b>36,760,611</b>	<b>44,165,614</b>
<b>Operating expenses</b>			
Distribution cost	35	(7,011,902)	(5,814,125)
Administrative expenses	36	(10,686,810)	(9,092,940)
Other operating expenses	37	(947,784)	(2,138,230)
		(18,646,496)	(17,045,295)
Other income	38	534,368	670,831
Gain on acquisition of subsidiaries		—	857,304
<b>Profit from operations</b>		<b>18,648,483</b>	<b>28,648,454</b>
Finance cost	39	(9,562,239)	(10,156,373)
<b>Profit before income tax and levies</b>		<b>9,086,244</b>	<b>18,492,081</b>
Levies	40	21,568	(2,046,211)
<b>Profit before income tax</b>		<b>9,107,812</b>	<b>16,445,870</b>
Income tax	41	(3,460,590)	10,129
<b>Profit for the year</b>		<b>5,647,222</b>	<b>16,455,999</b>
<b>Attributable to:</b>			
Shareholders of Parent Company		5,549,797	16,510,984
Non - controlling interest		97,425	(54,985)
		<b>5,647,222</b>	<b>16,455,999</b>
<b>Earnings per share - basic and diluted (Rupees)</b>	42	<b>3.96</b>	<b>11.78</b>

The annexed notes 1 to 54 form an integral part of these consolidated financial statements.



Chief Executive Officer



Director



Chief Financial Officer

# CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the year ended June 30, 2025

	Note	2025 (Rupees '000)	2024 (Rupees '000)
Profit for the year		5,647,220	16,455,999
Other comprehensive income/(loss):			
Items that will not be reclassified subsequently to profit or loss:			
Actuarial loss on remeasurement of post retirement benefits obligations	27.1.4	(297,975)	(753,756)
Related effect of deferred tax		116,210	293,965
		(181,765)	(459,791)
Items that may be reclassified subsequently to profit or loss:			
Exchange difference on translation of foreign operations		129,355	(173,013)
<b>Total comprehensive income for the year</b>		<b>5,594,812</b>	<b>15,823,195</b>
Attributable to:			
Shareholders of Parent Company		5,450,819	15,940,465
Non - controlling interest		143,993	(117,270)
		<b>5,594,812</b>	<b>15,823,195</b>

The annexed notes 1 to 54 form an integral part of these consolidated financial statements.



Chief Executive Officer



Director



Chief Financial Officer

# CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended June 30, 2025

	Equity Attributable to Shareholders of Parent Company						Non - controlling Interest	Total
Share Capital	Capital Reserves		Revenue Reserves		Sub total			
	Share Premium	Employee Share Option Compensation Reserve	Un- appropriated Profit	Translation Reserve				
(Rupees '000)								
Balance as at July 01, 2023	14,014,469	3,143,605	6,968	26,641,364	–	43,806,406	–	43,806,406
Non – controlling interest on acquisition of subsidiaries	–	–	–	–	–	–	1,454,100	1,454,100
Profit for the year	–	–	–	16,510,984	–	16,510,984	(54,985)	16,455,999
Other comprehensive loss	–	–	–	(459,791)	(110,728)	(570,519)	(62,285)	(632,804)
Total comprehensive income/(loss) for the year	–	–	–	16,051,193	(110,728)	15,940,465	(117,270)	15,823,195
Transaction cost on issuance of cash shares	–	(34)	–	–	–	(34)	–	(34)
Employee share option scheme (ESOS)	–	–	4,187	–	–	4,187	–	4,187
Forfeited share options	–	–	(10,119)	10,119	–	–	–	–
Transactions with owners:								
Shares issued under employee share option scheme	2,626	15,163	(1,036)	–	–	16,753	–	16,753
Final cash dividend @ Rs. 2 per share for the year ended June 30, 2023	–	–	–	(2,802,894)	–	(2,802,894)	–	(2,802,894)
Interim cash dividend @ Rs. 2 per share for the year ended June 30, 2024	–	–	–	(2,803,419)	–	(2,803,419)	(11,158)	(2,814,577)
Balance as at June 30, 2024	14,017,095	3,158,734	–	37,096,363	(110,728)	54,161,464	1,325,672	55,487,136
Profit for the year	–	–	–	5,549,797	–	5,549,797	97,425	5,647,222
Other comprehensive income/(loss)	–	–	–	(181,765)	82,787	(98,978)	46,568	(52,410)
Total comprehensive income for the year	–	–	–	5,368,032	82,787	5,450,819	143,993	5,594,812
Transactions with owners:								
Final cash dividend @ Rs. 2.5 per share for the year ended June 30, 2024	–	–	–	(3,504,274)	–	(3,504,274)	–	(3,504,274)
Balance as at June 30, 2025	14,017,095	3,158,734	–	38,960,121	(27,941)	56,108,009	1,469,665	57,577,674

The annexed notes 1 to 54 form an integral part of these consolidated financial statements.

Chief Executive Officer

Director

Chief Financial Officer

# CONSOLIDATED STATEMENT OF CASH FLOWS

For the year ended June 30, 2025

	Note	2025 (Rupees '000)	2024 (Rupees '000)
<b>a) CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Profit before income tax and levies		9,086,244	18,492,081
<b>Adjustments for:</b>			
Depreciation	7.1.2	7,051,589	4,464,195
Amortization	8.2	78,300	73,332
Depreciation on right of use assets	7.3.1	183,638	95,501
Workers' welfare fund	37	179,317	363,416
Workers' profit participation fund	37	463,465	943,788
Staff retirement gratuity	27.1.3	3,559,300	2,796,402
Employee share option compensation expense		–	4,187
Loss on disposal of non current assets	37.1	136,066	28,232
Exchange gain – net	38	(130,762)	(23,026)
Provision for obsolete inventory	37	30,489	48,274
Realized gain on derivative financial instruments	38	(288,794)	(442,679)
Unrealized loss/(gain) on derivative financial instruments	37 & 38	13,056	(59,248)
Dividend income	38	(22,927)	–
Gain on acquisition of subsidiaries		–	(857,304)
Profit on term finance certificates (TFCs)	38	(84,058)	(118,072)
Finance cost	39	9,562,239	10,156,373
<b>Operating cash flows before working capital changes</b>		<b>29,817,162</b>	<b>35,965,452</b>
<b>Changes in working capital</b>			
<b>(Increase)/decrease in current assets</b>			
Stores and spares		(291,838)	(693,450)
Stock in trade		158,419	(6,758,180)
Trade debts		(7,750,336)	(6,382,438)
Loans and advances		(334,127)	280,822
Deposits, prepayments and other receivables		190,472	906,842
Refunds due from Government and statutory authorities		(3,031,534)	(2,190,538)
<b>Increase in current liabilities</b>			
Trade and other payables		901,698	1,947,953
		(10,157,246)	(12,888,989)
<b>Cash generated from operations</b>		<b>19,659,916</b>	<b>23,076,463</b>
Finance cost paid		(11,165,021)	(9,234,081)
Income tax paid		(3,804,693)	(2,271,713)
Staff retirement gratuity paid	27.1.1	(839,114)	(734,428)
Workers' profit participation fund paid	28.6	(975,836)	(1,154,741)
Workers' welfare fund paid	28.7	(90,000)	–
Long term loans paid		(121,683)	(50,776)
Long term deposits paid		(6,030)	(7,750)
Settlement of derivative financial instruments		288,794	442,679
Exchange gain – net		225,445	71,553
<b>Net cash generated from operating activities</b>		<b>3,171,778</b>	<b>10,137,206</b>

	Note	2025 (Rupees '000)	2024 (Rupees '000)
<b>b) CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Additions in:			
Property, plant and equipment		(21,833,497)	(15,544,081)
Intangible assets		(114,384)	(133,423)
Proceeds from disposal of non current assets		282,739	155,735
Long term investments – net		(6,491)	200,257
Profit on term finance certificates (TFCs) received		84,678	118,198
Dividend received		22,927	–
<b>Net cash used in investing activities</b>		<b>(21,564,028)</b>	<b>(15,203,314)</b>
<b>c) CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Long term financing obtained		16,332,285	3,568,165
Repayment of long term financing		(4,275,344)	(1,974,071)
Payment of lease rentals	26	(128,975)	(120,659)
Changes in short term borrowings – net		9,508,858	7,173,501
Share capital issued		–	2,626
Share premium net of transaction cost		–	14,093
Dividend paid		(3,504,239)	(5,618,468)
<b>Net cash generated from financing activities</b>		<b>17,932,585</b>	<b>3,045,187</b>
<b>Net decrease in cash and cash equivalents</b>	(a+b+c)	<b>(459,665)</b>	<b>(2,020,921)</b>
<b>Cash and cash equivalents at beginning of the year</b>		<b>1,510,910</b>	<b>1,544,502</b>
<b>Cash and cash equivalents on acquisition of subsidiaries</b>		<b>–</b>	<b>2,053,571</b>
<b>Effect of exchange rate changes on cash and cash equivalents</b>		<b>37,089</b>	<b>(66,242)</b>
<b>Cash and cash equivalents at end of the year</b>	20	<b>1,088,334</b>	<b>1,510,910</b>

The annexed notes 1 to 54 form an integral part of these consolidated financial statements.



Chief Executive Officer



Director



Chief Financial Officer



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended June 30, 2025

## 1. THE GROUP AND ITS OPERATIONS

The "Group" comprises of:

### Interloop Limited - The Holding Company

Interloop Limited (the Holding Company) was incorporated in Pakistan on April 25, 1992 and publicly listed on Pakistan Stock Exchange on April 5, 2019. The registered office of the Holding Company is situated at 15-A, Peoples Colony No. 1, Faisalabad, Pakistan. The manufacturing facilities are located at 1-km, 6-km, 7-km Jaranwala Road, Khurrianwala, Faisalabad and 8-km Manga Mandi, Raiwand Road, Lahore. The Holding Company is a vertically integrated multi-category Full Family Clothing, manufacturing Hosiery, Denim, Knitted Apparel and Seamless Active wear, for top international brands and retailers, besides producing yarns for a range of textile customers. The Holding Company's commitment to environmental, social responsibility & governance (ESG) is deeply rooted in its mission and has gained it global recognition as a pioneer in responsible manufacturing. The Holding Company's diverse & engaged workforce and operational excellence has established it as a Partner of Choice for its customers.

### Top Circle Hosiery Mills Co., Inc. - The Subsidiary Company (Holding- 64% (2024: 64%))

Top Circle Hosiery Mills Co., Inc. was incorporated in 1992. The registered office of the company is situated at 329 Franklin St. Weissport, PA, USA and manufacturing facility is located in 800 Quyang Road, Shanghai, China. The principle business activity is manufacturing and trading of highest quality hosiery products. The company has 100% equity stake directly and indirectly in following companies;

- Shanghai Haolu Trading Co., Ltd
- Pinghu Top Circle Knitting Co., Ltd
- Zhejiang Top Circle Textiles Co., Ltd
- Shanghai Chenzhou Industry Co., Ltd
- Haolu Trading USA Co., Inc.

## 2. BASIS OF PREPARATION

### 2.1 Statement of compliance

These consolidated 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;
- Islamic Financial Accounting Standards (IFAS) issued by the Institute of Chartered Accountants of Pakistan as are notified under the Companies Act, 2017; and
- Provisions of and directives issued under the Companies Act, 2017.

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

### 2.2 Basis of measurement

These consolidated financial statements have been prepared under the historical cost convention except as otherwise stated in the respective accounting policy information notes. In these consolidated financial statements, all the transactions are recorded on actual basis except for the statement of cash flows.

### 2.3 Functional and presentation currency

These consolidated financial statements are presented in Pakistani Rupee which is also the Holding Company's functional currency.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended June 30, 2025

## 3. BASIS OF CONSOLIDATION

### Subsidiaries

Subsidiaries are the entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group and is deconsolidated from the date that control ceases.

The assets and liabilities of Subsidiary Companies have been consolidated on a line by line basis and carrying value of investments held by the Holding Company is eliminated against Holding Company's share in paid up capital of the Subsidiary Companies.

Intragroup balances and transactions have been eliminated.

Non-controlling interests are that part of net results of the operations and of net assets of Subsidiary Companies attributable to interest which are not owned by the Holding Company. Non-controlling interests are presented as separate item in the consolidated financial statements.

## 4. NEW AND REVISED STANDARDS, INTERPRETATIONS, AMENDMENTS AND IMPROVEMENTS

### 4.1 Standards, interpretations and amendments to approved accounting standards which became effective during the year

There are certain amendments to the accounting and reporting standards which became effective during the year and are adopted by the Group for the financial year beginning on July 01, 2024. However, these amendments do not have any significant impact on the Group's financial reporting.

#### – Amendments to IAS 1 – 'Presentation of Financial Statements'

##### Classification of Liabilities as Current or Non-current and Non-current Liabilities with Covenants

*(Effective for annual periods beginning on or after January 1, 2024)*

The amendments aim to enhance consistency in classifying liabilities in the statement of financial position, particularly where the timing of settlement is uncertain. They clarify that classification depends on whether the entity has a right to defer settlement at the end of the reporting period, regardless of expectations of settlement. In addition, the amendments address non-current liabilities with covenants that must be complied with within twelve months after the reporting date. Only covenants with which an entity is required to comply on or before the reporting date affect the classification of a liability as current or non-current. Entities are now required to provide enhanced disclosures to help users assess the risk of early repayment if those covenants are not met.

#### – Amendments to IFRS 16 – 'Leases'

##### Lease Liability in a Sale and Leaseback

*(Effective for annual periods beginning on or after January 1, 2024)*

The amendments clarify the requirements for a seller-lessee in a sale and leaseback transaction, particularly in relation to the subsequent measurement of lease liabilities and recognition of any gains or losses. These amendments ensure that the seller-lessee continues to account for the lease liability arising from the leaseback in a way that does not recognize any gain relating to the right of use retained. The new requirements do not prevent a seller-lessee from recognizing in profit or loss any gain or loss relating to the partial or full termination of a lease. A seller-lessee applies the amendments retrospectively in accordance with IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors to sale and leaseback transactions entered into after the date of initial application.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended June 30, 2025

## – Amendments to IAS 7 – ‘Statement of Cash Flows’ and IFRS 7 – ‘Financial Instruments: Disclosures’

**Supplier Finance Arrangements, disclosure requirements to enhance the transparency of supplier finance arrangements and their effects on a Company’s liabilities, cash flows and exposure to liquidity risk**

*(Effective for annual periods beginning on or after January 1, 2024)*

These amendments introduce new disclosure requirements that are supplement to existing disclosure requirements to IFRS accounting standards and are aimed at enhancing the transparency of supplier finance arrangements. These require a Company to disclose;

- i) the terms and conditions of arrangements;
- ii) the amount of the liabilities that are part of the arrangements, breaking out the amounts for which the suppliers have already received payment from the finance providers, and stating where the liabilities stand on the statement of financial position;
- iii) ranges of payment due dates;
- iv) liquidity risk information.

The adoption of above amendments have no material impact on these consolidated financial statements other than presentation and disclosures.

## 4.2 Standards, interpretations, amendments and improvements to approved accounting standards that are issued but not yet effective and have not been early adopted by the Group

The following standards, amendments and improvements with respect to the approved accounting standards as applicable in Pakistan would be effective from the dates mentioned below and have not been early adopted by the Group:

Standards Interpretations and Amendments		Effective date (Annual periods beginning on or after)
IAS 21	‘The effects of changes in foreign exchange rates’, Lack of exchangeability — (Amendments)	01 January 2025
IFRS 9	‘Financial instruments: Disclosures’, To address matters identified during the post-implementation review of the classification and measurement requirements of IFRS 9 — (Amendments)	01 January 2026
IFRS 7 IFRS 9	‘Financial Instruments’ and ‘Financial instruments: Disclosures’, Contracts Referencing Nature-dependent Electricity — (Amendments)	01 January 2026
IFRS 17	‘Insurance contracts’	01 January 2026
Annual Improvements	Annual Improvements to IFRS Accounting Standards — Volume 11 (related to IFRS 1, IFRS 7, IFRS 9, IFRS 10 and IAS 7)	01 January 2026
IFRS S1	‘General Requirements for Disclosure of Sustainability-Related Financial Information’	01 July 2025
IFRS S2	‘Climate-Related Disclosures’	01 July 2025

Further, the following new standards have been issued by IASB and ISSB which are yet to be notified by the Securities and Exchange Commission of Pakistan (SECP) for the purpose of applicability in Pakistan:

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended June 30, 2025

## Standard

IFRS 1	First-time adoption of International Financial Reporting Standards
IFRS 18	Presentation and Disclosure in Financial Statements
IFRS 19	Subsidiaries without Public Accountability: Disclosures

The management expects that the adoption of above standards, amendments and improvements will not have any material impact on the Group's consolidated financial statements except for presentation and disclosures.

## 5. KEY JUDGMENTS AND ESTIMATES

The preparation of these consolidated financial statements in conformity with the approved accounting standards require management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised if the revision affects only that period, or in the period of the revision and future periods. Judgments made by management in application of the approved accounting standards that have significant effect on the financial statements and estimates with a significant risk of material adjustments in the next year are discussed in respective policy notes. The areas where various assumptions and estimates are significant to the Group's consolidated financial statements or where judgment was exercised in application of accounting policies are as follows:

- Estimate of useful life of operating fixed assets - note 6.1
- Estimated useful life of intangible assets - note 6.3
- Impairment of non-financial assets - note 6.4
- Stores and spares - note 6.5
- Stock-in-trade - note 6.6
- Estimates for expected credit loss (ECL) of financial assets i.e. trade debts and other receivables- note 6.7
- Estimation used in right of use asset and corresponding lease liability - note 6.9
- Staff retirement benefits - note 6.11
- Provisions - note 6.16
- Contingencies - note 6.17
- Estimates as to expected value or most likely amount method for determination of variable consideration of transaction price - note 6.19
- Taxation - note 6.21
- Derivative financial instruments - note 6.26
- Impairment of Financial Assets - note 6.26

## 6. MATERIAL ACCOUNTING POLICY INFORMATION

The material accounting policies set out below have been applied consistently to all periods presented in these consolidated financial statements.

### 6.1 Operating fixed assets and depreciation

Operating fixed assets, except freehold land which is stated at cost, are stated at cost less accumulated depreciation and identified accumulated impairment loss, if any. Cost comprises acquisition and other directly attributable costs.

Depreciation is calculated on reducing balance method at the rates stated in note - 7.1 of these consolidated financial statements. The useful life and residual value of major components of operating fixed assets are reviewed annually to determine that expectations are not significantly different from the previous estimates. Adjustment in depreciation rate for current and future periods is made if expectations are significantly different from the previous estimates. Depreciation is charged from the month when an asset becomes available for use, whereas no depreciation is charged in the month of its disposal.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended June 30, 2025

Expenditure, which enhances or extends the performance of operating fixed assets beyond its original specification and its useful life, is recognized as a capital expenditure and is added to the cost of the relevant category of operating fixed assets. These are depreciated on reducing balance method at the rate mentioned in note - 7.1.

An item of operating fixed asset and any significant part initially recognized is derecognized upon disposal or when no future economic benefits are expected from its use. The gain or loss arising on derecognition of an item of operating fixed asset is determined as the difference between the sales proceeds and the carrying amounts of the asset and is recognized in the statement of profit or loss.

## 6.2 Capital work in progress

Capital work in progress is stated at cost less identified impairment loss, if any, and represents direct cost of material, labour, applicable overheads and borrowing costs on qualifying assets. Transfers are made to relevant category of property, plant and equipment as and when assets are available for its intended use.

## 6.3 Intangible assets - Computer software

Intangible assets are recognized if it is probable that future economic benefits attributable to the assets will flow to the Group and that the cost of such assets can be measured reliably. These are stated at cost less accumulated amortization and impairment, if any.

Costs that are directly associated with identifiable software and have probable economic benefits exceeding one year, are recognized as intangible asset at the time of initial recognition. Direct costs include the purchase cost of software, implementation cost and related overhead cost.

Expenditure, which enhances or extends the performance of computer software beyond its original specification and useful life, is recognized as a capital expenditure and added to the cost of the software.

Intangible assets are amortized using the reducing balance method at the rates given in note - 8.1 of these consolidated financial statements. Amortization on additions is charged from the month in which an intangible asset is available for use, while no amortization is charged for the month in which intangible asset is disposed off.

The carrying value of intangible assets are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable. If any such indication exists and where the carrying value exceeds the estimated recoverable amount, the assets are written down to their recoverable amount.

### 6.3.1 Development costs

Development costs that are directly attributable to the design and testing of identifiable and unique software products controlled by the Group are recognized as development cost in intangible assets. Directly attributable costs that are capitalized as part of the software include advance payments for the software. Capitalized development costs are recorded as intangible assets and amortized from the point at which the asset is ready for use.

## 6.4 Impairment of non-financial assets

The carrying amounts of the Group's non-financial assets, other than stock in trade and stores & spares, are assessed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated. For goodwill and intangible assets that have indefinite lives or that are not yet available for use, recoverable amount is assessed at each reporting date.

An impairment loss is recognized if the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. A cash-generating unit is the smallest identifiable asset group that generates cash flows that largely are independent from other assets and groups.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended June 30, 2025

Impairment losses are recognized as expense in consolidated statement of profit or loss. Impairment losses recognized in respect of cash-generating units are allocated first to reduce the carrying amount of any goodwill allocated to the units and then to reduce the carrying amount of the other assets of the unit on a pro-rata basis. Impairment losses on goodwill shall not be reversed.

An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only 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 no impairment loss had been recognized. Prior impairments of non-financial assets are reviewed for possible reversal at each reporting date.

## 6.5 Stores and spares

Stores and spares are carried at moving average cost. Provision is made for slow moving and obsolete store items when so identified. Stores and spares held for capital expenditure are included in capital work in progress.

## 6.6 Stock-in-trade

These are stated at the lower of cost and net realizable value (NRV). The methods used for the calculation of cost are as follows:

Raw material – At factory	Moving average cost
– In transit	Invoice value plus direct charges in respect thereof.
Work in process and finished goods	Prime cost including a proportion of production overheads.
Wastes	Net realizable value.

Stock-in-trade is regularly reviewed by the management and any obsolete items are brought down to their net realizable value. Net realizable value signifies the selling price in the ordinary course of business less costs necessary to be incurred to affect such sale.

## 6.7 Trade debts and other receivables

Trade debts are recognized and carried at the original invoice amounts, being the fair value, less allowance for expected credit loss, if any. For measurement of loss allowance for trade debts, the Group applies simplified approach to measure the expected credit loss as required by IFRS 9.

Other receivables are recognized at amortized cost, less any allowance for expected credit loss.

## 6.8 Cash and cash equivalents

Cash and cash equivalents comprise of cash in hand, cheques in hand/cheques overdrawn, balances with banks and include short term highly liquid investments with original maturities of three months or less. The cash and cash equivalents are readily convertible to known amount of cash and are subject to insignificant risk of change in value.

## 6.9 Leases

### Right of use assets

At inception, the Group assesses whether a contract is or contains a lease. This assessment involves the exercise of judgement about whether the Group obtains substantially all the economic benefits from the use of the asset and whether the Group has a right to direct the use of the asset. The Group recognizes right of use assets (RoU) at the commencement date of the lease (i.e. the date the underlying asset is available for use). Right of use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of RoU includes the amount of lease liabilities recognized, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received.



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended June 30, 2025

Unless the Group is reasonably certain to obtain ownership of the leased asset at the end of the lease term, the recognized right of use assets are depreciated on a straight-line basis over the shorter of its estimated useful life and the lease term. Depreciation of RoU is charged to statement of profit or loss. Residual value and the useful life of an RoU are reviewed at least at each financial year-end and the impact on depreciation is adjusted in the statement of profit or loss. Depreciation on additions to RoU is charged from the month in which an asset is acquired, while no depreciation is charged for the month in which the asset is disposed off.

## Lease liabilities

At the commencement date of the lease, the Group recognizes lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees.

The related payment obligations, net of finance costs are classified as current and long term liability depending upon the timing of the payment.

In calculating the present value of lease payments, the Group uses the incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the in-substance fixed lease payments or a change in the assessment to purchase the underlying asset.

Each lease payment is allocated between the liability and finance cost so as to achieve a constant rate on the balance outstanding. The interest element of the rental is charged to statement of profit or loss over the lease term.

Payments associated with short-term leases and leases of low-value assets are recognized on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less and leases of low value items.

## 6.10 Share capital

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

## 6.11 Staff retirement benefits

The Group operates an unfunded gratuity scheme for all its employees (executives and non executives) and also a contributory provident fund for only executive employees of the Group. Executive employees of the Group can avail contributory provident fund along with 50% of their entitlement for gratuity.

### (a) Defined benefit plan

The Group operates an un-funded gratuity scheme covering all eligible employees completing the minimum qualifying period of service as specified by the scheme. Annual provision is made on the basis of actuarial valuation to cover obligations under the scheme for all employees eligible to gratuity benefits respective of the qualifying period. The projected unit credit method used for the valuation of the scheme is based on assumptions stated in Note 27.1 of these consolidated financial statements.

The Group's net obligation in respect of defined benefit plans is calculated by estimating the amount of future benefit that employees would have earned in the current and prior periods and discounting that amount. The calculation of defined benefit obligations is performed by a qualified actuary using the projected unit credit method.

Remeasurements of the net defined benefit liability, which comprise actuarial gains and losses, are recognized immediately in other comprehensive income. The Group determines the net interest expense on the net defined benefit liability for the period by applying the discount rate used to measure

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended June 30, 2025

the defined benefit obligation at the beginning of the annual period to the then net defined benefit liability, taking into account any changes in the net defined benefit liability during the period as a result of the benefit payments. Net interest expense and other expenses related to defined benefit plan are recognized in consolidated statement of profit or loss. Past service costs are immediately recognized in consolidated statement of profit or loss.

**(b) Defined contribution plan**

The Group also operates a contributory provident fund scheme for only executive staff of the Group for which contributions are charged to profit or loss as and when incurred.

Equal monthly contributions are made to the fund, both by the Group and the employees at the rate of 7.5% of the monthly basic pay. However, employees have the option to contribute more than 7.5% but not exceeding 12.5% of the basic pay subject to the written approval of the Board. The assets of the fund are held separately under the control of trustees.

**(c) Compensated absences**

The Group provides leave encashment benefit to its executive employees as per the Group policy. The executive employees are entitled to 14 days annual leaves per annum. The un-utilized leaves are accumulated subject to a maximum of 28 days, any un-availed leaves over 28 days lapse. The Group has made provision against accumulated leaves of employees on the basis of last drawn salary.

**6.12 Employees' Share Option Scheme (ESOS)**

Equity settled share based payments to the employees are measured at fair value at grant date. The fair value determined at grant date of equity settled share based payments is recognized as an employee compensation expense on a straight line basis over the vesting period.

Fair value is measured using the Black-Scholes Pricing model. The expected life used in the model has been adjusted, based on the management's best estimate for the effects of exercise restrictions.

When a vested option lapses on expiry of exercise period, employee compensation expense already recognized in statement of profit and loss is transferred to unappropriated profit from employee share option compensation reserve in the statement of changes in equity.

When options are exercised, employee share option compensation reserve relating to these options is transferred to share capital and share premium. An amount equivalent to the face value of related shares is transferred to share capital. Any amount over and above the share capital is transferred to share premium.

**6.13 Government grants**

Government grants are transfers of resources to an entity by a government entity in return for compliance with certain past or future conditions related to the entity's operating activities - e.g. a government subsidy. The definition of "government" refers to governments, government agencies and similar bodies, whether local, national or international.

The Group recognizes government grants when there is reasonable assurance that grants will be received and the Group will be able to comply with conditions associated with grants. Government grants are recognized at fair value, as deferred income, when there is reasonable assurance that the grants will be received and the Group will be able to comply with the conditions associated with the grants.

Grants that compensate the Group for expenses incurred, are recognized on a systematic basis in the income for the year in which the related expenses are recognized. Grants that compensate for the cost of an asset are recognized in income on a systematic basis over the expected useful life of the related asset.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended June 30, 2025

Government grant includes any benefit earned on account of a government loan obtained at below-market rate of interest. The loan is initially recognized and subsequently measured at its fair value in accordance with IFRS 9. The fair value of the loan would be the present value of loan proceeds received, discounted using prevailing market rate of mark-up for a similar instrument. The benefit of below-market mark-up (i.e. differential between the loan proceeds and fair value of the loan) is accounted for as deferred income - Government grant. In subsequent periods, the loan amount would be accreted by the amortized amount of Government grant. The accretion would increase the carrying value of the loan with a corresponding effect on the carrying value of Government grant. As per IFRS 9, the loan liability and related Government grant shall be derecognized when it is extinguished i.e., these amounts are paid-off.

## 6.14 Trade and other payables

Liabilities for trade and other payables are carried at their amortized cost, which approximate fair value of the consideration to be paid in future for goods and services received, whether or not billed to the Group. Exchange gains and losses arising on translation in respect of liabilities in foreign currency are added to the carrying amount of the respective liabilities.

## 6.15 Contract liabilities

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

## 6.16 Provisions

Provisions are recognized when the Group has a present legal or constructive obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation and a reliable estimate of the amount can be made.

Provisions are reviewed at each reporting date and are adjusted to reflect the current best estimate. If it is no longer probable that an outflow of resources embodying economic benefits will be required to settle the obligation, the provisions are reversed.

## 6.17 Contingencies

The Group reviews the status of all pending litigations and claims against the Group. 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.

## 6.18 Foreign currency translation

Transactions in foreign currency during the period are initially recorded in the functional currency at the rate prevailing at the date of transaction. Monetary assets and liabilities denominated in foreign currencies are translated at functional currency at the rate of exchange prevailing at the reporting date. All non-monetary assets and liabilities are translated into rupees at exchange rates prevailing on the date of transaction or on date when fair values are determined. Exchange differences are recognized in statement of profit or loss.

On consolidation, the assets and liabilities of foreign operations are translated into Pak Rupees at the rate of exchange prevailing at the reporting date and their statements of profit or loss are translated at average rates prevailing during the year. The exchange differences arising on translation for consolidation are recognized in consolidated other comprehensive income. On disposal of a foreign operation, the component of consolidated other comprehensive income relating to that particular foreign operation is recognized in the consolidated statement of profit or loss.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended June 30, 2025

## 6.19 Revenue recognition

Revenue is recognized at an amount that reflects the consideration to which the Group is expected to be entitled in exchange for transferring goods or services to a customer. For each contract with a customer, the Group: identifies the contract with a customer; identifies the performance obligations in the contract; determines the transaction price which takes into account estimates of variable consideration and the time value of money; allocates the transaction price to the separate performance obligations on the basis of the relative stand-alone selling price of each distinct good or service to be delivered; and recognizes revenue when or as each performance obligation is satisfied in a manner that depicts the transfer to the customer of the goods or services promised.

Variable consideration within the transaction price, if any, reflects concessions provided to the customer such as discounts, rebates and refunds, any potential bonuses receivable from the customer and any other contingent events. Such estimates are determined using either the 'expected value' or 'most likely amount' method. The measurement of variable consideration is subject to a constraining principle whereby revenue will only be recognized to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognized will not occur. The measurement constraint continues until the uncertainty associated with the variable consideration is subsequently resolved. Amounts received that are subject to the constraining principle are initially recognized as deferred revenue in the form of a separate refund liability.

### a) Sale of goods

Revenue from the sale of goods is recognized at the point in time when the customer obtains control of the goods, which is generally at the time of delivery. Otherwise, control is transferred over time and revenue is recognized over time by reference to the progress towards complete satisfaction of the relevant performance obligation if one of the following criteria is met:

- the customer simultaneously receives and consumes the benefits provided by the Group's performance as the Group performs;
- the Group's performance creates and enhances an asset that the customer controls as the Group performs; or
- the Group's performance does not create an asset with an alternative use to the Group and the Group has an enforceable right to payment for performance completed to date.

### b) Rendering of services

Revenue from a contract to provide services is recognized over time as the services are rendered.

### c) Interest income

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

### d) Other revenue

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

## 6.20 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time when the assets are substantially ready for their intended use or sale. All other borrowing costs are charged to statement of profit or loss in the period of as and when incurred.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended June 30, 2025

## 6.21 Taxation

### Income tax

The charge for current income tax is based on taxable income at current rates of taxation including related super tax applicable for companies after taking into account tax credits, rebates and exemptions available, if any. The charge for current tax also includes adjustments, where considered necessary, and the tax assessed from assessments framed during the year for such years is over/under the provision of tax then made.

The Group designate the amount calculated on taxable income using the notified tax rate as an income tax within the scope of IAS 12 'Income Taxes' and recognize it as current income tax expense. Any excess over the amount designated as income tax, is then recognized as a levy falling under the scope of IFRIC 21/IAS 37.

### Levies

The Group recognize the charge for minimum and final taxes, calculated under the provisions of the Income Tax Ordinance, 2001, as levies. The charge for levies are not based on 'taxable profit' as defined in IAS 12 but calculated on turnover or other basis as per provisions and applicable tax rates under minimum and final tax regime. The charge for levies also includes adjustments, where considered necessary, and the tax assessed from assessments framed during the year for such years is over/under the provision of tax then made.

### Deferred tax

Deferred tax is accounted for using the balance sheet liability method in respect of temporary differences arising from differences between the carrying amount of assets and liabilities in the financial statements and the corresponding tax basis used in the computation of taxable income. Deferred tax is calculated by using the tax rates enacted at the reporting date.

Deferred tax liability is recognized for all taxable temporary differences and deferred tax asset is recognized for all deductible temporary differences and carry forward of unused tax losses and unused tax credits, if any, to the extent that it is probable that future taxable profit will be available against which these can be utilized.

Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefit will be realized. Significant management judgment is required to determine the amount of deferred tax assets that can be recognized, based upon the likely timing and level of future taxable profits together with future tax planning strategies.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised based on tax laws and rates that have been enacted or substantively enacted at the reporting date.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax is charged or credited in the statement of profit or loss, except to the extent that it relates to items recognized in other comprehensive income or directly in equity. In this case the tax is also recognized in other comprehensive income or directly in equity, respectively.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended June 30, 2025

## 6.22 Earnings per share

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

## 6.23 Dividend

Dividend is recognized as a liability in the period in which it is declared. Movement in reserves is recognized in the year in which it is approved.

Final dividend distributions to the Group's shareholders are recognized as a liability in the consolidated financial statements in the period in which the dividends are approved by the Group's shareholders at the Annual General Meeting, while interim dividend distributions are recognized in the period in which the dividends are declared by the Board of Directors.

## 6.24 Segment reporting

Segment reporting is based on the operating (business) segments of the Group. An operating segment is a component of the Group 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 Group's other components. An operating segment's operating results are reviewed regularly by the chief operating decision maker ('CODM') to make decisions about resources to be allocated to the segment and assess its performance, and for which discrete financial information is available. The CODM, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Board of Directors of the Group that makes the strategic decisions.

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

Transactions among the business segments are recorded at cost. Inter segment sales and purchases are eliminated from the total.

## 6.25 Related party transactions

All transactions with related parties are carried out at arm's length prices. Each transaction is evaluated to be characterized as an "arm's length transaction" and approximated to the arm's length criteria using one of the following methodologies:

- Market-based pricing
- Negotiated pricing
- Cost-based pricing

## 6.26 Financial instruments:

### 6.26.1 Financial assets

A financial asset is measured at amortized cost if it is held in order to collect contractual cash flows which arise on specified dates and that are 'solely payment of principal and interest (SPPI)' on the principal amount outstanding. A debt investment is measured at fair value through other comprehensive income if it is held in order to collect contractual cash flows which arise on specified dates that are solely principal and interest and as well as selling the asset on the basis of its fair value. All other financial assets are classified and measured at fair value through profit or loss unless the Group makes an irrevocable election on initial recognition to present gains and losses on equity instruments in other comprehensive income. Despite these requirements, a financial asset may be irrevocably designated as measured at fair value through profit or loss to reduce the effect of, or eliminate, an accounting mismatch.



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended June 30, 2025

## A. Classification and measurement of financial assets

### Investments and other financial assets

#### **Classification:**

The Group 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 Group's business model for managing the financial assets and the contractual terms of the cash flows. In order for a financial asset to be classified and measured at amortized cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level. The Group's business model for managing financial assets refers to how it manages its financial assets in order to generate 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 Group 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 Group reclassifies debt investments when and only when its business model for managing those assets changes.

#### **Measurement:**

At initial recognition, the Group 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 statement of 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 Group's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Group 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 amortized cost. Interest income from these financial assets is included in other income using the effective interest rate method. Any gain or loss arising on derecognition is recognized directly in statement of profit or loss and presented in other income / (other operating 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 recognized in statement of profit or loss. When the financial asset is derecognized, the cumulative gain or loss previously recognized in other comprehensive income is reclassified from equity to profit or loss and recognized in other income / (other operating expenses). Interest income from these financial assets is included in other income using the effective interest rate method. Foreign exchange gains and losses are presented in other income/ (other operating expenses) and impairment losses are presented as separate line item in the statement of profit or loss.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended June 30, 2025

## Fair value through profit or loss

Financial assets at fair value through profit or loss include financial assets held for trading, financial assets designated upon initial recognition at fair value through profit or loss, or financial assets mandatorily required to be measured at fair value. Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term. Financial assets with cash flows that are not solely payments of principal and interest are classified and measured at fair value through profit or loss, irrespective of the business model. Notwithstanding the criteria for debt instruments to be classified at amortized cost or at fair value through OCI, as described above, debt instruments may be designated at fair value through profit or loss on initial recognition if doing so eliminates, or significantly reduces, an accounting mismatch.

Financial assets at fair value through profit or loss are carried in the statement of financial position at fair value with net changes in fair value recognized in the statement of profit or loss.

## B. Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognized when:

The rights to receive cash flows from the asset have expired, or

The Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if, and to what extent, it has retained the risks and rewards of ownership.

When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Group continues to recognize the transferred asset to the extent of its continuing involvement. In that case, the Group also recognizes an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

## C. Impairment

The Group record an allowance for a forward-looking expected credit loss (ECL) approach for all loans and other debt financial assets not held at FVPL.

ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive. The shortfall is then discounted at an approximation to the asset's original effective interest rate.

For trade and other receivables, the Group has applied the standard's simplified approach and has calculated ECLs based on lifetime expected credit losses. The Group has established a provision matrix that is based on the Group's historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment. However, in certain cases, the Group may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended June 30, 2025

## D. 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, with all gains or losses, realized and unrealized, recognized in the statement of profit or loss.

## 6.26.2 Financial liabilities

### A. Classification and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

#### i) Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Gains or losses on liabilities held for trading are recognized in the statement of profit or loss. Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition, and only if the criteria in IFRS 9 are satisfied. The Group has not designated any financial liability as at fair value through profit or loss.

#### ii) Loans and borrowings

This is the category most relevant to the Group. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in the statement of profit or loss when the liabilities are derecognized as well as through the EIR amortization process.

Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the consolidated statement of profit or loss.

This category generally applies to interest-bearing loans and borrowings.

### B. Derecognition

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of profit or loss.

## 6.26.3 Offsetting of financial assets and liabilities

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

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended June 30, 2025

	Note	2025 (Rupees '000)	2024 (Rupees '000)
<b>7. PROPERTY, PLANT AND EQUIPMENT</b>			
Operating fixed assets	7.1	74,380,911	48,407,540
Capital work in progress	7.2	9,304,294	20,951,795
Right of use assets	7.3	365,640	242,435
		<b>84,050,845</b>	<b>69,601,770</b>

## 7.1 Operating fixed assets

2025											
Description	Cost					Depreciation				W.D.V	Rate %
	As On July 1, 2024	Additions	Deletions	Exchange gain	As on June 30, 2025	As on July 1, 2024	For the year	Adjustments	As on June 30, 2025	As on June 30, 2025	
	(Rupees '000)										
Owned											
Freehold land	2,684,961	869,341	-	271	3,554,573	-	-	-	-	3,554,573	-
Buildings on freehold land	20,909,385	5,601,379	-	28,632	26,539,396	5,714,368	1,776,009	-	7,490,377	19,049,019	10
Buildings on leasehold land	225,811	4,692	-	-	230,503	62,484	16,684	-	79,168	151,335	10
Plant and machinery	38,969,002	19,731,509	(463,999)	27,237	58,263,749	15,903,900	3,701,478	(237,347)	19,368,031	38,895,718	10
Tools and equipment	2,626,731	1,747,444	(10,149)	-	4,364,026	980,854	294,664	(5,637)	1,269,881	3,094,145	10
Office equipment	1,523,324	755,673	(19,729)	585	2,259,853	805,479	247,102	(13,267)	1,039,314	1,220,539	20
Electric installations	4,154,854	2,790,561	(20,907)	-	6,924,508	1,474,137	471,320	(15,330)	1,930,127	4,994,381	10
Furniture and fixtures	1,229,964	968,754	(5,004)	-	2,193,714	410,857	156,643	(3,346)	564,154	1,629,560	10
Vehicles	2,276,419	911,828	(338,907)	1,215	2,850,555	840,832	387,689	(169,607)	1,058,914	1,791,641	20
Total	74,600,451	33,381,181	(858,695)	57,940	107,180,877	26,192,911	7,051,589	(444,534)	32,799,966	74,380,911	

2024													
Description	Cost						Depreciation					W.D.V	Rate %
	As On July 1, 2023	Transfer on acquisition of subsidiaries	Additions	Deletions	Exchange loss	As on June 30, 2024	As on July 1, 2023	Transfer on acquisition of subsidiaries	For the year	Adjustments	As on June 30, 2024	As on June 30, 2024	
	(Rupees '000)												
Owned													
Freehold land	2,651,715	8,374	25,240	–	(368)	2,684,961	–	–	–	–	–	2,684,961	–
Buildings on freehold land	11,121,222	1,190,388	8,638,517	(390)	(40,352)	20,909,385	4,250,473	252,688	1,211,275	(68)	5,714,368	15,195,017	10
Buildings on leasehold land	233,051	–	1,140	(8,380)	–	225,811	47,929	–	18,399	(3,844)	62,484	163,327	10
Plant and machinery	30,264,956	2,002,839	6,938,419	(197,169)	(40,043)	38,969,002	12,733,111	1,060,504	2,273,119	(162,834)	15,903,900	23,065,102	10
Tools and equipment	2,357,623	–	273,945	(4,837)	–	2,626,731	813,529	–	169,552	(2,227)	980,854	1,645,877	10
Office equipment	1,127,693	157,706	259,726	(20,973)	(828)	1,523,324	533,096	133,025	151,925	(12,567)	805,479	717,845	20
Electric installations	3,767,795	–	392,403	(5,344)	–	4,154,854	1,215,359	–	261,336	(2,558)	1,474,137	2,680,717	10
Furniture and fixtures	1,038,088	–	204,264	(12,388)	–	1,229,964	336,198	–	81,984	(7,325)	410,857	819,107	10
Vehicles	1,408,380	293,846	849,254	(272,778)	(2,283)	2,276,419	452,760	238,091	296,605	(146,624)	840,832	1,435,587	20
Total	53,970,523	3,653,153	17,582,908	(522,259)	(83,874)	74,600,451	20,382,455	1,684,308	4,464,195	(338,047)	26,192,911	48,407,540	

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended June 30, 2025

## 7.1.1 The detail of operating fixed assets disposed / written off during the year are as follows:

Description	Cost	Accumulated Depreciation	Book Value	Sale Proceeds	Gain / (Loss)	Mode of Disposal	Relationship of Buyer with the Company	Particulars of Buyers
(Rupees '000)								
<b>Assets having book value exceeding Rs. 500,000 each</b>								
<b>Plant and Machinery</b>								
Boarding Machines - Tecnopea - Ghibli	34,361	27,534	6,827	2,542	(4,285)	Negotiation	Independent Third Party	Al-Mushtaq Corporation, Opposite Multan Golf City, Sher Shah Road, Multan Cantt.
Filament Dyeing Machine - Allwin - 2054A-208 KGs	40,032	5,792	34,240	48,011	13,771	Negotiation	Independent Third Party	Fong's National Dyeing and Finishing Machinery Co., Ltd.
Knitting Machine - Lonati - L-462- L-462J	54,230	9,894	44,336	8,100	(36,236)	Negotiation	Independent Third Party	Aartexx Mills, Chak # 245 RB, Abbas Pur, Jhang Road, Faisalabad.
Knitting Machines - Lonati - L474J	1,677	124	1,553	300	(1,253)	Negotiation	Independent Third Party	Aartexx Mills, Chak # 245 RB, Abbas Pur, Jhang Road, Faisalabad.
Knitting Machines - Lonati - L454J	38,420	2,833	35,587	8,100	(27,487)	Negotiation	Independent Third Party	Aartexx Mills, Chak # 245 RB, Abbas Pur, Jhang Road, Faisalabad.
Knitting Machines - Lonati - FL54J	2,373	119	2,254	216	(2,038)	Negotiation	Independent Third Party	Fine Knit Enterprises, Ismaeel Road, Opp. Sitara Sapna City, Main Daewoo Road, Fsd.
Knitting Machines - Lonati - L454J	7,218	361	6,857	720	(6,137)	Negotiation	Independent Third Party	Fine Knit Enterprises, Ismaeel Road, Opp. Sitara Sapna City, Main Daewoo Road, Fsd.
Knitting Machines - Lonati - L472	6,442	322	6,120	504	(5,616)	Negotiation	Independent Third Party	Fine Knit Enterprises, Ismaeel Road, Opp. Sitara Sapna City, Main Daewoo Road, Fsd.
Knitting Machines - Lonati - L474- L474J	36,519	1,826	34,693	2,809	(31,884)	Negotiation	Independent Third Party	Fine Knit Enterprises, Ismaeel Road, Opp. Sitara Sapna City, Main Daewoo Road, Fsd.
<b>Sub Total</b>	<b>221,272</b>	<b>48,805</b>	<b>172,467</b>	<b>71,302</b>	<b>(101,165)</b>			
<b>Tools and Equipments</b>								
Spectro Photometer - Processing Lab	6,613	4,112	2,501	3	(2,498)	Negotiation	Independent Third Party	Al-Mushtaq Corporation, Opposite Multan Golf City, Sher Shah Road, Multan Cantt.
Fire Alarm System - LIFCO UK	1,326	764	562	2	(560)	Negotiation	Independent Third Party	Al-Mushtaq Corporation, Opposite Multan Golf City, Sher Shah Road, Multan Cantt.
<b>Sub Total</b>	<b>7,939</b>	<b>4,876</b>	<b>3,063</b>	<b>5</b>	<b>(3,058)</b>			
<b>Electric Installations</b>								
Outdoor Condensing Unit - Haier 30.14 Tons - AV44NMMEUB	2,816	1,528	1,288	29	(1,259)	Negotiation	Independent Third Party	Al-Mushtaq Corporation, Opposite Multan Golf City, Sher Shah Road, Multan Cantt.
Outdoor Condensing Unit - Haier 27.30 Tons - AV40NMMEUB	2,351	1,275	1,076	29	(1,047)	Negotiation	Independent Third Party	Al-Mushtaq Corporation, Opposite Multan Golf City, Sher Shah Road, Multan Cantt.
HD-I Unit - I Main Building - HT LT	7,645	6,697	948	121	(827)	Negotiation	Independent Third Party	Mr. Muhammad Rizwan - Faisalabad.
<b>Sub Total</b>	<b>12,812</b>	<b>9,500</b>	<b>3,312</b>	<b>179</b>	<b>(3,133)</b>			
<b>Furniture and Fixtures</b>								
Storage Racks and Pallets	3,250	2,297	953	67	(886)	Negotiation	Independent Third Party	Al-Mushtaq Corporation, Opposite Multan Golf City, Sher Shah Road, Multan Cantt.
<b>Vehicles</b>								
BMW 530-E	21,012	14,815	6,197	6,197	-	Company Policy	Company Employee	Mr. Tariq Rashid Malik
Toyota - Yaris Ativ Cvt 1.3	5,189	1,081	4,108	4,500	392	Company Policy	Company Employee	Mr. Mubashar Shafiq
Toyota Fortuner	9,596	5,618	3,978	1,597	(2,381)	Company Policy	Company Employee	Mr. Feroze Ahmed
KIA Sportage	5,580	3,294	2,286	1,425	(861)	Company Policy	Company Employee	Mr. Waheed Iqbal
Honda Civic	4,127	2,323	1,804	1,497	(307)	Company Policy	Company Employee	Mr. Jamshaid Iqbal
Toyota Corolla Altis Grande	4,175	2,379	1,796	1,017	(779)	Company Policy	Company Employee	Mr. Waqas Ahmad Gill
Toyota - Corolla Grande Cvt	4,076	2,328	1,748	1,497	(251)	Company Policy	Company Employee	Mr. Ghulam Qasim Shaheen
Toyota Corolla Altis	3,566	2,028	1,538	812	(726)	Company Policy	Company Employee	Mr. Muhammad Shahid Mahmood
Toyota - Yaris 1.3 Ativ Mt	2,786	1,262	1,524	1,550	26	Company Policy	Company Employee	Mr. Sajjad Ahmad Shah
Toyota Altis	3,512	2,003	1,509	712	(797)	Company Policy	Company Employee	Mr. Muhammad Irfan Saeed
Toyota Altis	3,403	1,966	1,437	1,121	(316)	Company Policy	Company Employee	Mr. Muhammad Awais Asghar
Corolla Altis 1.6L	3,483	2,046	1,437	712	(725)	Company Policy	Company Employee	Mr. Altaf Rasool
Honda Civic	3,961	2,550	1,411	876	(535)	Company Policy	Company Employee	Mr. Fahid Hussain Khalon
Honda City Aspire	3,007	1,621	1,386	1,121	(265)	Company Policy	Company Employee	Mr. Saeed Hassan Bhatti
Toyota Yaris Ativ	3,175	1,810	1,365	1,017	(348)	Company Policy	Company Employee	Mr. Rizwan Zahid
Honda BRV	3,256	1,910	1,346	1,105	(241)	Company Policy	Company Employee	Mr. Humayun Javed Khan
Toyota Corolla Altis	3,286	1,940	1,346	1,021	(325)	Company Policy	Company Employee	Mr. Aftab Ahmad Gondal
Toyota Yaris	3,104	1,769	1,335	812	(523)	Company Policy	Company Employee	Mr. Muhammad Abid Bilal
Toyota Yaris 1.5	3,104	1,770	1,334	1,017	(317)	Company Policy	Company Employee	Mr. Muhammad Waqas Ahsan
Toyota Yaris 1.3H Mt	2,787	1,500	1,287	812	(475)	Company Policy	Company Employee	Mr. Ghulam Murtaza
Honda City Pt	2,943	1,674	1,269	798	(471)	Company Policy	Company Employee	Mr. Imtiaz Ahmad
Toyota Yaris 1.3H Cvt	2,890	1,629	1,261	436	(825)	Company Policy	Company Employee	Mr. Jamshed Khalid
Toyota Yaris 1.5	3,036	1,781	1,255	1,017	(238)	Company Policy	Company Employee	Mr. Abid Ali Gill
Toyota Yaris	2,869	1,615	1,254	812	(442)	Company Policy	Company Employee	Mr. Amjad Farooq
Toyota Yaris 1.5X	3,065	1,818	1,247	712	(535)	Company Policy	Company Employee	Mr. Saad Mahmood
Toyota Yaris	2,921	1,687	1,234	1,017	(217)	Company Policy	Company Employee	Mr. Imran Riaz

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended June 30, 2025

Description	Cost	Accumulated Depreciation	Book Value	Sale Proceeds	Gain / (Loss)	Mode of Disposal	Relationship of Buyer with the Company	Particulars of Buyers
(Rupees '000)								
Toyota Yaris 1.5L	2,997	1,755	1,242	1,017	(225)	Company Policy	Company Employee	Mr. Muhammad Rafique
Toyota Yaris 1.3	2,868	1,628	1,240	812	(428)	Company Policy	Company Employee	Mr. Safdar Ali
Toyota Yaris	2,868	1,631	1,237	812	(425)	Company Policy	Company Employee	Mr. Ghazala Kanwal
Toyota Yaris 1.3H Mt	2,803	1,578	1,225	812	(413)	Company Policy	Company Employee	Mr. Ateeq Ur Rehman
Toyota Yaris	2,880	1,664	1,216	798	(418)	Company Policy	Company Employee	Mr. Danish Shafiq
Honda City - Aspire Pt	2,934	1,719	1,215	1,001	(214)	Company Policy	Company Employee	Mr. Muhammad Saboor Abid
Toyota Yaris 1.3H Cvt	2,830	1,637	1,193	712	(481)	Company Policy	Company Employee	Mr. Muhammad Fahim
Toyota Yaris Cvt	2,834	1,660	1,174	712	(462)	Company Policy	Company Employee	Mr. Shakeel Anwar Khan
Toyota Yaris	2,824	1,649	1,175	1,001	(174)	Company Policy	Company Employee	Mr. Mian Muhammad Tahir
Toyota Corolla Altis	3,290	2,139	1,151	476	(675)	Company Policy	Company Employee	Mr. Amjad Mahmood Vaince
Toyota Yaris 1.3L	2,718	1,570	1,148	812	(336)	Company Policy	Company Employee	Mr. Tanzeel Ur Rehman
Honda - City Mts	2,579	1,447	1,132	712	(420)	Company Policy	Company Employee	Mr. Muhammad Toufique
Toyota Yaris Gli	2,565	1,463	1,102	712	(390)	Company Policy	Company Employee	Mr. Muhammad Afzal
Suzuki Swift	2,201	1,105	1,096	1,100	4	Company Policy	Company Employee	Ms. Sana Ehsan
Honda BRV	3,153	2,068	1,085	691	(394)	Company Policy	Company Employee	Mr. Fauz Ul Azeem
Suzuki Cultus	1,815	808	1,007	1,010	3	Company Policy	Company Employee	Mr. Zain Amjad
Suzuki Swift - Dlx A/T	2,201	1,242	959	859	(100)	Company Policy	Company Employee	Mr. Muhammad Ayub
Suzuki Swift	2,193	1,267	926	798	(128)	Company Policy	Company Employee	Mr. Salman Khalil
Honda City	2,795	1,885	910	436	(474)	Company Policy	Company Employee	Mr. Rehan Saleem
Suzuki Cultus Vxl	2,010	1,095	915	712	(203)	Company Policy	Company Employee	Mr. Muhammad Ayub
Suzuki Cultus	2,010	1,095	915	712	(203)	Company Policy	Company Employee	Mr. Rasheed Ahmad
KIA Picanto	2,114	1,205	909	712	(197)	Company Policy	Company Employee	Mr. Kashif Javaid
KIA Picanto	2,122	1,226	896	712	(184)	Company Policy	Company Employee	Mr. Junaid Khalid
KIA Picanto	2,114	1,221	893	712	(181)	Company Policy	Company Employee	Mr. Boota Muhammad Mushtaq
Suzuki Cultus Vxl	2,010	1,118	892	712	(180)	Company Policy	Company Employee	Mr. Muhammad Shahbaz
Toyota Corolla Xli M/T	2,613	1,721	892	633	(259)	Company Policy	Company Employee	Mr. Muhammad Shafique
Suzuki Cultus AGS	2,071	1,181	890	712	(178)	Company Policy	Company Employee	Mr. Wasiud Din
KIA Picanto	2,111	1,236	875	712	(163)	Company Policy	Company Employee	Mr. Ijaz Hussain
Suzuki Cultus Vxl	2,071	1,198	873	712	(161)	Company Policy	Company Employee	Mr. Mussanis Raza
Honda City Pt 1500Cc	2,613	1,753	860	712	(148)	Company Policy	Company Employee	Mr. Shahid Imran
Suzuki Wagon R AGS	1,934	1,076	858	712	(146)	Company Policy	Company Employee	Mr. Ali Javaid
Suzuki Cultus Vxl	1,940	1,092	848	712	(136)	Company Policy	Company Employee	Mr. Usman Akram Khan
KIA Picanto	1,962	1,119	843	712	(131)	Company Policy	Company Employee	Ms. Maimoona Jameel
Suzuki Cultus Vxl	2,010	1,170	840	712	(128)	Company Policy	Company Employee	Mr. Maqbool Alam Baig
Honda City Mts	2,438	1,599	839	499	(340)	Company Policy	Company Employee	Mr. Naveed Ur Rehman
KIA Picanto	1,962	1,134	828	712	(116)	Company Policy	Company Employee	Mr. Omer Ali Bhatti
Honda City	2,441	1,616	825	499	(326)	Company Policy	Company Employee	Mr. Atif Haved
Suzuki Cultus Vxl	1,940	1,121	819	712	(107)	Company Policy	Company Employee	Mr. Sajjad Akbar
Suzuki Cultus Vxr	1,875	1,059	816	712	(104)	Company Policy	Company Employee	Mr. Mudassar Salman
Honda City Mts 1339Cc	2,384	1,580	804	436	(368)	Company Policy	Company Employee	Mr. Touqeer Qamar
Suzuki Cultus Vxl	1,940	1,136	804	712	(92)	Company Policy	Company Employee	Mr. Haseeb Ahmad
Suzuki Cultus Vxr	1,819	1,027	792	712	(80)	Company Policy	Company Employee	Mr. Muhammad Rizwan
Honda City Mts	2,381	1,595	786	436	(350)	Company Policy	Company Employee	Mr. Muhammad Muzaffar Iqbal
Suzuki Cultus Vxr	1,818	1,040	778	712	(66)	Company Policy	Company Employee	Ms. Arshia Zia
Suzuki Cultus Vxr	1,819	1,052	767	712	(55)	Company Policy	Company Employee	Mr. Muhammad Azam
Suzuki Cultus	1,819	1,056	763	712	(51)	Company Policy	Company Employee	Mr. Shahid Aslam
Suzuki Cultus Vxr	1,818	1,067	751	712	(39)	Company Policy	Company Employee	Mr. Muhammad Zubair Afzal
Honda City	2,441	1,721	720	499	(221)	Company Policy	Company Employee	Mr. Abdul Nasir Minhas
Suzuki Swift Dlx A/T	1,255	559	696	436	(260)	Company Policy	Company Employee	Mrs. Afsheen Adnan
KIA Picanto	2,038	1,350	688	436	(252)	Company Policy	Company Employee	Ms. Muniba Rashid
Suzuki Cultus	1,903	1,238	665	436	(229)	Company Policy	Company Employee	Mr. Muhammad Jumshaid Nisar
Suzuki Swift	1,953	1,294	659	476	(183)	Company Policy	Company Employee	Mr. Muhammad Imran
Suzuki Cultus Vxl	1,893	1,253	640	436	(204)	Company Policy	Company Employee	Mr. Shabbir Ahmad
Suzuki Cultus Vxl	1,893	1,253	640	436	(204)	Company Policy	Company Employee	Mr. Muhammad Naeem Akhtar
Suzuki Cultus Vxl	1,903	1,267	636	436	(200)	Company Policy	Company Employee	Mr. Asghar Ali
Suzuki Cultus Vxl	1,893	1,267	626	436	(190)	Company Policy	Company Employee	Mr. Raza Ul Mustafa
Suzuki Cultus Vxl	1,893	1,277	616	436	(180)	Company Policy	Company Employee	Mr. Zahid Latif
Suzuki Cultus Vxr	1,784	1,170	614	436	(178)	Company Policy	Company Employee	Mr. Umair Javed
Suzuki Cultus Vxr	1,792	1,186	606	436	(170)	Company Policy	Company Employee	Mr. Umair Qamar
Suzuki Cultus Vxr	1,782	1,206	576	436	(140)	Company Policy	Company Employee	Mr. Bilal Anwar Minhas
Toyota Yaris 1.3 Cvt Ativ	3,171	1,508	1,663	1,675	12	Negotiation	Independent Third Party	Saeed Autos - Mr. Sheraz - House No. P-231, Street No. 1 Muhammad Pura Faisalabad.
Hyundai - Elantra A/T 1999Cc	4,059	2,085	1,974	2,050	76	Negotiation	Independent Third Party	Saeed Autos - Mr. Sheraz - House No. P-231, Street No. 1 Muhammad Pura Faisalabad.
Toyota Yaris 1.3 Ativ Mt	3,112	1,153	1,959	2,000	41	Negotiation	Independent Third Party	Saeed Autos - Mr. Sheraz - House No. P-231, Street No. 1 Muhammad Pura Faisalabad.
Honda - City 1.2L Mt	4,788	239	4,549	4,100	(449)	Negotiation	Independent Third Party	Saeed Autos - Mr. Sheraz - House No. P-231, Street No. 1 Muhammad Pura Faisalabad.
Honda - City 1.2L Cvt	4,815	469	4,346	4,350	4	Negotiation	Independent Third Party	Saeed Autos - Mr. Sheraz - House No. P-231, Street No. 1 Muhammad Pura Faisalabad.
Toyota Yaris Ativ Cvt 1.3	5,088	1,119	3,969	4,000	31	Negotiation	Independent Third Party	Saeed Autos - Mr. Sheraz - House No. P-231, Street No. 1 Muhammad Pura Faisalabad.
KIA - Stonic Ex Plus	5,691	285	5,406	5,425	19	Negotiation	Independent Third Party	Mr. Muhammad Majid, House No. P-214, 203 RB, Faisal Town, Faisalabad.



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended June 30, 2025

Description	Cost	Accumulated Depreciation	Book Value	Sale Proceeds	Gain / (Loss)	Mode of Disposal	Relationship of Buyer with the Company	Particulars of Buyers
(Rupees '000)								
Toyota Yaris Gli 1.3 Cvt	4,949	247	4,702	4,650	(52)	Negotiation	Independent Third Party	Mr. Tanveer Ahmad, Dak Khana Khas, Chak 77 RB, Lahoka Kalan, Distt. Faisalabad.
Toyota - Yaris Gli 1.3 Cvt	4,949	495	4,454	4,550	96	Negotiation	Independent Third Party	Mr. Furrukh Mahmood, House No. P-559, Jawala Nagar, Faisalabad.
Honda - City 1.2L Cvt	4,979	871	4,108	4,125	17	Negotiation	Independent Third Party	Mr. Tanveer Ahmad, Dak Khana Khas, Chak 77 RB, Lahoka Kalan, Distt. Faisalabad.
High Roof Van ARF - 908 (lct)	4,822	1,206	3,616	1,800	(1,816)	Negotiation	Independent Third Party	Mr. Rashid Mahmood, House No. P-5003, Street No. 15, Data Park, Faisalabad.
Suzuki - Swift GL-M/T 1198 Cc	4,350	1,212	3,138	3,150	12	Negotiation	Independent Third Party	Mr. Mohsin Raza, House No. 185-F, Eden Valley, Faisalabad.
Changan Oshan X7 Future Sense 1.5L	8,961	597	8,364	8,749	385	Insurance Claim	Independent Third Party	EFU General Insurance Limited.
Hyundai Tucson Awd Ultimate	9,054	3,139	5,915	8,859	2,944	Insurance Claim	Independent Third Party	EFU General Insurance Limited.
Changan Alsvin 1.5 Dct Lumiere	4,700	1,249	3,451	4,600	1,149	Insurance Claim	Independent Third Party	EFU General Insurance Limited.
Honda City 1.2 Mt	3,882	1,177	2,705	4,000	1,295	Insurance Claim	Independent Third Party	EFU General Insurance Limited.
<b>Sub Total</b>	<b>329,209</b>	<b>163,812</b>	<b>165,397</b>	<b>143,226</b>	<b>(22,171)</b>			
<b>Other assets having book value below Rs. 500,000 each</b>	<b>284,213</b>	<b>215,244</b>	<b>68,969</b>	<b>67,960</b>	<b>(1,009)</b>			
<b>Total - 2025</b>	<b>858,695</b>	<b>444,534</b>	<b>414,161</b>	<b>282,739</b>	<b>(131,422)</b>			
<b>Total - 2024</b>	<b>522,259</b>	<b>338,047</b>	<b>184,212</b>	<b>155,735</b>	<b>(28,477)</b>			

	Note	2025 (Rupees '000)	2024 (Rupees '000)
<b>7.1.2 Depreciation expense for the year has been allocated as under;</b>			
Cost of sales	34	6,058,625	3,853,460
Administrative expenses	36	992,964	610,735
		<b>7,051,589</b>	<b>4,464,195</b>
<b>7.2 Capital work in progress</b>			
Civil works	7.2.1	1,952,364	3,650,569
Plant and machinery	7.2.1	5,105,314	12,226,480
Capital stores	7.2.2	1,467,218	4,134,937
Advances to suppliers		779,398	939,809
		<b>9,304,294</b>	<b>20,951,795</b>
<b>7.2.1</b> Civil works and plant and machinery includes borrowing cost capitalized during the year, calculated at the rate of 7.50% to 22.95% per annum (2024: 4.50% to 24.14% per annum).			
		<b>2025 (Rupees '000)</b>	<b>2024 (Rupees '000)</b>
Civil works		72,141	649,819
Plant and machinery		64,503	612,075
		<b>136,644</b>	<b>1,261,894</b>

**7.2.2** Capital stores include factory tools and equipment, office equipment, electric installations and furniture and fixtures that are held in store for future use and capitalization.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended June 30, 2025

	Note	2025 (Rupees '000)	2024 (Rupees '000)
<b>7.3 Right of use assets</b>			
<b>Buildings</b>			
<b>Cost:</b>			
Opening balance		556,254	324,521
Additions during the year		338,099	236,558
Exchange loss		(1,396)	–
Disposal during the year		(33,124)	(4,825)
Closing balance		859,833	556,254
<b>Accumulated depreciation:</b>			
Opening balance		313,819	221,200
Depreciation for the year	7.3.1	183,638	95,501
Adjustment on disposal		(3,264)	(2,882)
Closing balance		494,193	313,819
Net book value		365,640	242,435

**7.3.1** Depreciation on right of use assets has been allocated as under;

	Note	2025 (Rupees '000)	2024 (Rupees '000)
Cost of sales	34	156,626	89,293
Administrative expenses	36	27,012	6,208
		183,638	95,501

**7.4** Details of immovable property in the name of the Group:

Usage	Location	Area
Plant 1	Chak # 76 RB. 1 - KM, Jaranwala Road, Khurrianwala, Faisalabad.	22 Acres 7 Kanals 15 Marlas
	Chak # 194 RB. 1 - KM, Jaranwala Road, Khurrianwala, Faisalabad.	3 Acres 13 Marlas
	Chak # 108 RB. 1 - KM, Jaranwala Road, Khurrianwala, Faisalabad.	9 Marlas
Interloop Industrial Park - (Plant 2, Plant 4 & Spinning unit)	Chak # 103 RB, 7 - KM, Jaranwala Road, Khurrianwala, Faisalabad.	142 Acres 4 Kanals 7 Marlas 5 Sarsai
Plant 3	8 - KM, Manga Raiwind Road, Distt. Kasur, Lahore.	41 Acres 3 Kanals 8 Marlas
Denim Division	8 - KM, Manga Raiwind Road, Distt. Kasur, Lahore.	26 Acres 7 Kanals 14 Marlas
Apparel Industrial Park - (Plant 5 & Apparel unit)	Chak # 106 RB, 6 - KM, By Pass Road, Khurrianwala, Faisalabad.	247 Acres 4 Kanals 8 Sarsai
Office Top Circle Hosiery Mills Co., Inc.	329 Franklin St. Weissport, PA, USA.	54,450 Sqft
Offices Zhejiang Top Circle Textiles Co., Limited	Shanghai and Hangzhou, China.	14,184 Sqft

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended June 30, 2025

Usage	Location	Area
Office Pinghu Top Circle Knitting Co., Limited	Nanyuan World Trade Garden, Pinghu, China.	1,866 Sqft
Land	Chak # 200 RB, Near Toll Plaza Gatwala, Lathianwala, Faisalabad.	2 Acres 13 Marlas 5 Sarsai
	Chak # 33/10-R, Tehsil & District Khanewal.	13 Acres 7 Kanals 3 Marlas 5 Sarsai
	Chak # 266 RB, Tehsil Jaranwala, District Faisalabad.	29 Acres 7 Marlas
	Chak # 76 RB, Tehsil Jaranwala, District Faisalabad.	3 Acres 3 Marlas

	Note	2025 (Rupees '000)	2024 (Rupees '000)
<b>8. INTANGIBLE ASSETS</b>			
Computer software	8.1	374,427	299,746
Development cost - in progress		111,036	154,963
		485,463	454,709

## 8.1 Computer software

### Cost:

Opening balance	575,472	562,825
Transfer on acquisition of subsidiaries	—	1,335
Exchange loss	(4)	—
Written off during the year	(19,208)	—
Addition during the year	158,311	11,312
	714,571	575,472

### Amortization:

Opening balance	275,726	201,270
Adjustment	(13,882)	—
Transfer on acquisition of subsidiaries	—	1,124
For the year amortization	78,300	73,332
	340,144	275,726

Net book value	374,427	299,746
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Amortization rate	20%	20%
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## 8.2 Amortization on intangible assets has been allocated as under;

Cost of sales	34	426	—
Administrative expenses	36	77,874	73,332
		78,300	73,332

## 9. LONG TERM INVESTMENT

### Considered good - Secured

Equity investment	9.1	198,017	191,526
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**9.1** This represents investment in a private equity fund which is a portfolio of stocks covering various equity investments in companies.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended June 30, 2025

	Note	2025 (Rupees '000)	2024 (Rupees '000)
<b>10. LONG TERM LOANS</b>			
<b>Considered good - Secured</b>			
Loans to employees	10.1	198,075	174,373
Loan to director	10.2	–	2,500
		<b>198,075</b>	<b>176,873</b>
<b>10.1 Loans to employees</b>			
Opening balance		397,439	342,047
Add: disbursement made during the year		1,738,839	463,885
		<b>2,136,278</b>	<b>805,932</b>
Less: amount received during the year		(1,613,503)	(408,493)
		<b>522,775</b>	<b>397,439</b>
Less: receivable within twelve months	15	(324,700)	(223,066)
		<b>198,075</b>	<b>174,373</b>

**10.1.1** These represent loans given to executives and other employees as per the Holding Company's policy for house building and general purposes. The loan balances except for housing finance are interest free. The loans are recoverable in equal monthly installments from respective employees based on the tenor of the loan. The loans are secured against the employees' respective retirement benefits. These loans have not been carried at amortized cost as the effect of discounting is not considered material.

	Note	2025 (Rupees '000)	2024 (Rupees '000)
<b>10.2 Loan to director</b>			
Opening balance		3,653	8,269
Less: amount received/amortized during the year		(3,653)	(4,616)
		–	3,653
Less: receivable within twelve months	15	–	(1,153)
		–	2,500

**10.2.1** This represented loan paid to executive director of the Holding Company as per house building finance policy of the Holding Company. Under the first policy, home ownership grant was Rs. 2.5 million and mortgage assistance was Rs. 23.25 million. Tenure of the home ownership grant and mortgage assistance was six years. Mortgage assistance was repayable in 60 equal monthly installments along with markup thereon. During the year, mortgage assistance has been fully repaid and home ownership grant has been amortized as per Holding Company policy.

**10.2.2** The maximum aggregate amount of loan to director at the end of any month during the year was Rs. 3.27 million (2024: Rs. 7.89 million).

		2025 (Rupees '000)	2024 (Rupees '000)
<b>11. LONG TERM DEPOSITS</b>			
<b>Considered good:</b>			
Security deposits - unsecured		95,481	89,451

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended June 30, 2025

	Note	2025 (Rupees '000)	2024 (Rupees '000)
<b>12. STORES AND SPARES</b>			
Stores		1,123,896	1,120,474
Spares		2,352,367	2,063,951
		<b>3,476,263</b>	<b>3,184,425</b>
<b>13. STOCK IN TRADE</b>			
Raw materials		12,740,681	14,819,494
Work in process		5,196,509	4,523,957
Finished goods		8,807,580	7,608,012
		<b>26,744,770</b>	<b>26,951,463</b>
Less: Provision for obsolete inventory	13.1	(30,489)	(48,274)
		<b>26,714,281</b>	<b>26,903,189</b>
<b>13.1 Provision for obsolete inventory</b>			
Opening balance		48,274	–
Provision for the year	37	30,489	48,274
Written off during the year		(48,274)	–
Closing balance		<b>30,489</b>	<b>48,274</b>
<b>14. TRADE DEBTS</b>			
<b>Considered good:</b>			
<b>Foreign</b>			
- Secured	14.1	13,475,660	18,317,679
- Unsecured		34,230,665	21,634,008
		<b>47,706,325</b>	<b>39,951,687</b>
<b>Local</b>			
- Unsecured	14.1	1,682,600	1,686,902
		<b>49,388,925</b>	<b>41,638,589</b>
<b>14.1 It includes receivables from following related parties;</b>			
<b>Foreign</b>			
Texlan Center (Pvt) Limited		607,515	526,313
Interloop Europe		375,571	79,875
<b>Local</b>			
Socks & Socks (Pvt) Limited		139,230	184,530
		<b>1,122,316</b>	<b>790,718</b>
<b>14.2</b>	The maximum aggregate amount of receivable due from related parties at the end of any month during the year was Rs. 1,122.316 million (2024: Rs. 1,301.287 million).		
<b>14.3</b>	At June 30, 2025, trade debts due from related parties aggregating to Rs. 225.040 million (2024: Rs. 181.496 million) were past due but not impaired. The aging analysis of receivables from related parties is as follows:		

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended June 30, 2025

	Note	2025 (Rupees '000)	2024 (Rupees '000)
Not yet due		897,276	609,222
Upto 1 month		91,636	30,298
More than 1 month		133,404	151,198
		1,122,316	790,718

## 15. LOANS AND ADVANCES

### Considered good:

#### Loans - secured

Current portion of loans to employees	10.1	324,700	223,066
Current portion of loan to director	10.2	–	1,153

#### Advances - unsecured

Advances to suppliers	15.1	2,022,376	1,691,535
Advances to employees	15.2	24,901	21,615

2,371,977 1,937,369

### 15.1 It includes advances to following related parties;

Socks & Socks (Pvt) Limited	12,709	22,865
IRC Dairy Products (Pvt) Limited	72	–
	12,781	22,865

**15.1.1** The maximum aggregate amount of receivable due from related parties at the end of any month during the year was Rs. 54.325 million (2024: Rs. 229.289 million). The aging analysis of these advances is as follows:

	2025 (Rupees '000)	2024 (Rupees '000)
Less than 3 months	12,781	22,865

**15.2** Advances to employees are given to meet business expenses and are settled as and when expenses are incurred.

	Note	2025 (Rupees '000)	2024 (Rupees '000)
<b>16. DEPOSITS, PREPAYMENTS AND OTHER RECEIVABLES</b>			
<b>Deposits</b>			
LC margin		83,099	61,755
Security deposits		63,365	83,245
<b>Prepayments</b>			
Insurance premium		22,142	16,905
Prepaid expenses		240,109	372,940
<b>Other receivables - considered good</b>			
Subsidy on gas	16.1	–	60,619
Others		312,072	315,796
		720,788	911,260



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended June 30, 2025

- 16.1** This represents the subsidy receivable against sui gas consumption from Sui Northern Gas Pipelines Limited (SNGPL) amounting to Nil (2024: Rs. 60.619 million). SNGPL allowed 25% system gas adjustment capped at initial contractual load. During the year, the entire receivable balance was fully adjusted against amounts payable in SNGPL's billing.

	Note	2025 (Rupees '000)	2024 (Rupees '000)
<b>17. ACCRUED INCOME</b>			
Profit on term finance certificates (TFCs)		877	1,497
<b>18. REFUNDS DUE FROM GOVERNMENT AND STATUTORY AUTHORITIES</b>			
DDT		1,331,404	1,328,799
Sales tax refundable		8,232,977	5,204,048
Income tax refundable		1,973,867	595,960
		11,538,248	7,128,807
<b>19. SHORT TERM INVESTMENT</b>			
Term Finance Certificates (TFCs) - Amortized cost:			
Habib Bank Limited	19.1	500,000	500,000

- 19.1** This represents investment as fully paid-up, rated, privately placed, perpetual, unsecured, subordinated, noncumulative, contingent convertible, additional Tier 1, capital eligible 5,000 term finance certificates (TFCs) of Habib Bank Limited having face value of Rs. 100,000/- each aggregating to Rs. 500 million (2024: Rs. 500 million). TFCs carry profit at the rate of 3 months KIBOR + 1.60% per annum payable quarterly in arrears.

	2025 (Rupees '000)	2024 (Rupees '000)
<b>20. CASH AND BANK BALANCES</b>		
Cash in hand	17,534	27,344
Cash at banks		
In current accounts	295,899	35,206
In foreign currency accounts	774,901	1,448,360
	1,070,800	1,483,566
	1,088,334	1,510,910

## 21. AUTHORIZED SHARE CAPITAL

2025 (Number of shares in '000)	2024 (Number of shares in '000)		2025 (Rupees '000)	2024 (Rupees '000)
5,000,000	5,000,000	Ordinary shares of Rs. 10 each	50,000,000	50,000,000

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended June 30, 2025

## 22. ISSUED, SUBSCRIBED AND PAID UP SHARE CAPITAL

2025 (Number of shares in '000)	2024 (Number of shares in '000)		2025 (Rupees '000)	2024 (Rupees '000)
132,429	132,429	Ordinary shares of Rs. 10 each fully paid in cash	1,324,289	1,324,289
1,269,281	1,269,281	Ordinary shares of Rs. 10 each issued as fully paid bonus shares	12,692,806	12,692,806
1,401,710	1,401,710		14,017,095	14,017,095

### 22.1 Movement in issued, subscribed and paid up share capital

	2025		2024	
	Ordinary shares of Rs. 10 each		Ordinary shares of Rs. 10 each	
	Fully paid in cash	Fully paid bonus shares	Fully paid in cash	Fully paid bonus shares
	Number of shares in '000		Number of shares in '000	
Opening balance	132,429	1,269,281	132,166	1,269,281
Issued during the year	—	—	263	—
Closing balance	132,429	1,269,281	132,429	1,269,281

**22.2** All ordinary shares rank equally with regard to the Holding Company's residual assets. Holders of these shares are entitled to dividends from time to time and are entitled to one vote per share at the general meetings of the Holding Company.

	Note	2025 (Rupees '000)	2024 (Rupees '000)
<b>23. RESERVES</b>			
<b>Capital reserve</b>			
Share premium	23.1	3,158,734	3,158,734
<b>Revenue reserve</b>			
Translation reserve		(27,941)	(110,728)
		3,130,793	3,048,006

**23.1** This represents premium received over and above face value of the shares issued to institutional investors, high net worth individuals and general public through initial public offering (IPO) and employees of the Holding Company through employees stock option scheme (ESOS). This reserve can be utilized by the Holding Company only for the purposes specified in section 81 of the Companies Act, 2017.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended June 30, 2025

## 24. NON - CONTROLLING INTEREST

Following is the summarized financial information, before inter company eliminations, of Top Circle Hosiery Mills Co., Inc.

### Summarized statement of financial position

NCI Percentage	Top Circle Hosiery Mills Co., Inc.	
	36.00% 2025 (Rupees '000)	36.00% 2024 (Rupees '000)
Non current assets	2,145,994	1,988,474
Current assets	4,147,482	2,926,453
Non current liabilities	(145,741)	–
Current liabilities	(2,065,333)	(1,232,501)
Net assets	4,082,402	3,682,426
Accumulated NCI	1,469,665	1,325,672

### Summarized statement of comprehensive income

Net revenue	8,686,521	2,601,254
Other income	134,623	71,105
Profit/(loss) for the year/period	270,623	(152,736)
Other comprehensive loss	–	–
Total comprehensive income/(loss)	270,623	(152,736)
Profit/(loss) attributable to NCI	97,425	(54,985)
Comprehensive income/(loss) for the year/period attributable to NCI	46,568	(62,285)
Total comprehensive income/(loss) for the year/period attributable to NCI	143,993	(117,270)
Dividend paid to NCI	–	(11,158)

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended June 30, 2025

25.	LONG TERM FINANCING	Note	2025 (Rupees '000)	2024 (Rupees '000)
	From financial institutions - secured			
	Pricing per annum			
	Tenor			
	Repayment			
	Final repayment date			
	Islamic banking:			
	Islamic long term finance facility - ILTF		2,284,016	2,746,374
	Islamic temporary economic refinance facility - ITERF		34,200	39,733
	Islamic finance renewable energy - IRE		74,328	123,880
	Diminishing musharaka		15,745,809	6,766,377
	Conventional banking:			
	Long term financing facility - LTFF		2,579,228	2,977,521
	Demand finance loan		8,049,696	3,676,993
	Temporary economic refinance facility - TERF		2,105,889	2,436,849
	SBP renewable energy		132,286	149,635
	Less: Current portion of long term financing	31	31,005,452	18,917,362
			(2,411,465)	(2,722,549)
			28,593,987	16,194,813

**25.1** The Holding Company has obtained long-term financing facilities from various banks to fund its capex and BMR projects. These facilities are secured against 1st Joint Pari Passu (JPP) charge of Rs. 30,860 million, 1st specific charge of Rs. 6,660 million, mortgage charge of Rs. 2,667 million and ranking charge of Rs. 25,668 million over all present and future fixed assets of the Holding Company (land, building and plant & machinery).

The Government of Pakistan has introduced Islamic Temporary Economic Refinance Facility (ITERF) and Temporary Economic Refinance Facility (TERF) for setting of new industrial units and for undertaking Balancing, Modernization and Replacement and /or expansion of projects / businesses. The Holding Company has availed this facility from various banks at concessional rate of markup. The loan under these facilities was initially recognized at fair value in accordance with IFRS 9 - Financial instruments using an effective interest rate at respective drawdown dates. The difference between the fair value of the loan and loan proceeds has been recognized as deferred income as per requirements of IAS 20 (Accounting for Government grants and disclosure of Government assistance) and as per Circular 11/2020 issued by the Institute of Chartered Accountants of Pakistan.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended June 30, 2025

	Note	2025 (Rupees '000)	2024 (Rupees '000)
<b>26. LEASE LIABILITIES</b>			
Opening balance		274,716	128,935
Additions during the year		238,282	236,558
Accretion of interest	39	38,025	32,070
Payments during the year		(128,975)	(120,659)
Termination during the year		(30,542)	(2,188)
		391,506	274,716
Less: Current portion shown under current liabilities	31	(79,077)	(83,751)
		312,429	190,965

**26.1** These represent lease contracts for the Group manufacturing facility, warehouses, and employees hostel and have estimated lease terms between 3 to 5 years. These are discounted using incremental borrowing rate of the Group.

**26.2** The future minimum lease payments to which the Group is committed under the agreements will be due as follows:

	Not later than one year	Later than one year and not later than three years	More than three years
	(Rupees '000)		
<b>At 30 June 2025</b>			
Future minimum lease payments	108,098	331,017	7,907
Less: Un-amortized finance charges	(29,021)	(26,355)	(140)
Present value of future minimum lease payments	79,077	304,662	7,767
<b>At 30 June 2024</b>			
Future minimum lease payments	118,223	225,323	9,482
Less: Un-amortized finance charges	(34,472)	(43,776)	(64)
Present value of future minimum lease payments	83,751	181,547	9,418

	Note	2025 (Rupees '000)	2024 (Rupees '000)
<b>27. DEFERRED LIABILITIES</b>			
Staff retirement gratuity	27.1	13,712,790	10,694,629
Deferred income - Government grant	27.2	64,912	91,719
Deferred tax liability	27.3	545,885	–
		14,323,587	10,786,348

## 27.1 Staff retirement gratuity

This represents an unfunded gratuity scheme which provides termination benefits for all employees of the Holding Company who attain the minimum qualifying period. The latest actuarial valuation of the defined benefit plan was carried out as at June 30, 2025 using the Projected Unit Credit (PUC) Actuarial Cost Method. Details of the defined benefit plan are as follows:

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended June 30, 2025

	Note	2025 (Rupees '000)	2024 (Rupees '000)
<b>27.1.1 Movement in the present value of defined benefit obligation</b>			
Opening balance		10,694,629	7,876,298
Expenses recognized in the statement of profit or loss	27.1.2	3,559,300	2,796,402
Remeasurement of plan obligation chargeable to other comprehensive income	27.1.4	297,975	753,756
Balance transferred from associated companies		–	2,601
Paid during the year		(839,114)	(734,428)
Closing balance		13,712,790	10,694,629
<b>27.1.2 Expenses recognized in the statement of profit or loss</b>			
Current service cost		2,121,347	1,613,721
Past service cost		(557)	–
Interest cost		1,438,510	1,182,681
		3,559,300	2,796,402
<b>27.1.3 Amounts charged in the statement of profit or loss are as follows:</b>			
Cost of sales	34	3,112,743	2,401,355
Distribution cost	35	82,967	60,518
Administrative expenses	36	363,590	334,529
		3,559,300	2,796,402
<b>27.1.4 Total remeasurement chargeable to other comprehensive income</b>			
Remeasurement of plan obligation:			
Actuarial gain from changes in financial assumptions		(416,005)	(274,791)
Experience adjustments		713,980	1,028,547
		297,975	753,756
		<b>2025</b>	<b>2024</b>
<b>27.1.5 Principal actuarial assumptions used</b>			
Discount rate used for profit and loss charge		14.00%	15.75%
Discount rate for year end obligation		12.50%	14.00%
Salary increase used for year end obligation			
Salary increase for FY 2025		N/A	12.00%
Salary increase for FY 2026	10% for executive & 5% for workers		12.00%
Salary increase for FY 2027	12.00%		12.00%
Salary increase for FY 2028	12.50%		14.00%
Salary increase for FY 2029	12.50%		14.00%
Salary increase for FY 2030	12.50%		14.00%
Salary increase for FY 2031 onward	12.50%		14.00%
<b>Demographic assumption</b>			
Mortality rates (for deaths in service)		SLIC 2001-2005 Setback 1 year 60 years	SLIC 2001-2005 Setback 1 year 60 years
Retirement assumption			



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended June 30, 2025

**27.1.6** The expected contribution to defined benefit obligation for the year ending June 30, 2026 will be Rs. 4,057.934 million.

## **27.1.7 Sensitivity analysis**

If the significant actuarial assumptions used to estimate the defined benefit obligation at the reporting date, had fluctuated by 100 bps with all other variables held constant, the present value of the defined benefit obligation as at June 30, 2025 would have been as follows:

	2025 (Rupees '000)	2024 (Rupees '000)
Discount rate + 100 bps	12,318,371	9,618,138
Discount rate - 100 bps	15,376,283	11,977,603
Salary change + 100 bps	15,398,929	11,994,564
Salary change - 100 bps	12,273,104	9,583,819

The sensitivity analysis of the defined benefit obligation to the significant actuarial assumptions has been performed using the same calculation techniques as applied for calculation of defined benefit obligation reported in the statement of financial position.

## **27.1.8 Maturity profile**

The average duration of defined benefit obligation for the year ended 2025 is 11 years (2024: 11 years).

The expected benefit payment for the upcoming years is as follows;

	Note	2025 (Rupees '000)	2024 (Rupees '000)
Between 1 to 3 years		3,933,760	3,288,112
Between 3 to 5 years		3,218,927	2,715,233
Beyond 5 years		571,988,687	678,814,505
		579,141,374	684,817,850

## **27.2 Deferred income - Government grant**

Opening balance		122,906	158,092
For the year amortization		(31,149)	(35,186)
		91,757	122,906
Current portion of deferred income	31	(26,845)	(31,187)
Closing balance		64,912	91,719

**27.2.1** There are no unfulfilled conditions or other contingencies attaching to these grants.

	Note	2025 (Rupees '000)	2024 (Rupees '000)
<b>27.3 Deferred taxation - net</b>			
Deferred tax liability/(asset)	27.3.1	546,177	(349,849)

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended June 30, 2025

	Note	2025 (Rupees '000)	2024 (Rupees '000)
<b>27.3.1 Movement in deferred tax liability/(asset) is as follows;</b>			
Opening balance		(349,849)	–
Deferred tax expense/(credit) recognized in profit or loss		1,012,236	(56,176)
Deferred tax on acquisition of subsidiary		–	292
Deferred tax credit recognized in other comprehensive income		(116,210)	(293,965)
		896,026	(349,849)
Closing balance	27.3.2	546,177	(349,849)
<b>27.3.2 This comprise of following:</b>			
<b>Taxable temporary differences arising in respect of;</b>			
Accelerated tax depreciation allowance		7,025,704	4,709,467
Right of use assets		80,037	94,550
Intangibles		65,144	49,792
Derivative financial instruments		–	23,107
<b>Deductible temporary differences arising in respect of;</b>			
Staff retirement gratuity		(5,347,988)	(4,170,905)
Lease liabilities		(95,849)	(107,139)
Derivative financial instruments		(5,092)	–
Disallowance of provisions		(1,176,071)	(948,721)
		545,885	(349,849)
<b>28. TRADE AND OTHER PAYABLES</b>			
Trade creditors	28.1	7,266,638	5,782,925
Accrued liabilities	28.2	6,081,051	6,974,829
Contract liabilities - advances from customers	28.3	271,703	100,897
Other payables	28.4	677,142	610,681
Employees provident fund trust	28.5	12,369	9,001
Withholding tax payable		370,790	299,660
Workers' profit participation fund	28.6	484,652	970,300
Workers' welfare fund	28.7	1,351,075	1,261,758
		16,515,419	16,010,051
<b>28.1 It includes payable to following related parties;</b>			
Interloop Holdings (Pvt) Limited		31,607	12,313
Octans Digital (Pvt) Limited		31,014	7,503
Printkraft (Pvt) Limited		16,593	39,652
Momentum Logistics (Pvt) Limited		104,927	114,571
Texlan Center (Pvt) Limited		271,070	–
		455,211	174,039
<b>28.2</b>	It includes an amount of Rs. 1,634.010 million (2024: Rs. 1,122.971 million) relating to infrastructure cess payable.		

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended June 30, 2025

**28.2.1** Honourable Sindh High Court in its decision dated September 17, 2008 declared the imposition of infrastructure cess before December 28, 2006 as void and invalid. However, the Excise and Taxation Department filed an appeal before the Honourable Supreme Court of Pakistan. The Honourable Supreme court of Pakistan had disposed off the appeal with a joint statement of the parties that during the pendency of the appeal, another law i.e. fifth version came into existence which was not the subject matter of the appeal hence the case was referred back to High Court of Sindh with right to appeal to Supreme Court. The Holding Company filed constitutional petition bearing No. 1809 of 2011 before Honourable High Court Sindh. On May 31, 2011, the High Court of Sindh had granted an interim relief on an application of petitioners on certain terms including discharge and return of bank guarantees / security furnished on consignment released up to December 27, 2006 and any bank guarantee / security furnished on consignment released after December 27, 2006 shall be encashed to the extent of 50% of the guaranteed or secured amount only with balance kept intact till the disposal of petition. In case the High Court upholds the applicability fifth version of law and its retrospective application, the authorities are entitled to claim the amounts due under the said law with the right to appeal available to petitioner. In the light of interim relief the Holding Company has paid 50% of the amount of Infrastructure cess. Imports of the Holding Company are being released against 50% payment of Infrastructure cess to Excise and Taxation Department and furnishing of bank guarantee of balance amount. On 4th June 2021, Honorable Sindh High Court passed an order whereby it upheld the contention of Sindh Government and suspend its own order for 90 days. The Holding Company has filed writ petition CPLA NO. 4611 against the said order before the Supreme Court of Pakistan.

The Honourable Supreme Court of Pakistan granted an interim relief on September 01, 2021 against the impugned Judgment of the Sindh High Court. The Honourable Apex Court directed that till further orders, operation of the impugned Judgment of the High Court of Sindh dated June 04, 2021 and recovery of the impugned levy shall remain suspended. The petitioner shall keep the bank guarantee already submitted, pursuant to the order of the Sindh High Court, valid, operative and enforceable and shall furnish fresh bank guarantees equivalent to the amount of levy claimed by the respondents against release of all future import consignments. However, in the light of the order of the Supreme Court of Pakistan, the Holding Company has issued bank guarantees equivalent to the amount of the levy and no payment is being made subsequent to the order date of the Court.

The full amount of Infrastructure cess forms component of cost of imported items and provision recorded in books. Bank guarantees furnished regarding imposition of infrastructure cess have been disclosed in note - 32.1.2 to these financial statements.

**28.2.2** The Government of Punjab imposed Punjab Infrastructure Development Levy in terms of the Punjab Infrastructure Development Cess Act, 2015 (the Act) read with PRA Notification No.PRA/IDC/2015 dated May 16, 2016 and PRA order No.PRA/Orders.08/2015 dated May 23, 2016. The Holding Company being aggrieved filed writ petition vide WP No.24536 of 2016 before Honorable Lahore High Court challenging the constitutionality of the Act . The Lahore High Court on July 28, 2016 granted interim relief for clearance of goods subject to payment of 50% of the disputed amount and upon furnishing of a bank guarantee for the balance of 50% of the amount. The case is pending litigation before Honorable Lahore High Court, Lahore, the same has been adjourned without any next date.

**28.3** The contract liabilities primarily relate to the advance consideration received from customers for sale of goods, for which revenue is being recognized at point in time when goods are transferred. Out of Rs. 100.897 million recognized in contract liabilities as on June 30, 2024, an amount of Rs. 100.549 million has been adjusted and recognized as revenue during the year.

**28.4** It includes an amount of Rs. 125.178 million (2024: Rs. 127.145 million) payable to ILNA Inc. USA, an associated company.

**28.5** The investments out of provident fund have been made in accordance with the provisions of section 218 of the Companies Act, 2017 and the rules formulated in Employees Contributory Funds (Investment in Listed Securities) Regulations, 2018.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended June 30, 2025

	Note	2025 (Rupees '000)	2024 (Rupees '000)
<b>28.6 Workers' profit participation fund</b>			
Opening balance		970,300	1,150,769
Interest on funds utilized in the Holding Company's business	39	26,723	30,484
Expense allocation for the year	37	463,465	943,788
		1,460,488	2,125,041
Paid during the year		(975,836)	(1,154,741)
Closing balance		484,652	970,300
<b>28.7 Workers' welfare fund</b>			
Opening balance		1,261,758	898,342
Provision for the year		179,317	363,416
		1,441,075	1,261,758
Paid during the year		(90,000)	–
Closing balance		1,351,075	1,261,758
<b>29. ACCRUED MARK UP</b>			
Mark up on:			
Long term financing		959,164	631,078
Short term borrowings		63,057	2,058,673
		1,022,221	2,689,751
<b>30. SHORT TERM BORROWINGS</b>			
<b>From banking companies - Secured</b>			
Under mark up arrangements			
<b>Islamic banking:</b>			
IERS - II		3,230,000	7,030,000
Exim IERS - II		9,475,000	–
Islamic export finance scheme (IEFS)		2,100,000	2,099,982
Running musharika		–	6,793,209
<b>Conventional banking:</b>			
ERF - II		21,361,960	29,306,960
Exim ERF - II		18,413,040	–
Export finance scheme (EFS)		5,249,892	4,671,988
Running finance		118,810	537,705
		59,948,702	50,439,844

- 30.1** All short-term credit lines are secured against a first Joint Pari Passu (JPP) charge of Rs. 147,837 million, registered on July 16, 2025 (2024: Rs. 108,569 million). As at June 30, 2025, these facilities stood secured against a JPP charge of Rs. 108,569 million and a ranking charge of Rs. 38,670 million (2024: Nil) over all present and future current assets of the Company, in favor of all lending banks. The aggregate sanctioned limits available to the Company for short-term borrowings from all banks amount to Rs. 105,319 million (2024: Rs. 77,036 million).

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended June 30, 2025

## Mark up is charged as;

ERF - II / IERS - II	SBP Rate + 0.25% to 1% per annum (2024: SBP Rate + 0.25% to 1% per annum)
Exim ERF-II/ Exim IERS-II	SBP Rate + 0.25% to 1% per annum (2024: Nil)
EFS / IEFS	SBP refinance rate for EFS and IEFS (2024: SBP refinance rate for EFS and IEFS)
Running finance/musharika	<div> 1 to 3 months Kibor -2.8% to +1% per annum (2024: 1 to 6 months Kibor -2.7% to +1% per annum)  3.01% to 3.50% per annum (2024: 3.50% to 4.35% per annum) </div>

	Note	2025 (Rupees '000)	2024 (Rupees '000)
<b>31. CURRENT PORTION OF NON CURRENT LIABILITIES</b>			
Long term financing	25	2,411,465	2,722,549
Lease liabilities	26	79,077	83,751
Deferred income - Government grant	27.2	26,845	31,187
		<b>2,517,387</b>	<b>2,837,487</b>

## 32. CONTINGENCIES AND COMMITMENTS

### 32.1 Contingencies

**32.1.1** The Punjab Revenue Authority (PRA) raised a demand of Rs. 60.720 million against the Holding Company for the alleged default in withholding provincial sales tax on various transport services obtained during the period March 01, 2015 to May 31, 2016. The demand, comprising principal tax, default surcharge, and penalty, was raised under the provisions of the Punjab Sales Tax on Services Act, 2012 through Order No. ENF-Unit-1/32/2018 dated March 15, 2018. Aggrieved by the order, the Holding Company filed an appeal before the Commissioner (Appeals), PRA, who through Appellate Order No. 175/2018 partially allowed the appeal by deleting amount of Rs. 36.753 million, while upholding a balance demand of Rs. 23.967 million. The Holding Company further contested the matter before the Honourable Appellate Tribunal PRA, which, through Order No. 85/2018 dated February 21, 2019, set aside the earlier decision and remanded the case back to the assessing officer for fresh examination.

In the second round of litigation, the Commissioner PRA, through Order-in-Original No. 16/2019 dated July 16, 2019, revised the demand to Rs. 13.195 million. The Holding Company once again appealed before the Honourable Appellate Tribunal, which through Order-in-Appeal No. 99/2019 dated October 22, 2019, again remanded the matter back to the Additional Commissioner Enforcement – I for de novo consideration. Meanwhile, the department initiated coercive recovery measures and forcibly recovered Rs. 15.317 million by attaching the Holding Company's bank account. In response, the Holding Company filed a writ petition before the Honourable Lahore High Court, Lahore, which directed the concerned Commissioner PRA to review the matter and either refund the amount recovered or appropriately adjust it against any lawful tax liability.

However, in compliance with the aforementioned Order dated October 22, 2019 of the Honourable Appellate Tribunal, a third round of litigation was initiated, resulting in the creation of an alleged tax demand of Rs. 45.248 million. After adjusting the previously recovered amount of Rs. 15.317 million, a net demand of Rs. 29.931 million was raised through Order-in-Original No. 109/2020 dated June 30, 2020. The Holding Company filed an appeal before the Commissioner (Appeals), PRA, who, through Appeal No. 203/2020 dated November 28, 2023, upheld the order of the assessing authority in its entirety. Consequently, the Holding Company has preferred a further appeal before the Honourable Appellate Tribunal PRA, where the matter is currently pending adjudication.

The Holding Company has not made any provision against the above demand as the management is confident that the ultimate outcome of the appeal would be in favor of the Holding Company, inter alia on the basis of the advice of the tax consultant and relevant law and facts.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended June 30, 2025

	2025 (Rupees '000)	2024 (Rupees '000)
<b>32.1.2</b> Bank guarantees issued by various banks on behalf of the Holding Company in favour of:		
Sui Northern Gas Pipelines limited (SNGPL) against supply of gas	1,731,380	1,598,138
The Director, Excise and Taxation, Karachi against imposition of infrastructure cess	1,462,353	942,353
Faisalabad Electric Supply Company (FESCO) against supply of electricity	154,425	152,195
Lahore Electric Supply Company (LESCO) against supply of electricity	7,370	–
Punjab Revenue Authority against imposition of infrastructure cess	11,533	11,533
Total Parco Pakistan Ltd	6,000	6,000
	<b>3,373,061</b>	<b>2,710,219</b>

**32.1.2.1** The total limits available to the Holding Company for bank guarantees from all the banks are amounting to Rs. 6,300 million, out of which Rs. 4,100 are available as stand alone limits and Rs. 2,200 million can be availed under sublimits of short term borrowings. These are also secured against cumulative 1st JPP charge as mentioned in note 30.1 of these financial statements.

	2025 (Rupees '000)	2024 (Rupees '000)
<b>32.1.3</b> Post dated cheques issued in favour of custom authorities for release of imported goods.	7,878,158	9,694,785
<b>32.2 Commitments</b>		
Under letters of credit for:		
Raw materials	2,972,579	3,385,803
Capital expenditure	622,930	3,107,762
Stores and spares	207,293	65,948
	<b>3,802,802</b>	<b>6,559,513</b>

**32.2.1** The total limits available to the Holding Company for letters of credit - Sight/Usance from all the banks are amounting to Rs. 35,750 million, out of which Rs. 22,850 are available as stand alone limits and Rs. 12,900 million can be availed under sublimits of short term borrowings. Letter of Credit - Sights are secured against lien over valid import documents, whereas the Letter of Credit - Usance are also secured against cumulative 1st JPP charge as mentioned in note 30.1 of these consolidated financial statements and lien on import documents.



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended June 30, 2025

	Note	2025 (Rupees '000)	2024 (Rupees '000)
<b>33. SALES - NET</b>			
Export sales	33.1	169,962,172	150,819,447
Local sales		11,834,341	8,522,195
		181,796,513	159,341,642
Less:			
Sales discount		(572,739)	(344,673)
Sales tax		(1,818,491)	(814,250)
		(2,391,230)	(1,158,923)
		179,405,283	158,182,719

**33.1** It includes exchange gain/(loss) amounting to Rs. 893.242 million (2024: Rs. (742.727) million).

**33.2** Revenue is disaggregated based on geographical locations of our customers. The same is disclosed in note - 48.

	Note	2025 (Rupees '000)	2024 (Rupees '000)
<b>34. COST OF SALES</b>			
Raw material consumed	34.1	85,427,563	69,735,499
Stores and spares consumed	34.2	3,993,073	3,457,672
Knitting, processing and packing charges		3,493,032	2,887,081
Salaries, wages and benefits	34.3	30,684,879	23,821,644
Staff retirement gratuity	27.1.3	3,112,743	2,401,355
Fuel and power		9,871,526	8,975,715
Repairs and maintenance		999,946	902,365
Insurance		219,313	164,607
Depreciation	7.1.2	6,058,625	3,853,460
Depreciation on right of use assets	7.3.1	156,626	89,293
Amortization	8.2	426	–
Rent, rate and taxes		50,042	93,493
Other manufacturing costs		448,998	311,113
		144,516,792	116,693,297
Work in process			
Opening balance		4,523,957	3,124,698
Closing balance		(5,196,509)	(4,523,957)
		(672,552)	(1,399,259)
Cost of goods manufactured		143,844,240	115,294,038
Finished goods			
Opening balance		7,608,012	5,993,436
Transfer on acquisition of subsidiaries		–	337,643
Closing balance		(8,807,580)	(7,608,012)
		(1,199,568)	(1,276,933)
		142,644,672	114,017,105

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended June 30, 2025

		2025 (Rupees '000)	2024 (Rupees '000)
<b>34.1</b>	<b>Raw material consumed</b>		
	Opening balance	14,819,494	10,610,676
	Transfer on acquisition of subsidiary	–	126,831
	Purchases	83,340,804	73,817,486
		98,160,298	84,554,993
	Closing balance	(12,740,681)	(14,819,494)
		85,419,617	69,735,499
<b>34.2</b>	<b>Stores and spares consumed</b>		
	Opening balance	3,184,425	2,490,975
	Purchases	4,284,911	4,151,122
		7,469,336	6,642,097
	Closing balance	(3,476,263)	(3,184,425)
		3,993,073	3,457,672

**34.3** Salaries, wages and benefits include Rs. 21.934 million (2024: Rs. 16.967 million) in respect of the provident fund contribution.

		2025 (Rupees '000)	2024 (Rupees '000)
<b>35.</b>	<b>DISTRIBUTION COST</b>		
	Staff salaries and benefits	35.1	1,341,322
	Staff retirement gratuity	27.1.3	82,967
	Sea and air freight		863,862
	Shipping expenses		1,916,076
	Selling commission		1,905,165
	Export development surcharge		408,301
	Marketing and advertisement		494,209
		7,011,902	5,814,125

**35.1** Staff salaries and benefits include Rs. 5.194 million (2024: Rs. 3.315 million) in respect of the provident fund contribution.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended June 30, 2025

	Note	2025 (Rupees '000)	2024 (Rupees '000)
<b>36. ADMINISTRATIVE EXPENSES</b>			
Staff salaries and benefits	36.1	5,742,574	4,949,442
Directors' remuneration		220,840	182,477
Staff retirement gratuity	27.1.3	363,590	334,529
Postage and communication		82,123	70,831
Electricity, gas and water		141,603	109,087
Rent, rates and taxes		939,606	638,569
Printing and stationery		286,791	262,425
Travelling and conveyance		246,869	216,938
Vehicles running and maintenance		78,421	88,758
Legal and professional charges		541,987	928,075
Repairs and maintenance		71,675	42,042
Auditors' remuneration	36.2	11,525	10,055
Insurance		79,772	54,330
Entertainment		425,415	299,544
Advertisement		8,251	3,276
Newspapers and periodicals		211	450
Depreciation	7.1.2	992,964	610,735
Depreciation on right of use assets	7.3.1	27,012	6,208
Amortization	8.2	77,874	73,332
Others		347,707	211,837
		<b>10,686,810</b>	<b>9,092,940</b>

**36.1** Staff salaries and benefits include Rs. 25.304 million (2024: Rs. 17.328 million) in respect of the provident fund contribution.

	Note	2025 (Rupees '000)	2024 (Rupees '000)
<b>36.2 Auditors' remuneration</b>			
Annual audit fee		9,450	7,875
Other certification		—	105
Half yearly review		1,575	1,575
Out of pocket expenses		500	500
		<b>11,525</b>	<b>10,055</b>

<b>37. OTHER OPERATING EXPENSES</b>			
Loss on disposal of non current assets	37.1	136,066	28,232
Provision for obsolete inventory	13.1	30,489	48,274
Unrealized loss on derivative financial instruments		13,056	—
Forex options trading losses		—	121,974
Charity and donations	37.2	125,391	632,546
Workers' profit participation fund	28.6	463,465	943,788
Workers' welfare fund	28.7	179,317	363,416
		<b>947,784</b>	<b>2,138,230</b>

<b>37.1 Loss on disposal of non current assets</b>			
Loss on disposal of operating fixed assets		131,422	28,477
Gain on disposal of right of use assets		(682)	(245)
Loss on disposal of intangible assets		5,326	—
		<b>136,066</b>	<b>28,232</b>

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended June 30, 2025

## 37.2 Charity and donations include the following;

Names of donees' in which a director or his spouse has an interest:

Name of Donee	Interest in Donee	Name of Director / Spouse	2025 (Rupees '000)	2024 (Rupees '000)
Interloop Welfare Trust	Trustees	Mr. Navid Fazil Mr. Musadaq Zulqarnain Mr. Jahanzeb Khan Banth Mr. Muhammad Maqsood	43,300	588,107
Lyallpur Literary Council	Trustees	Mr. Musadaq Zulqarnain Mrs. Nazia Navid	4,500	8,000
			47,800	596,107

	Note	2025 (Rupees '000)	2024 (Rupees '000)
<b>38. OTHER INCOME</b>			
<b>Income from financial assets</b>			
Dividend income		22,927	—
Exchange gain - net		130,762	23,026
Realized gain on derivative financial instruments		288,794	442,679
Unrealized gain on derivative financial instruments		—	59,248
Profit on term finance certificates (TFCs)		84,058	118,072
<b>Income from non-financial assets</b>			
Scrap sales and others		7,827	27,806
		534,368	670,831

<b>39. FINANCE COST</b>			
Mark up on:			
Short term borrowings		6,815,602	8,112,039
Long term financing - net		2,124,185	1,467,703
Interest on workers' profit participation fund	28.6	26,723	30,484
Interest on lease liabilities	26	38,025	32,070
Bank charges and commission		557,704	514,077
		9,562,239	10,156,373

<b>40. LEVIES</b>			
Current year	40.1	8,025	2,018,512
Prior year		(29,593)	27,699
		(21,568)	2,046,211

**40.1** These represent final tax under section 150 (2024: under section 154 and 150) and related super tax under section 4C, applicable for the companies, under the provisions of the Income Tax Ordinance, 2001, representing levies in terms of requirements of IFRIC 21/IAS 37.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended June 30, 2025

	2025 (Rupees '000)	2024 (Rupees '000)
<b>41. INCOME TAX</b>		
Current year	2,448,354	46,047
Deferred	1,012,236	(56,176)
	<b>3,460,590</b>	<b>(10,129)</b>

**41.1** The provision for current income tax is made on taxable income at standard rate of 29% and related super tax under section 4C, applicable for the Companies, under the provision of the Income Tax Ordinance, 2001.

**41.2** Reconciliation of current tax charge charged as per tax laws for the year, with current tax recognized in statement of profit or loss is as follows

	Note	2025 (Rupees '000)	2024 (Rupees '000)
Current tax liability for the year as per applicable tax laws	41.2.1	2,456,379	2,064,559
Current tax liability as per tax laws, representing income tax under IAS 12	41	(2,448,354)	(46,047)
Current tax liability as per tax laws, representing levies in terms of requirements of IFRIC 21/IAS 37	40	(8,025)	(2,018,512)
		<b>—</b>	<b>—</b>

**41.2.1** The aggregate of levies and income tax, amounting to Rs. 2,456.379 million represents tax liability of the Company calculated in terms of provision of the Income Tax Ordinance, 2001.

	2025 (Rupees '000)	2024 (Rupees '000)
<b>41.3 Relationship between accounting profit and tax expense:</b>		
Profit before income tax	9,107,812	16,445,870
Income tax rate	29%	29%
Income tax on profit before income tax	2,641,265	4,769,302
Tax effect of:		
- Inadmissible deductions	3,362,963	—
- Admissible deductions	(4,092,882)	—
- Presumptive tax regime and others	(57,848)	(5,328,463)
- Levies	(6,255)	593,401
- Super tax - excluding levy	626,960	11,807
- Tax credit for the year	(25,850)	—
- Deferred tax	1,012,236	(56,176)
	<b>819,324</b>	<b>(4,779,431)</b>
	<b>3,460,589</b>	<b>(10,129)</b>

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended June 30, 2025

	2025	2024
<b>42. EARNINGS PER SHARE - BASIC AND DILUTED</b>		
<b>42.1 Earnings per share - Basic</b>		
Profit for the year (Rupees in '000)	5,549,797	16,510,984
Weighted average number of ordinary shares outstanding during the year (Numbers in '000)	1,401,710	1,401,562
Earnings per share - basic (Rupees)	3.96	11.78

## 42.2 Earnings per share - Diluted

No figures for diluted earnings per share have been presented as the Parent Company has not issued any instruments carrying options which would have an impact on earnings per share when exercised.

## 43. RECONCILIATION OF MOVEMENT OF LIABILITIES TO CASH FLOWS ARISING FROM FINANCING ACTIVITIES

	Balance as on July 01, 2024	Non Cash Changes	Cash Flows	Balance as on June 30, 2025
	(Rupees '000)			
Issued, subscribed and paid up share capital	14,017,095	–	–	14,017,095
Capital reserve - share premium	3,158,734	–	–	3,158,734
Long term financing	18,917,362	31,149	12,056,941	31,005,452
Lease liabilities	274,716	245,765	(128,975)	391,506
Short term borrowings	50,439,844	–	9,508,858	59,948,702
Unclaimed dividend	3,077	3,504,274	(3,504,239)	3,112
	86,810,828	3,781,188	17,932,585	108,524,601

	Balance as on July 01, 2023	Non Cash Changes	Cash Flows	Balance as on June 30, 2024
	(Rupees '000)			
Issued, subscribed and paid up share capital	14,014,469	–	2,626	14,017,095
Capital reserve - share premium	3,143,605	1,036	14,093	3,158,734
Long term financing	17,288,082	35,186	1,594,094	18,917,362
Lease liabilities	128,935	266,440	(120,659)	274,716
Short term borrowings	42,148,912	1,117,431	7,173,501	50,439,844
Unclaimed dividend	4,074	5,617,471	(5,618,468)	3,077
	76,728,077	7,037,564	3,045,187	86,810,828

	2025	2024
<b>44. NUMBER OF EMPLOYEES</b>		
Average number of employees during the year	37,299	32,718
Number of employees at end of the year	37,957	34,921



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended June 30, 2025

	Note	2025 (Rupees '000)	2024 (Rupees '000)
<b>45. SHARIAH COMPLIANCE DISCLOSURE</b>			
<b>STATEMENT OF FINANCIAL POSITION</b>			
<b>Assets:</b>			
<b>Shariah compliant investments and bank deposits/bank balances</b>			
Long term investment	9	198,017	191,526
Bank balances	20	26,894	59,325
<b>Liabilities:</b>			
<b>Financing as per Islamic mode</b>			
Long term financing	25	18,138,353	9,676,364
Short term borrowings	30	14,805,000	15,923,191
<b>Accrued mark up as per conventional mode</b>			
Long term financing	29	282,437	228,488
Short term borrowings	29	32,569	1,413,803
<b>STATEMENT OF PROFIT OR LOSS</b>			
<b>Revenue earned from a shariah compliant business</b>	33	179,405,283	158,182,719
<b>Mark up on Islamic mode of financing</b>	39	(3,156,998)	(4,097,945)
<b>Source and detailed break up of other income</b>			
Other income earned from shariah compliant:	38		
Exchange gain - net		130,762	23,026
Scrap sales and others		7,827	27,806
Other income earned from non - shariah compliant:	38		
Dividend income		22,927	—
Realized gain on derivative financial instruments		288,794	442,679
Unrealized gain on derivative financial instruments		—	59,248
Profit on term finance certificates (TFCs)		84,058	118,072
<b>Relationship with shariah compliant banks</b>			
<b>Name of institutions</b>	<b>Relationship with institutions</b>		
MCB Islamic Bank	Bank balance, long term financing and short term borrowing		
Meezan Bank Limited	Bank balance, long term financing and short term borrowing		
Habib Bank Limited (Islamic Banking)	Bank balance, long term financing and short term borrowing		
Faysal Bank Limited	Bank balance, long term financing and short term borrowing		
Bank Alfalah Limited (Islamic)	Bank balance and short term borrowing		
Bank of Punjab (Taqwa Islamic Banking)	Bank balance and short term borrowing		
United Bank Limited - Ameen	Bank balance and short term borrowing		
Allied Bank Limited (Islamic Banking)	Bank balance		

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended June 30, 2025

## 46. REMUNERATION TO CHIEF EXECUTIVE, DIRECTORS AND EXECUTIVES

	2025		
	Chief Executive	Directors	Executives
	(Rupees '000)		
Managerial remuneration	84,933	117,663	4,294,337
Directorship fee	—	25,498	—
Reimbursable expenses	—	—	704,715
Bonus	—	—	313,198
Staff retirement gratuity	—	—	204,758
Contribution to provident fund	—	—	42,068
Other allowances	—	10,626	732,495
	84,933	153,787	6,291,571
Number of persons	2	11	975

	2024		
	Chief Executive	Directors	Executives
	(Rupees '000)		
Managerial remuneration	75,485	76,564	2,779,171
Directorship fee	—	20,900	—
Reimbursable expenses	—	—	546,252
Bonus	—	—	279,381
Staff retirement gratuity	—	—	128,856
Contribution to provident fund	—	—	28,938
Other allowances	—	9,528	344,764
	75,485	106,992	4,107,362
Number of persons	2	10	645

The chief executive officer, executive director and some executives are provided with company maintained cars.

## 47. TRANSACTIONS WITH RELATED PARTIES

Related parties include associated companies and undertakings, entities under common directorship, directors, major shareholders, key management personnel, employees benefit trust and post employment benefit plans. The Group in the normal course of business carries out transactions with various related parties. Amounts due from and to related parties are shown under the relevant notes to the financial statements. Remuneration to directors and key management personnel is disclosed in note 46. Detail of transactions with related parties, other than those which have been specifically disclosed elsewhere in these consolidated financial statements are as follows:

Name	Nature of transaction	2025 (Rupees '000)	2024 (Rupees '000)
Interloop Holdings (Pvt) Limited	Services received	561,506	264,908
	Purchase of assets – net	—	8,275
	Gratuity transferred	—	2,601
Texlan Center (Pvt) Limited	Sale of yarn	2,229,525	2,852,716
	Sale of packing material	77,438	122,989
	Services received	279,951	—
	Purchase of assets	13,908	—
Momentum Logistics (Pvt) Limited	Services received	1,546,237	1,204,122

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended June 30, 2025

Name	Nature of transaction	2025 (Rupees '000)	2024 (Rupees '000)
PrintKraft (Pvt) Limited	Purchase of packing material	641,373	731,832
Octans Digital (Pvt) Limited	Services received	81,465	220,965
	Purchase of assets	62,396	46
Socks & Socks (Pvt) Limited	Services received	126,223	87,960
	Sale of goods – net	185,988	54,184
	Purchase of assets	–	838,935
Abacus Consulting Technology (Private) Limited	Services received	7,258	–
Interloop Europe	Sale of socks	694,329	952,990
ILNA Inc. USA	Services received	1,468,209	1,523,745
Interloop Provident Fund Trust	Contribution to the fund	138,045	101,346
Key management personnel and other related parties	Repayment of housing finance loan	1,154	4,616
	Mark up on house building finance loan	52	444
	Rent expenses	1,883	1,712
	Dividend paid	2,955,774	4,739,070

**47.1** Following are the related parties with whom the Group had entered into transactions or have arrangements / agreements in place.

Company Name	Basis of Relationship	Common Directorship / Percentage of shareholding	Address and Country of Incorporation
Interloop Holdings (Pvt) Limited	Associate	Common Directors	15-A, Peoples Colony No. 1, Faisalabad, Pakistan.
Interloop Dairies Limited	Associate	Common Directors	15-A, Peoples Colony No. 1, Faisalabad, Pakistan.
Texlan Center (Pvt) Limited	Associate	Common Directors	Dagonna Road, Minuwangoda, Sri Lanka.
Momentum Logistics (Pvt) Limited	Associate	Common Directors	15-A, Peoples Colony No. 1, Faisalabad, Pakistan.
PrintKraft (Pvt) Limited	Associate	Subsidiary of Associate	15-A, Peoples Colony No. 1, Faisalabad, Pakistan.
IRC Dairy products (Pvt) Limited	Associate	Common Directors	15-A, Peoples Colony No. 1, Faisalabad, Pakistan.
Global Veneer Trading Limited	Associate	Common Directors	Bahnhofstasse22, 6300 Zug, Switzerland.
Interloop Europe	Associate	Subsidiary of Associate	Constructieweg 1, 7451 PS Holten, Netherlands.
Interloop Welfare Trust	Trustee	Common Directors	15-A, Peoples Colony No. 1, Faisalabad, Pakistan.
Interloop Provident Fund Trust	Trustee	Post Employment Benefit Plan	15-A, Peoples Colony No. 1, Faisalabad, Pakistan.
Octans Digital (Pvt) Limited	Associate	Subsidiary of Associate	15-A, Peoples Colony No. 1, Faisalabad, Pakistan.

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Company Name	Basis of Relationship	Common Directorship / Percentage of shareholding	Address and Country of Incorporation
Shifa Medical Center Islamabad (Pvt) Limited	Associate	Common Directors	Shifa, International Hospitals, Sector H-8/4 Islamabad, Pakistan.
Shifa National Hospital Faisalabad (Pvt) Limited	Associate	Common Directors	Shifa, International Hospitals, Sector H-8/4 Islamabad, Pakistan.
Lyallpur Literary Council	Associate	Common Directors	15-A, Peoples Colony No. 1, Faisalabad, Pakistan.
Socks & Socks (Pvt) Limited	Associate	Subsidiary of Associate	15-A, Peoples Colony No. 1, Faisalabad, Pakistan.
IL Foods Limited	Associate	Common Directors	15-A, Peoples Colony No. 1, Faisalabad, Pakistan.
Abacus Consulting Technology (Private) Limited	Associate	Common Directors	Abacus House, 4 - Noon Avenue, Main Canal, Lahore. 54000
ILNA Inc. USA	Associate	Common Directors	102 West 3rd Street, Suite 200 Winton-Salem, NC 27101, US
IL Bangla Limited	Associate	Common Directors	House # 267, Road # 19, New DOHS Mohakhali, Dhaka.

## 48. OPERATING SEGMENTS

Management has determined the operating segments based on the information that is presented to the Board of Directors of the Holding Company for allocation of resources and assessment of performance. Operating segments are reported in a manner consistent with internal reporting provided to the Chief Operating Decision Maker ('CODM'). Segment performance is generally evaluated based on certain key performance indicators including business volume and gross profit.

Based on internal management reporting structure and products produced and sold, the Group is organized into the following operating segments :

### a) Hosiery

This segment relates to the sale of socks.

### b) Spinning

This segment relates to the sale of yarn and its in-house use.

### c) Denim

This segment relates to the sale of denim products and garments.

### d) Apparel

This segment relates to the sale of fashion apparels.

### e) Other operating segments

These represent various segments of the Group which currently do not meet the minimum reporting threshold mentioned in International financial reporting standards 'Operating Segments' (IFRS 8). These mainly include energy, yarn dyeing, active wear and other subsidiaries.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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## 48.1 Segment information

	Hosiery		Spinning		Denim		Apparel		Other Segments		Elimination of Intersegment Transactions		Total Group	
	2025 (Rupees '000)	2024 (Rupees '000)	2025 (Rupees '000)	2024 (Rupees '000)	2025 (Rupees '000)	2024 (Rupees '000)	2025 (Rupees '000)	2024 (Rupees '000)	2025 (Rupees '000)	2024 (Rupees '000)	2025 (Rupees '000)	2024 (Rupees '000)	2025 (Rupees '000)	2024 (Rupees '000)
<b>Sales - net</b>														
External sales	118,841,844	117,913,274	9,644,652	8,032,795	20,838,842	15,677,548	21,657,590	13,012,020	8,422,355	3,547,082	-	-	179,405,283	158,182,719
Intersegment sales	24,747	21,662	8,459,902	12,374,320	13,528	13,689	150,252	58,447	16,827,870	14,206,214	(25,475,299)	(26,674,332)	-	-
Cost of sales	118,866,591	117,934,936	18,103,554	20,407,115	20,852,370	15,691,237	21,807,842	13,070,467	25,250,225	17,753,296	(25,475,299)	(26,674,332)	179,405,283	158,182,719
	(82,357,036)	(76,295,766)	(17,536,849)	(18,579,123)	(19,325,520)	(14,740,002)	(26,921,531)	(15,517,733)	(21,979,035)	(15,558,813)	25,475,299	26,674,332	(142,644,672)	(114,017,105)
<b>Gross profit/(loss)</b>	36,509,555	41,639,170	566,705	1,827,992	1,526,850	951,235	(5,113,689)	(2,447,266)	3,271,190	2,194,483	-	-	36,760,611	44,165,614
Distribution cost	(4,175,858)	(3,789,851)	(97,542)	(112,517)	(1,171,045)	(886,624)	(1,132,548)	(738,250)	(434,889)	(286,883)	-	-	(7,011,902)	(5,814,125)
Administrative expenses	(7,139,617)	(6,639,031)	(221,315)	(177,332)	(664,492)	(616,460)	(1,423,780)	(1,037,869)	(1,237,606)	(622,248)	-	-	(10,686,810)	(9,092,940)
	(11,315,475)	(10,428,882)	(318,877)	(289,849)	(1,835,537)	(1,503,084)	(2,556,328)	(1,776,119)	(1,672,495)	(909,131)	-	-	(17,698,712)	(14,907,065)
<b>Profit/(loss) before taxation and unallocated income and expenses</b>	25,194,080	31,210,288	247,828	1,538,143	(308,687)	(551,849)	(7,670,017)	(4,223,385)	1,598,695	1,285,352	-	-	19,061,899	29,258,549
Other operating expenses													(947,784)	(2,138,230)
Other income													534,368	670,831
Gain on acquisition of subsidiaries													-	857,304
Finance cost													(9,562,239)	(10,156,373)
Levies													21,568	(2,046,211)
Income tax													(3,460,590)	10,129
<b>Profit after taxation</b>													5,647,222	16,455,999
<b>Depreciation and amortization</b>	2,018,205	2,027,234	180,969	191,956	512,654	523,200	2,823,991	1,104,576	1,777,708	786,062	-	-	7,313,527	4,633,028

## 48.2 Reconciliation of reportable segment assets and liabilities

	Hosiery		Spinning		Denim		Apparel		Other Segments		Unallocated		Total Group	
	2025 (Rupees '000)	2024 (Rupees '000)	2025 (Rupees '000)	2024 (Rupees '000)	2025 (Rupees '000)	2024 (Rupees '000)	2025 (Rupees '000)	2024 (Rupees '000)	2025 (Rupees '000)	2024 (Rupees '000)	2025 (Rupees '000)	2024 (Rupees '000)	2025 (Rupees '000)	2024 (Rupees '000)
<b>Assets</b>	81,106,145	66,592,691	8,532,824	7,715,957	17,632,030	14,943,787	40,637,874	40,347,253	18,690,184	15,221,885	14,228,517	9,817,899	180,827,574	154,639,472
<b>Liabilities</b>	50,892,999	36,936,475	1,000,118	763,164	3,018,280	2,504,924	3,756,205	3,945,324	3,727,162	2,406,569	60,855,136	52,595,880	123,249,900	99,152,336
<b>Segment Capital Expenditures</b>	14,065,201	5,890,310	505,546	43,815	2,274,748	255,019	1,680,042	5,725,436	3,422,344	3,762,924	-	-	21,947,881	15,677,504

## 48.3 Geographical information

The Group's revenue from external customers by geographical locations is detailed below:

Australia	-	75,702
Asia	7,280,143	9,085,183
Europe	78,770,641	61,222,617
United States	83,333,945	80,091,272
Africa	-	5,593
Pakistan	10,014,961	7,707,945
	179,405,283	158,182,719

48.3.2 All non-current assets of the Group as at reporting dates are located and operating in United States, China and Pakistan.

48.4 The Group earns its revenue from a large mix of customers.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended June 30, 2025

	UOM	2025 Figures in '000	2024 Figures in '000
<b>49. PLANT CAPACITY AND ACTUAL PRODUCTION</b>			
<b>Hosiery</b>			
Installed capacity - knitting	[DZN]	76,391	74,724
Actual production - knitting	[DZN]	58,350	60,542
<b>Spinning</b>			
Installed capacity after conversion into 20/s	[LBS]	31,377	31,377
Actual production after conversion into 20/s	[LBS]	26,731	28,729
<b>Yarn Dyeing</b>			
Installed capacity	[KGs]	6,442	6,407
Actual production	[KGs]	4,669	4,934
<b>Denim</b>			
Installed capacity	[Pieces]	9,500	6,975
Actual production	[Pieces]	8,017	6,116

## Active Wear, Apparel and other Subsidiaries

The plant capacity of these divisions is indeterminable due to multi product plans involving varying processes of manufacturing and run length of order lots.

**49.1** The actual production is planned to meet the internal demand and orders in hand.

## 50. FAIR VALUE OF FINANCIAL INSTRUMENTS

The carrying values of the financial assets and financial liabilities approximate their fair values. Fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction.

### Fair value hierarchy

Fair value is defined as the price that would be received to sell an asset or paid to settle a liability in an orderly transaction between market participants at the measurement date.

Underlying the definition of fair value is the presumption that the Group is a going concern and there is no intention or requirement to curtail materially the scale of its operations or to undertake a transaction on adverse terms.

A financial instrument is regarded as quoted in an active market if quoted prices are readily and regularly available from an exchange dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis.

IFRS 13 'Fair Value Measurement' requires the Group to classify fair value measurements and fair value hierarchy



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended June 30, 2025

that reflects the significance of the inputs used in making the measurements of fair value hierarchy has the following levels:

**Level 1 :** Fair value measurements using quoted (unadjusted) in active markets for identical asset or liability.

**Level 2 :** Fair value measurements using inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

**Level 3 :** Fair value measurements using inputs for the asset or liability that are not based on observable market data (i.e. unobservable inputs).

Transfer between levels of the fair value hierarchy are recognized at the end of the reporting period during which the changes have occurred.

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

2025							
Carrying Amount				Fair Value			
Fair value through profit or loss	Amortized cost	Cash and cash equivalents	Total	Level 1	Level 2	Level 3	Total
(Rupees '000)							

## On balance sheet financial instruments

### Financial assets measured at fair value

Derivative financial instruments	-	-	-	-	-	-	-	-
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### Financial assets not measured at fair value

Long term loans	-	522,775	-	522,775	-	-	-	-
Long term deposits	-	95,481	-	95,481	-	-	-	-
Trade debts	-	49,388,925	-	49,388,925	-	-	-	-
Deposits and other receivables	-	375,438	-	375,438	-	-	-	-
Accrued income	-	877	-	877	-	-	-	-
Short term investments	-	500,000	-	500,000	-	-	-	-
Cash and bank balances	-	-	1,088,334	1,088,334	-	-	-	-
	-	50,883,495	1,088,334	51,971,829	-	-	-	-

### Financial liabilities measured at fair value

Derivative financial instruments	13,056	-	-	13,056	-	13,056	-	13,056
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### Financial liabilities not measured at fair value

Long term financing	-	31,005,452	-	31,005,452	-	-	-	-
Lease liabilities	-	391,506	-	391,506	-	-	-	-
Trade and other payables	-	14,037,199	-	14,037,199	-	-	-	-
Unclaimed dividend	-	3,112	-	3,112	-	-	-	-
Accrued mark up	-	1,022,221	-	1,022,221	-	-	-	-
Short term borrowings	-	59,948,702	-	59,948,702	-	-	-	-
	13,056	106,408,192	-	106,421,248	-	13,056	-	13,056

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended June 30, 2025

2024							
Carrying Amount				Fair Value			
Fair value through profit or loss	Amortized cost	Cash and cash equivalents	Total	Level 1	Level 2	Level 3	Total
(Rupees '000)							

## On balance sheet financial instruments

### Financial assets measured at fair value

Derivative financial instruments	59,248	–	–	59,248	–	59,248	–	59,248
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### Financial assets not measured at fair value

Long term loans	–	401,092	–	401,092	–	–	–	–
Long term deposits	–	89,451	–	89,451	–	–	–	–
Trade debts	–	41,638,589	–	41,638,589	–	–	–	–
Deposits and other receivables	–	459,660	–	459,660	–	–	–	–
Accrued income	–	1,497	–	1,497	–	–	–	–
Short term investments	–	500,000	–	500,000	–	–	–	–
Cash and bank balances	–	–	1,510,910	1,510,910	–	–	–	–
	59,248	43,090,289	1,510,910	44,660,447	–	59,248	–	59,248

### Financial liabilities measured at fair value

### Financial liabilities not measured at fair value

Long term financing	–	18,917,362	–	18,917,362	–	–	–	–
Lease liabilities	–	274,716	–	274,716	–	–	–	–
Trade and other payables	–	13,377,436	–	13,377,436	–	–	–	–
Unclaimed dividend	–	3,077	–	3,077	–	–	–	–
Accrued mark up	–	2,689,751	–	2,689,751	–	–	–	–
Short term borrowings	–	50,439,844	–	50,439,844	–	–	–	–
	–	85,702,186	–	85,702,186	–	–	–	–

## 51. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group finances its operations through equity, borrowings and management of working capital with a view to maintain an appropriate mix between various sources of finance to minimize risk. The Group follows an effective cash management and planning policy and maintains flexibility in funding by keeping committed credit lines available. Market risks are managed by the Group through the adoption of appropriate policies to cover currency risks and interest rate risks.

The Group has exposures to the following risks from its use of financial instruments:

- Market risk
- Credit risk
- Liquidity risk

### 51.1 Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises interest rate risk, currency risk and other price risk. The sensitivity analysis in the following sections relate to the position as at June 30, 2025 and 2024.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended June 30, 2025

## 51.1.1 Interest rate risk:

Interest rate risk represents the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Majority of the interest rate exposure arises from investments in term finance certificates, long term and short term loans, lease liabilities, short term borrowings and long term financing.

At the reporting date, the interest rate profile of the Group's interest bearing financial instruments is as follows:

	2025 (Rupees '000)	2024 (Rupees '000)
<b>Fixed rate instruments</b>		
Long term financing - Secured	7,209,947	8,473,992
Lease liabilities against right of use assets	391,506	274,716
Short term borrowings - Secured	59,948,702	43,645,203
<b>Variable rate instruments</b>		
Short term investments	500,000	500,000
Loan to director - Secured	—	1,153
Long term financing from financial institutions - Secured	23,795,505	10,443,370
Short term borrowings from financial institutions - Secured	—	6,794,641

## Fair value sensitivity analysis for fixed rate instruments

The Group 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 balance sheet date would not affect statement of profit or loss of the Group.

## Cash flow sensitivity analysis for variable rate instruments

The following analysis demonstrates the sensitivity to a change in interest rates of 1%, with all other variables held constant, of the Group's profit before tax. The analysis is prepared assuming the amounts of floating rate instruments outstanding at reporting date were outstanding for the whole year.

	2025 (Rupees '000)	2024 (Rupees '000)
Effect on profit and (loss) of an increase in interest rate for short term investments	4,655	4,655
Effect on profit and (loss) of an increase in interest rate for loan to director	—	11
Effect on profit and (loss) of an increase in interest rate for long term financing	(221,536)	(97,228)
Effect on profit and (loss) of an increase in interest rate for short term borrowings	—	(63,258)
	(216,881)	(155,820)

Decrease in interest rates at June 30 would have had the equal but opposite effect of these amounts. Sensitivity analysis has been prepared on symmetric basis.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended June 30, 2025

## 51.1.2 Currency risk / Foreign Exchange 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. Foreign currency risk arises mainly where receivables and payables exist due to foreign currency transactions.

### Exposure to Currency Risk

The Group's exposure to currency risk is restricted to the amounts receivable from/payable to the foreign entities and bank balances which are denominated in currency other than the functional currency of the Group. The Group's exposure to currency risk is as follows:

Particulars	Currency	2025		2024	
		F.Currency	Rupees (Amount '000 )	F.Currency	Rupees
Foreign currency bank accounts	US \$	161.12	45,709	1,122.60	309,300
	CNY	18,412.37	729,192	29,736.43	1,139,060
			774,901		1,448,360
Trade debts	US \$	160,240.44	45,444,188	140,794.83	39,183,202
	EUR €	3,575.81	1,188,064	1,086.01	323,500
	CNY	27,120.73	1,074,073	11,616.83	444,985
			47,706,325		39,951,687
			48,481,226		41,400,047
Less: Payables – creditors	US \$	(1,383.98)	(393,188)	(2,086.65)	(581,758)
	EUR €	(84.93)	(28,268)	(135.05)	(40,299)
	GBP £	(3.40)	(1,325)	–	–
	CHF	(0.60)	(213)	–	–
	CNY	(39,965.54)	(1,582,769)	(10,169.30)	(389,537)
			(2,005,763)		(1,011,594)
Less: Other payables	US \$	(440.61)	(125,178)	(456.04)	(127,145)
<b>On Balance sheet exposure</b>			<b>46,350,285</b>		<b>40,261,308</b>
Under letter of credit	US \$	9,784.02	2,779,641	9,307.05	2,594,806
	EUR €	870.15	289,611	7,235.19	2,159,053
	GBP £	19.83	7,728	39.30	13,828
	JPY ¥	7,765.34	15,299	46,834.50	81,047
	CHF	71.28	25,339	1,500.00	464,565
<b>Off Balance sheet exposure</b>			<b>3,117,618</b>		<b>5,313,299</b>

The following significant exchange rates have been applied as at reporting date:

Foreign Currency	2025		2024	
	Selling	Buying (Rupees)	Selling	Buying
US \$	284.10	283.60	278.80	278.30
EUR €	332.83	332.25	298.41	297.88
GBP £	389.65	388.97	351.85	351.22
JPY ¥	1.97	1.97	1.73	1.73
CNY	39.66	39.60	38.53	38.31
CHF	355.50	354.87	309.71	309.16

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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## Currency rate sensitivity analysis

If the functional currency, at reporting date, had weakened by 10% against the foreign currencies with all other variables held constant, the profit before taxation would have increased / (decreased) for the year 2025 and 2024 by the following amounts:

	2025 (Rupees '000)	2024 (Rupees '000)
<b>Foreign Currency</b>		
US \$	4,186,850	3,610,753
EUR €	107,977	26,366
GBP £	(123)	–
CHF	(20)	–
CNY	20,528	111,209
	<b>4,315,212</b>	<b>3,748,328</b>

A 10% strengthening of the functional currency against foreign currencies at June 30 would have had the equal but opposite effect of these amounts.

Currency risk sensitivity to foreign exchange movements has been calculated on a symmetric basis. The analysis assumes that all other variables remained constant.

### 51.1.3 Other price risk:

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 instruments traded in the market. The Group is not exposed to any significant other price risk.

### 51.2 Credit risk:

Credit risk is the risk representing accounting loss that would be recognized at the reporting date if one party to a financial instrument will fail to discharge an obligation or its failure to perform duties under the contract as contracted. Concentration of credit risk arises when a number of counterparties are engaged in similar business activities or have similar economic features that would cause their ability to meet contractual obligations that is susceptible to changes in economic, political or other conditions. Concentration of credit risk indicates the relative sensitivity of the Group's performance to developments affecting a particular industry. The maximum exposure to credit risk at the reporting date is as follows:

	2025 (Rupees '000)	2024 (Rupees '000)
Long term loans	522,775	401,092
Long term deposits	95,481	89,451
Trade debts	49,388,925	41,638,589
Deposits and other receivables	375,438	459,660
Accrued income	877	1,497
Short term investments	500,000	500,000
Bank balances	1,070,800	1,483,566
	<b>51,954,296</b>	<b>44,573,855</b>

Long term loans consist of loans to employees and director. Loans to employees and director are secured against their retirement benefits. Therefore, the Group is not exposed to any significant credit risk on these loans.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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Long term deposits have been mainly placed with suppliers of electricity, gas, telecommunication services and deposits against services and leased assets. Considering the financial position and credit quality of the parties and institutions, the Group's exposure to credit risk is not significant.

Trade debts amounting to Rs. 13,476 million (2024: Rs. 18,318 million) out of total debts are secured against letters of credit and insured contract. Furthermore, credit quality of customers is assessed taking into consideration their financial position and previous dealings and on that basis, individual credit limits are set. Moreover, the management regularly monitors and reviews customers' credit exposure. Accordingly, the Group is not exposed to any significant credit risk.

Other receivables constitute mainly subsidy on gas and receivables from custom authorities and State Bank of Pakistan. Considering the financial position of and credit quality of the institutions, the Group's exposure to credit risk is not significant.

The Group has no material expected credit loss or impairment allowance at the year end regarding trade debts and other receivables.

Short term investments are investments in TFCs. The credit risk on these investments and their accrued profit is limited because counter party is bank with reasonably high credit ratings.

The credit quality of the Group's bank balances can be assessed by reference to external credit ratings or to historical information about counterparty default rate:

Name of Bank	Date	Long term	Short term	Outlook	Agency
Allied Bank Limited	24-Jun-25	AAA	A1+	Stable	PACRA
Askari Bank Limited	24-Jun-25	AA+	A1+	Stable	PACRA
Bank Alfalah Limited	28-Jun-25	AAA	A1+	Stable	PACRA
Faysal Bank Limited	24-Jun-25	AA	A1+	Stable	PACRA
Habib Bank Limited	30-Jun-25	AAA	A-1+	Stable	JCR-VIS
Habib Metropolitan Bank Limited	24-Jun-25	AA+	A1+	Stable	PACRA
MCB Bank Limited	23-Jun-25	AAA	A1+	Stable	PACRA
MCB Islamic Bank Limited	23-Jun-25	A+	A1	Stable	PACRA
Meezan Bank Limited	30-Jun-25	AAA	A-1+	Stable	JCR-VIS
National Bank of Pakistan	23-Jun-25	AAA	A1+	Stable	PACRA
Standard Chartered Bank (Pakistan) Limited	23-Jun-25	AAA	A1+	Stable	PACRA
The Bank of Punjab	30-Jun-25	AA+	A1+	Stable	PACRA
United Bank Limited	30-Jun-25	AAA	A-1+	Stable	JCR-VIS
Bank of China Limited	3-Apr-25	AA-	A1+	Stable	CSPI
China Citic Bank Corporation Limited	18-Jul-25	BBB+	F1	Stable	FITCH
CBC Bank	16-May-25	A	F1+	Stable	FITCH
Agriculture Bank of China	16-May-25	A	F1+	Stable	FITCH
ICBC Bank	16-May-25	A	F1+	Stable	FITCH
CTBC Bank	24-Jan-25	BBB+	F1+	Stable	FITCH
M & T Bank	3-Oct-24	A	F1	Stable	FITCH
JP Morgan Chase Bank, N.A.	1-Oct-24	AAA	N1+	Stable	FITCH

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

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended June 30, 2025

## 51.3 Liquidity risk

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

The Group's approach to manage liquidity risk is to maintain sufficient level of liquidity by holding highly liquid assets and the availability of funding through an adequate amount of committed credit facilities. At June 30, 2025 the Group has Rs. 45,370 million (2024: Rs. 26,596 million) unutilized borrowing limits available from financial institutions and Rs. 1,088.334 million (2024: Rs. 1,510.910 million) cash and bank balances. The management believes that the Group is not exposed to any liquidity risk.

The following are the contractual maturity analysis of financial liabilities as at June 30, 2025 and 2024:

	2025				
	Carrying amount	Contractual cash flows	Within 1 Year	More than 1 Year and up to 5 years	More than 5 Years
	(Rupees '000)				
<b>Financial Liabilities :</b>					
Long term financing	31,005,452	45,416,392	5,300,251	24,670,266	15,445,875
Lease liabilities	391,506	391,506	79,077	312,429	–
Trade and other payables	14,037,199	13,951,691	13,951,691	–	–
Unclaimed dividend	3,112	3,112	3,112	–	–
Accrued mark up	1,022,221	1,022,221	1,022,221	–	–
Short term borrowings	59,948,702	32,060,662	32,060,662	–	–
	106,408,192	92,845,584	52,417,014	24,982,695	15,445,875

	2024				
	Carrying amount	Contractual cash flows	Within 1 Year	More than 1 Year and up to 5 years	More than 5 Years
	(Rupees '000)				
<b>Financial Liabilities :</b>					
Long term financing	18,917,362	27,389,598	4,810,932	15,384,133	7,194,533
Lease liabilities	274,716	353,028	118,223	234,805	–
Trade and other payables	13,377,436	13,377,436	13,377,436	–	–
Unclaimed dividend	3,077	3,077	3,077	–	–
Accrued mark up	2,689,751	2,689,751	2,689,751	–	–
Short term borrowings	50,439,844	50,439,844	50,439,844	–	–
	85,702,186	94,252,734	71,439,263	15,618,938	7,194,533

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 25, 26 and 30 to these consolidated financial statements.

## 51.4 Capital risk management

The primary objective of the Group's capital management is to safeguard the Group's ability to continue as a going concern, maintain healthy capital ratios, strong credit rating and optimal capital structures in order to ensure ample availability of finance for its existing and potential investment projects, so that it can continue to provide returns for shareholders thereby maximizing their wealth, benefits for other stakeholders and reduce the cost of capital.



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended June 30, 2025

The Group manages the capital structure in the context of economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Group may, for example, adjust the amount of dividends paid to shareholders, issue new shares, or sell assets to reduce debt.

The Group monitors capital on the basis of debt to equity ratio, calculated on the basis of total debt to equity.

	2025 (Rupees '000)	2024 (Rupees '000)
Long term financing	31,005,452	18,917,362
Short term borrowings	59,948,702	50,439,844
Debts	90,954,154	69,357,206
Equity	56,108,009	54,161,464
Total capital (equity + debt)	147,062,163	123,518,670
Gearing ratio (percentage)	61.85	56.15

## 52. EVENT AFTER THE BALANCE SHEET DATE

The Board of Directors of the Holding Company in their meeting held on September 10, 2025 have proposed a final cash dividend of Re. 1 per share (2024: Rs. 2.5 per share), amounting to Rs. 1,401.71 million (2024: Rs. 3,504.27 million), for approval of the members at the Annual General Meeting of the Holding Company.

## 53. DATE OF AUTHORIZATION FOR ISSUE

These consolidated financial statements were authorized for issue on September 10, 2025 by the Board of Directors of the Holding Company.

## 54. GENERAL

### 54.1 Corresponding figures

Corresponding figures have been rearranged and reclassified wherever necessary for the purpose of better presentation. However, during the year no reclassifications is made in the corresponding figures.

### 54.2 Following nomenclature has been changed during the year

Previous year nomenclature	Current year nomenclature
Final taxes	Levies

### 54.3 Rounding

Figures have been rounded off to the nearest thousand of rupees.



Chief Executive Officer



Director



Chief Financial Officer





# **SHAREHOLDERS'** **INFORMATION**

**FULL FAMILY CLOTHING**  
**PARTNER OF CHOICE**



# NOTICE OF 33<sup>RD</sup> ANNUAL GENERAL MEETING

Notice is hereby given that the 33<sup>rd</sup> Annual General Meeting (AGM) of Interloop Limited (the "Company") will be held on Friday, October 10, 2025, at 10:00 a.m. at the Interloop Executive Club, Interloop Industrial Park located at 7-KM Khurrianwala - Jaranwala Road, Khurrianwala, Faisalabad, to transact the following businesses:

Members are encouraged to attend the AGM through the video link facility managed by the Company (Please see the notes section for details)

## ORDINARY BUSINESS:

1. To confirm the minutes of the last Annual General Meeting (AGM) of the Company held on October 24, 2024.
2. To receive, consider and adopt the Annual Audited Financial Statements of the Company for the year ended June 30, 2025, together with the Auditors' and Directors' Report thereon and the Chairperson's Review Report.

In accordance with Section 223 of the Companies Act, 2017, and pursuant to the S.R.O. 389(I)/2023 dated March 21, 2023, the Annual Audited Financial Statements along with Reports of the Company can be accessed through the following weblink and QR enabled code.



<https://investors.interloop-pk.com/financial-reports/>

3. To declare and approve, as recommended by the Directors, the payment of Final Cash Dividend @ Rs.1/- per share i.e. 10% for the year ended June 30, 2025.
4. To appoint Auditors and fix their remuneration for the financial year 2025-26. The Members are hereby given notice that the Board of Directors, on the recommendation of the Board Audit Committee of the Company, has proposed the name of the retiring auditors, M/s Kreston Hyder Bhimji & Company, Chartered Accountants for re-appointment as the Auditors of the Company.

## OTHER BUSINESS:

5. To transact any other business with the permission of the Chair.

Place: Faisalabad  
Dated: September 18, 2025

By Order of the Board

(Rana Ali Raza)  
Company Secretary

## NOTES:

### 1. Closure of Share Transfer Books:

The Share Transfer Books of the Company will remain closed from October 03, 2025, to October 10, 2025 (both days inclusive). Transfer requests on prescribed format, received at the office of the Share Registrar of the Company, M/s. CDC Share Registrar Services Limited, CDC House, 99 –B, Block B, S.M.C.H.S., Main Shahrah-e- Faisal, Karachi-74400 on or before the close of business on October 02, 2025, will be treated 'in time' for the purpose of above entitlement(s) to the transferees and/or to attend the AGM.

### 2. Virtual Participation in the AGM Proceedings:

Shareholders interested in attending the AGM virtually are hereby advised to get themselves registered with the Company by providing the following information via email at [aliraza.rana@interloop.com.pk](mailto:aliraza.rana@interloop.com.pk) or [general.meetings@interloop.com.pk](mailto:general.meetings@interloop.com.pk)

Name of Shareholder	CNIC No.	Folio No./CDC Account No.	No. of Shares	Contact No.	Email Address
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Online meeting link and login credentials shall be shared with members who have submitted request via email containing all the required particulars by the close of business on Thursday October 09, 2025. The login facility shall remain open from 09:30 am till the start of the Meeting on October 10, 2025.

### 3. Electronic transmission of Notice of Annual General Meeting and Annual Report 2025:

In compliance with section 223(6) of the Act read with S.R.O 452(I)/2025 dated March 17, 2025, by SECP, the Company has electronically transmitted the Notice of the Annual General Meeting and the Annual Report of 2025 through email to its Shareholders whose email addresses are available with the Company's Share Registrar, M/s. CDC Share Registrar Services Limited. The printed notices of the AGM, after insertion of the weblink and QR enabled code for downloading the Annual Report, have also been dispatched under S.R.O. 389 (I)/2023, dated March 21, 2023. The Financial Statements of the Company for the year ended June 30, 2025, along with the reports have also been uploaded on the website of the Company.



<https://investors.interloop-pk.com/financial-reports/>

However, the Company shall provide hard copies of the Annual Report to any member on their demand, at their registered address, free of cost, within one week of receiving such request on specified consent letter/form which is available on the Company's website [www.interloop-pk.com](http://www.interloop-pk.com)

Further, Shareholders are requested to kindly provide their valid email address (along with a copy of valid CNIC) to the Company's Share Registrar, M/s. CDC Share Registrar Services Limited CDC House, 99 –B, Block B, S.M.C.H.S., Main Shahrah-e- Faisal, Karachi-74400, if the Member holds any shares in physical form or to the respective Member's Participant/Investor Account Services, if shares are held in book entry form.

### 4. Requirements for appointing proxies:

All members, entitled to attend and vote at the meeting, are eligible to appoint another person in writing as their proxy to attend and vote on their behalf. A proxy must be a member of the Company. In case of corporate entities, a resolution of the Board of Directors / power of attorney with specimen signature of the person nominated to represent and vote on behalf of the corporate entity and an attested copy of CNIC shall be submitted to the Company at the meeting or along with a completed proxy form. The proxy holders are required to produce their original valid CNICs or original passports at the time of the meeting.

In order to be effective, duly completed and signed proxy forms must be received at the Company's Registered Office at least 48 hours before the time of the meeting.

#### **Guidelines for CDC Account Holders issued by SECP:**

CDC account holders will further have to follow the below mentioned guidelines as laid down by the Securities and Exchange Commission of Pakistan in this regard:

##### **a) For Attending the Meeting**

- i. In case of individuals, the account holders or sub-account holders whose registration details are uploaded as per the Regulations shall authenticate his/her original valid CNIC or the original passport at the time of attending the meeting.
- ii. Members registered on CDC are also requested to bring their particulars, I.D. numbers and account numbers in CDS.
- iii. In case of corporate entity, the Board of Directors' resolution/power of attorney with specimen signature of the nominee shall be produced (unless it has been provided earlier) at the time of the meeting along with the proxy form to the Company.

##### **b) For Appointing Proxies**

- i. In case of individuals, the account holders or sub-account holders whose registration details are uploaded as per the Regulations shall submit the proxy form as per above requirements.
- ii. Attested copies of valid CNIC or the passport of the beneficial owners and the proxy shall be furnished with the proxy form.
- iii. The proxy shall produce original valid CNIC or original passport at the time of the meeting.
- iv. In case of a 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.
- v. Proxy form will be witnessed by two persons whose names, addresses and valid CNIC numbers shall be mentioned on the form.

#### **5. Electronic Dividend Mandate:**

Under Section 242 of the Act, it is mandatory for all listed companies to pay cash dividend to its Shareholders through electronic mode directly into the bank account designated by the entitled Shareholders.

To receive dividend directly into their bank account, Shareholders are requested (if not already provided) to fill the Dividend Bank Mandate Form for Electronic Credit of Cash Dividend available on the Company's website i.e., [www.interloop-pk.com](http://www.interloop-pk.com) and send it duly signed along with a copy of valid CNIC to the Share Registrar, M/s. CDC Share Registrar Services Limited, in case of physical shares. In case of shares held in CDC, Electronic Dividend Mandate Form must be directly submitted to Shareholder's brokers / participant / CDC account services.

In case of non-receipt of above information/form, the Company will be constrained to withhold payment of dividend to Shareholders. As per SECP directives, the dividend of Shareholders, whose valid CNICs are not available with the Share Registrar, may be withheld. All Shareholders having physical shareholding are therefore advised to submit a photocopy of their valid CNICs immediately, if already not provided, to the Share Registrar, M/s. CDC Share Registrar Services Limited without any further delay.

#### 6. Deduction of Income Tax from Dividend under Section 150 of the Income Tax Ordinance, 2001 ("Income tax Ordinance"):

The rates of deduction of withholding tax for Filers and Non-Filers as prescribed under Section 150 of the Income Tax Ordinance 2001, are as under:

- For Filers of income tax returns 15.00%
- For Non-Filers of income tax returns 30.00%

#### Withholding tax on Dividend in case of Joint Account Holders

Members who have joint shareholdings held by Filers and Non-Filers shall be dealt with separately and in such particular situation, each account holder is to be treated as either a Filer or a Non-Filer and tax will be deducted according to his/her shareholding.

If the share is not ascertainable then each account holder will be assumed to hold equal proportion of shares and the deduction will be made accordingly. Therefore, in order to avoid deduction of tax at a higher rate, the joint account holders are requested to provide the below mentioned details of their shareholding to the Share Registrar of the Company latest by the Annual General Meeting date.

Folio No/ CDC Account No	Total No of Shares	Name of Principal Shareholder and CNIC #	Share Holding	Name of Joint Shareholders and CNIC #	Share Holding
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#### Valid Tax Exemption Certificate for Exemption from Withholding Tax

A valid tax exemption certificate is necessary for exemption of the deduction of withholding tax under Section 150 of the Income Tax Ordinance, 2001. Members who qualify under Clause 47B of Part IV of the Second Schedule to the Income Tax Ordinance, 2001, and wish to seek an exemption must provide a copy of their valid tax exemption certificate to the Shares Registrar prior to the date of commencement of book closure, otherwise tax will be deducted according to the applicable laws.

#### 7. Unclaimed Dividend / Shares under Section 244 of the Companies Act, 2017:

An updated list for unclaimed dividend / shares of the Company is available on the Company's website i.e., [www.interloop-pk.com](http://www.interloop-pk.com). These are unclaimed dividend / shares, which have remained unclaimed or unpaid for a period of three (3) years from the date these have become due and payable.

Shareholders are requested to ensure that their claims for unclaimed dividend and shares are lodged promptly. Shareholders, who by any reason, could not claim their dividend, if any, are advised to contact our Share Registrar M/s. CDC Share Registrar Services Limited, CDC House, 99 -B, Block B, S.M.C.H.S., Main Shahrah-e- Faisal, Karachi-74400 and collect / enquire about their unclaimed dividend, if any.

Incase no claim is lodged, the Company shall proceed to deposit the unclaimed/unpaid amount and shares with the Federal Government pursuant to the provision of Section 244 (2) of Companies Act, 2017.

#### 8. Consent for video conference facility:

Pursuant to Section 132(2) & Section 134(b) of the Companies Act, 2017, if the Company receives a consent form from the Shareholders holding aggregate 10% or more shareholding residing at geographical location to participate in the meeting through video conference at least seven (7) days prior to the date of meeting, the



Company will arrange video conference facility in that city subject to availability of such facility in that city. To avail this facility please provide the following information and submit it to the registered office of the Company:

I/We, \_\_\_\_\_ of \_\_\_\_\_, being a member of Interloop Limited, holder of \_\_\_\_\_ ordinary share(s) as per Registered Folio/CDC Account No. \_\_\_\_\_ hereby opt for video conference facility at \_\_\_\_\_.

\_\_\_\_\_  
Signature of Member

#### 9. Declaration for exemption of Zakat:

In order to claim exemption from compulsory deduction of Zakat, Shareholders are requested to submit a notarized copy of Zakat Declaration Form "CZ-50" on Non-Judicial Stamp Paper of appropriate value to the Share Registrar, M/s. CDC Share Registrar Services Limited, of the Company before the close of share transfer books. In case shares are held in book entry form such Zakat Declaration Form (CZ -50) must be uploaded in the CDC account of the Shareholder, through their Participant / Investor Account Services.

Further, Non-Muslim Shareholders are also required to file Solemn Affirmation with the Share Registrar of the Company in case the shares are held in physical certificates or with CDC Participant / Investor Account Services in case shares are held book entry form. No exemption from the deduction of zakat will be allowed unless the above documents are complete in all aspects and have been made available as above. Moreover, shareholders are also requested to promptly notify any changes in their registered address.

#### 10. Prohibition of Gifts:-

In compliance with Section 185 of the Act read with Circular 2 of 2018, dated February 09, 2018, and S.R.O. 452(I)/2025 dated March 17, 2025 of SECP has strictly prohibited companies from providing gifts or incentives, in lieu of gifts (tokens/coupons/lunches/takeaway/packages) in any form or manner, to the shareholders at or in connection with General Meetings.

9.

#### زکوٰۃ سے استثناء کا حلف نامہ:

زکوٰۃ کی لازمی کٹوتی سے استثناء کے دعوے کے لیے شیئرز ہولڈرز سے گزارش ہے کہ وہ مناسب قدر کے نان جوڈیشل اسٹامپ پیپر پر زکوٰۃ ڈیکلریشن فارم "CZ-50" کی ایک نوٹرائزڈ کاپی شیئرز ٹرانسفر بکس بند ہونے سے پہلے کمپنی کے شیئرز رجسٹرار میسرز، سی ڈی سی شیئرز رجسٹرار سروسز لمیٹڈ کے پاس جمع کروائیں۔ اگر شیئرز بک انٹری فارم میں ہیں تو یہ زکوٰۃ ڈیکلریشن فارم (CZ-50) شراکتی/انویسٹر اکاؤنٹ سروسز کے ذریعے شیئرز ہولڈر کے سی ڈی سی اکاؤنٹ میں اپ لوڈ ہو۔

مزید برآں، غیر مسلم شیئرز ہولڈرز کے لیے ضروری ہے کہ اگر شیئرز فزیکل سرٹیفکیٹس کی شکل میں ہیں یا سی ڈی سی شراکتی/انویسٹر اکاؤنٹ سروسز میں ہیں تو وہ کمپنی کے شیئرز رجسٹرار کے پاس سولن اقرار نامہ جمع کروائیں، اگر ان کے شیئرز بک انٹری فارم کی شکل میں ہیں۔ اگر ہر لحاظ سے مکمل مذکورہ بالا دستاویزات فراہم نہیں کی جائیں گی تو زکوٰۃ کی کٹوتی سے کسی استثناء کی اجازت نہیں ہوگی۔ علاوہ ازیں، شیئرز ہولڈرز سے یہ گزارش بھی ہے کہ وہ اپنے رجسٹرڈ پتے میں کسی تبدیلی سے فوری طور پر آگاہ کریں۔

10.

#### تجائف کی ممانعت:

ایکٹ کے سیکشن 185، ایس ای سی پی کے سرکولر 2 آف 2018، مورخہ 09 فروری، 2018 اور S.R.O.452(I)/2025 مورخہ 17 مارچ، 2025 کے ساتھ پڑھا جائے، کے مطابق کمپنیوں کو عام اجلاسوں کے سلسلے میں کسی بھی شکل میں شیئرز ہولڈرز کو تجائف یا ترغیبات کی فراہمی، تجائف کے بدلے (ٹوکنز/کوچز/لنچ/ٹیک اوے/ہیکجز) کی فراہمی کی ممانعت ہے۔

اگر شیئر کے بارے میں پتہ چلا ناممکن نہ ہو یہ سمجھا جائے گا کہ اس کے پاس شیئرز کا مساوی حصہ ہے اور اسی لحاظ سے کوئی کی جائے گی۔ لہذا، زیادہ شرح سے ٹیکس کی کوئی سے بچنے کے لیے جوائنٹ اکاؤنٹ ہولڈرز سے گزارش ہے کہ وہ زیادہ سے زیادہ سالانہ اجلاس عام کی تاریخ تک اپنی شیئر ہولڈنگ کی مندرجہ ذیل تفصیلات کمپنی کے شیئر رجسٹر ارا کو فراہم کر دیں۔

فولیو نمبر / سی ڈی سی اکاؤنٹ نمبر	شیئرز کی کل تعداد	بڑے شیئر ہولڈر کا نام اور شناختی کارڈ نمبر	شیئر ہولڈنگ تناسب (شیئرز کی تعداد)	جوائنٹ شیئر ہولڈرز کے نام اور شناختی کارڈ نمبر	شیئر ہولڈنگ تناسب (شیئرز کی تعداد)
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### وڈ ہولڈنگ ٹیکس سے استثناء کے لیے کارآمد ٹیکس استثناء سرٹیفکیٹ

اکم ٹیکس آرڈیننس، 2001 کے سیکشن 150 کے تحت وڈ ہولڈنگ ٹیکس کی کوئی سے استثناء کے لیے کارآمد ٹیکس استثناء سرٹیفکیٹ ضروری ہے۔ جو ممبرز اکم ٹیکس آرڈیننس، 2001 کے سیکشن 150 کے پارٹ IV کی شق 47B کے تحت کو الیفائی کرتے ہیں اور استثناء حاصل کرنے کے خواہش مند ہیں، وہ کھاتے کی بندش کی تاریخ سے قبل ٹیکس سے استثناء کے اپنے کارآمد سرٹیفکیٹ کی کاپی شیئر رجسٹر ارا کو لازمی فراہم کریں ورنہ قابل اطلاق قوانین کے مطابق ٹیکس منہا کیا جائے گا۔

### 7. کمپنیز ایکٹ، 2017 کے سیکشن 244 کے تحت غیر دعویٰ دار منافع منقسمہ / شیئرز:

کمپنی کے غیر دعویٰ دار منافع منقسمہ / شیئرز کی ایک اپ ڈیٹڈ فہرست کمپنی کی ویب سائٹ [www.interloop-pk.com](http://www.interloop-pk.com) پر دستیاب ہے۔ یہ غیر دعویٰ دار ڈیوڈنڈ / شیئرز ہیں جو اس تاریخ سے جب یہ واجب اور قابل ادائیگی تھے، تین (3) سال سے غیر دعویٰ دار اور غیر ادا شدہ چلے آ رہے ہیں۔

شیئر ہولڈرز سے گزارش ہے کہ وہ اس امر کو یقینی بنائیں کہ غیر دعویٰ دار ڈیوڈنڈ اور شیئرز کے لیے ان کے دعوے بروقت داخل ہوں۔ جو شیئر ہولڈرز کسی وجہ سے اپنا ڈیوڈنڈ، اگر کوئی ہے، دعوے نہیں کر سکے، انہیں مشورہ دیا جاتا ہے کہ وہ ہمارے شیئر رجسٹر ارا میسرز سی ڈی سی شیئر رجسٹر ارا سرورس لمیٹڈ، سی ڈی سی ہاؤس، B-99، بلاک B، ایس ایم سی ایچ ایس، مین شاہراہ فیصل، کراچی-74400 سے رابطہ کریں اور اپنے غیر دعویٰ دار ڈیوڈنڈ، اگر کوئی ہے، وصول کریں / معلومات حاصل کریں۔

اگر کوئی دعویٰ دائر نہیں کیا جائے گا تو کمپنی اسے کمپنیز ایکٹ، 2017 کے سیکشن 244(2) کے مطابق ان غیر دعویٰ دار / غیر ادا شدہ روپے اور شیئرز کو وفاقی حکومت کے پاس جمع کرانے کی کارروائی کرے گی۔

### 8. ویڈیو کانفرنس کی سہولت کے لیے رضامندی:

کمپنیز ایکٹ، 2017 کے سیکشن 132(2) اور سیکشن 134(b) کے مطابق اگر کمپنی کسی جغرافیائی مقام پر رہنے والے ایسے شیئر ہولڈرز کی طرف سے اجلاس کی تاریخ سے کم از کم سات (7) دن پہلے، ویڈیو کانفرنس کے ذریعے شرکت کے لیے رضامندی کا فارم موصول ہوجن کے پاس مجموعی طور پر 10% یا اس سے زیادہ شیئر ہولڈنگ ہے تو کمپنی اس شہر میں، ویڈیو کانفرنس کی سہولت کا انتظام کرے گی بشرطیکہ اس شہر میں اس قسم کی سہولت موجود ہو۔ برائے کرم اس سہولت سے فائدہ اٹھانے کے لیے کمپنی کے رجسٹرڈ دفتر کو مندرجہ ذیل معلومات فراہم کریں:

میں / ہم، \_\_\_\_\_ جن کا تعلق \_\_\_\_\_ سے ہے، انٹرلوپ کے ممبر ہونے کا نام ہے۔ \_\_\_\_\_ عام شیئرز کے مالک کی حیثیت سے رجسٹرڈ فولیو / سی ڈی سی اکاؤنٹ نمبر \_\_\_\_\_ ویڈیو کانفرنس کی سہولت حاصل کرنا چاہتے ہیں۔

## (a) اجلاس میں شرکت کے لیے

- i. انفرادی حیثیت کی صورت میں، ایسے اکاؤنٹ ہولڈرز یا سب اکاؤنٹ ہولڈرز، جن کی رجسٹریشن کی تفصیلات ضابطوں کے مطابق اپ لوڈڈ ہیں، وہ اجلاس میں شرکت کے وقت اپنے وہ اصل سی این آئی سی یا اصل پاسپورٹ دکھا کر تصدیق کریں گے۔
- ii. سی ڈی سی میں رجسٹرڈ ممبرز سے بھی گزارش ہے کہ وہ اپنے کوائف، آئی ڈی نمبرز اور سی ڈی ایس میں اکاؤنٹ نمبرز ساتھ لائیں۔
- iii. کارپوریٹ ادارے کی صورت میں، بورڈ آف ڈائریکٹرز کی قرارداد / پاور آف اٹارنی مع نامزد فرد کے دستخط نمونہ پر کسی فارم کے ساتھ اجلاس کے وقت کمپنی کو پیش کیے جائیں گے (اگر پہلے فراہم نہیں کیے گئے)۔

## (b) پراسیزر تقرر کے لیے:

- i. انفرادی حیثیت کی صورت میں، اکاؤنٹ ہولڈرز یا سب اکاؤنٹ ہولڈرز جن کی رجسٹریشن تفصیلات ضابطوں کے مطابق اپ لوڈڈ ہیں، مذکورہ بالا تقاضوں کے مطابق پر کسی فارم پیش کریں گے۔
- ii. اصل مالکان اور پر کسی کے کارآمدی این آئی سی یا پاسپورٹ کی تصدیق شدہ کاپیاں، پر کسی فارم کے ساتھ پیش کی جائیں گی۔
- iii. پر کسی اجلاس کے وقت اصل کارآمدی این آئی سی یا اصل پاسپورٹ پیش کرے گا۔
- iv. کاروباری ادارے کی صورت میں، اجلاس کے موقع پر پر کسی فارم کے ہمراہ بورڈ آف ڈائریکٹرز کی قرارداد مختار نامہ، مع نمائندے کے دستخط کے نمونے کمپنی کو پیش کرنا ہوں گے (اگر پہلے فراہم نہیں کیے گئے)۔
- v. پر کسی فارم کی گواہی دو افراد دیں گے جن کے نام، پتہ، اور کارآمدی این آئی سی نمبرز فارم پر درج ہوں گے۔

## 5. الیکٹرانک ڈیویڈنڈ مینڈیٹ:

ایکٹ کے سیکشن 242 کے مطابق تمام لسٹڈ کمپنیوں کے لیے لازمی ہے کہ وہ اپنے شیئر ہولڈرز کو نقد منافع منقسمہ الیکٹرانک طریقے سے اہل شیئر ہولڈرز کے مقرر کردہ بینک اکاؤنٹ میں براہ راست ادا کریں منافع منقسمہ براہ راست بینک اکاؤنٹ میں وصول کرنے کے لیے شیئر ممبرز سے گزارش ہے کہ وہ الیکٹرانک کریڈٹ آف کیش ڈیویڈنڈ کے لیے ڈیویڈنڈ بینک مینڈیٹ فارم (اگر پہلے فراہم نہیں کیا گیا) پر کریں جو کمپنی کی ویب سائٹ [www.interloop-pk.com](http://www.interloop-pk.com) پر دستیاب ہے اور صحیح طریقے سے دستخط کر کے کارآمدی این آئی سی کی ایک کاپی کے ساتھ شیئر رجسٹرار، میسرزی ڈی سی شیئر رجسٹرار سرور لمیٹڈ کو بھیج دیں، فزیکل شیئرز کی صورت میں۔ اگر میسرزی ڈی سی میں ہیں تو الیکٹرانک ڈیویڈنڈ مینڈیٹ فارم لازمی طور پر پر شیئر ہولڈر کے بروکر / شراکتی / سی ڈی سی اکاؤنٹ سرور کو پیش کیے جائیں۔

مذکورہ بالا معلومات / فارم کی عدم وصولی کی صورت میں کمپنی شیئر ہولڈرز کو منافع منقسمہ کی ادائیگی روکنے پر مجبور ہوگی۔ ایس ای سی پی کی ہدایات کے مطابق ایسے شیئر ہولڈرز کا ڈیویڈنڈ روکا جاسکتا ہے جن کے کارآمدی این آئی سی شیئر رجسٹرار کے پاس موجود نہیں ہیں۔ لہذا فزیکل شیئر ہولڈنگ رکھنے والے تمام شیئر ہولڈرز کو مشورہ دیا جاتا ہے کہ اگر وہ پہلے فراہم نہیں کر چکے تو وہ فوری طور پر اپنی کارآمدی این آئی سی کی فوٹوکاپی کسی تاخیر کے بغیر شیئر رجسٹرار، میسرزی ڈی سی شیئر رجسٹرار سرور لمیٹڈ کو پیش کریں۔

## 6. انکم ٹیکس آرڈیننس، 2001 ("انکم ٹیکس آرڈیننس") کے سیکشن 150 کے تحت منافع منقسمہ سے انکم ٹیکس کی کٹوتی:

گوشوارے جمع کروانے اور جمع نہ کروانے والوں کے لیے وہ ہولڈنگ ٹیکس کی شرحیں، جیسا کہ انکم ٹیکس آرڈیننس 2001 میں تجویز کیا گیا ہے، مندرجہ ذیل ہیں:

انکم ٹیکس کے گوشوارے جمع کروانے والوں کے لیے (فائلرز)	15.00%
انکم ٹیکس کے گوشوارے جمع نہ کروانے والوں کے لیے (نان فائلرز)	30.00%

## جوائنٹ اکاؤنٹ ہولڈرز کی صورت میں منافع منقسمہ پر وہ ہولڈنگ ٹیکس:

جن ممبرز کی فائلرز اور نان فائلرز کے پاس جوائنٹ شیئر ہولڈنگ ہے، ان کے ساتھ الگ الگ برتاؤ کیا جائے گا اور اس قسم کی مخصوص صورت حال میں ہر اکاؤنٹ ہولڈر کو فائلر یا نان فائلر باور کیا جائے گا اور اس کی شیئر ہولڈنگ کے مطابق ٹیکس منہا کیا جائے گا۔

## گزارشات:

1.

### شیئر ٹرانسفر بکس کی بندش:

کمپنی کی شیئر ٹرانسفر بکس 03 اکتوبر، 2025 سے 10 اکتوبر، 2025 (بشمول دونوں دن) بند رہیں گی۔ منتقلی کی جو گزارشات تجویز کردہ فارمیٹ پر 02 اکتوبر، 2025 کو کاروباری اوقات بند ہونے سے پہلے کمپنی کے شیئر رجسٹر میں سرزسی ڈی سی شیئر رجسٹر اور سرورسز لمیٹڈ، سی ڈی سی ہاؤس، 99-B، بلاک B، ایس ایم سی ایچ ایس، مین شاہراہ فیصل، کراچی-74400 کے دفتر میں موصول ہو جائیں گی، وہ ٹرانسفریز کے مذکورہ بالا اور/یا سالانہ اجلاس عام میں شرکت کے استحقاق کے لیے بروقت سمجھی جائیں گی۔

2.

### سالانہ اجلاس عام (AGM) کی کارروائی میں ورچوئل شرکت

AGM میں ورچوئل شرکت میں دلچسپی رکھنے والے شیئر ہولڈرز کو مشورہ دیا جاتا ہے کہ وہ [aliraza.rana@interloop.com.pk](mailto:aliraza.rana@interloop.com.pk) یا [general.meetings@interloop.com.pk](mailto:general.meetings@interloop.com.pk) پر ای میل کے ذریعے مندرجہ ذیل معلومات فراہم کرتے ہوئے خود کو کمپنی کے پاس رجسٹرڈ کروائیں۔

شیئر ہولڈر کا نام	شناختی کارڈ نمبر	فولیو نمبر اسی ڈی سی اکاؤنٹ نمبر	شیئرز کی تعداد	رابطہ نمبر	ای میل ایڈریس
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آن لائن اجلاس کا لنک اور لاگ ان کر لینے کے لیے صرف ان ممبرز کے ساتھ شیئرز کیے جائیں گے جن کے مطلوبہ کوائف پر مشتمل ای میلز، جمعرات 09 اکتوبر، 2025 کو کاروبار بند ہونے تک دیئے گئے ای میل ایڈریس پر موصول ہو جائیں گی۔ لاگ ان سہولت 10 اکتوبر، 2025 کو صبح 9:30 بجے سے اجلاس شروع ہونے تک کھلی رہے گی۔

3.

### سالانہ اجلاس عام کے نوٹس اور سالانہ رپورٹ 2025 کی الیکٹرانک طریقے سے ترسیل:

کمپنی نے ایکٹ کے سیکشن 223 (6) آف دی ایکٹ کے تحت اور S.R.O.452 (I)/2025 مورخہ 17 مارچ 2025 کو کہ ایس ای سی پی نے جاری کیا ہے، کی تعمیل میں کمپنی نے سالانہ عام اجلاس (AGM) کا نوٹس اور سالانہ رپورٹ 2025 اپنے ان حصص یافتگان کو ای میل کے ذریعے الیکٹرانک طور پر ارسال کی ہے جن کے ای میل پتے کمپنی کے شیئر رجسٹر، میسرز سی ڈی سی شیئر رجسٹر اور سرورسز لمیٹڈ کے پاس دستیاب ہیں۔ مزید یہ کہ AGM کے طباعتی نوٹس، جن میں سالانہ رپورٹ ڈاؤن لوڈ کرنے کے لیے ویب لنک اور QR فعال کوڈ شامل کیا گیا ہے، S.R.O.389 (I)/2023 مورخہ 21 مارچ 2023 کے تحت بھی ارسال کر دیئے گئے ہیں۔ کمپنی کے مالیاتی گوشوارے برائے سال ختم شدہ 30 جون 2025 بمعہ رپورٹس کمپنی کی ویب سائٹ پر بھی اپ لوڈ کر دیئے گئے ہیں۔



<https://investors.interloop-pk.com/financial-reports/>

تاہم کمپنی، سالانہ رپورٹ کی بارڈ کا کسی بھی ممبر کی درخواست پر ایک ہفتے کے اندر ان کے رجسٹرڈ پتے پر بغیر کسی قیمت کے فراہم کرے گی۔ یہ درخواست مخصوص رضامندی کے خط/فارم پر موصول ہوگی جو کمپنی کی ویب سائٹ [www.interloop-pk.com](http://www.interloop-pk.com) پر دستیاب ہے۔

مزید برآں، شیئر ہولڈرز سے درخواست کی جاتی ہے کہ وہ اپنا درست ای میل ایڈریس (درست سی این آئی سی کی کاپی کے ساتھ) کمپنی کے شیئر رجسٹر اور میسرز سی ڈی سی شیئر رجسٹر اور سرورسز لمیٹڈ، سی ڈی سی ہاؤس، 99-B، بلاک B، ایس ایم سی ایچ ایس، مین شاہراہ فیصل، کراچی-74400 کو فراہم کریں، اگر ممبرز فزیکل شکل میں شیئر رکھتے ہیں، یا اپنے متعلقہ شراکت کنندہ/انویسٹر اکاؤنٹ سرورسز کے ساتھ یا اگر شیئر بک انٹری فارم میں ہیں۔

4.

### پراسیور مقرر کرنے کی شرائط:

وہ تمام ممبرز جو اجلاس میں شرکت کرنے اور ووٹ دینے کے حقدار ہیں اپنی جانب سے شرکت اور ووٹ دینے کے لیے تحریری طور پر کسی دوسرے فرد کو اپنا پراکسی مقرر کر سکتے ہیں۔ پراکسی کے لیے کمپنی کا ممبر ہونا ضروری ہے۔ کارپوریٹ اداروں کی صورت میں بورڈ آف ڈائریکٹرز کی قرارداد/پاور آف اٹارنی مع اس شخص کے دستخط نمونہ، جسے کارپوریٹ ادارے کی طرف سے نمائندگی کرنے اور ووٹ دینے کے لیے مقرر کیا گیا ہے اور سی این آئی سی کی تصدیق شدہ کاپی، مکمل شدہ پراکسی فارم کے ساتھ کمپنی کو پیش کی جائے۔ پراکسی ہولڈرز کے لیے ضروری ہے کہ وہ اجلاس کے وقت اپنے اصل کارآمدی این آئی سی یا اصل پاسپورٹ پیش کریں۔ صحیح طریقے سے مکمل اور دستخط شدہ پراکسی فارم اجلاس کے وقت سے کم از کم 48 گھنٹے قبل کمپنی کے رجسٹرڈ دفتر میں موصول ہو جائیں۔

### سی ڈی سی اکاؤنٹ ہولڈرز کے لیے ایس ای سی پی کی طرف سے جاری کردہ رہنما اصول:

سی ڈی سی اکاؤنٹ ہولڈرز کو نیچے درج رہنما اصولوں پر بھی عمل کرنا ہوگا، جیسا کہ اس ضمن میں سکیورٹیز اینڈ ایکسچینج کمیشن آف پاکستان کی طرف سے طے کیا گیا ہے:

# 33 واں سالانہ اجلاس عام کی اطلاع

بذریعہ ہذا اطلاع دی جاتی ہے کہ انٹرلوپ لمیٹڈ ( "کمپنی" ) کا 33 واں سالانہ اجلاس عام (AGM) بروز جمعہ، 10 اکتوبر، 2025 کو صبح 10:00 بجے انٹرلوپ ایگزیکٹو کلب، انٹرلوپ انڈسٹریل پارک واقع 7-KM کھڑیا نوالہ - جڑانوالہ روڈ، کھڑیا نوالہ، فیصل آباد میں منعقد ہوگا، جس میں درج ذیل کارروائی نمٹائی جائے گی۔

ممبرز کی حوصلہ افزائی کی جاتی ہے کہ وہ AGM میں ویڈیولنک سہولت کے ذریعے شرکت کریں جس کا کمپنی کی طرف سے انتظام کیا گیا ہے (تفصیلات کے لیے گزارشات کا سیکشن دیکھئے)

## عمومی امور:

1. کمپنی کے 24 اکتوبر، 2024 کو منعقد ہونے والے گزشتہ سالانہ اجلاس عام (AGM) کی کارروائی کی توثیق کرنا۔
2. 30 جون، 2025 کو ختم ہونے والے سال کے لیے کمپنی کے سالانہ آڈٹ شدہ گوشواروں کی وصولی، غور و خوض اور منظوری دینا اور اس کے ساتھ اس بارے میں آڈیٹرز اور ڈائریکٹرز رپورٹ اور چیئرمین کی جائزہ رپورٹ۔

کمپنیز ایکٹ 2017 کے سیکشن 223 کے مطابق اور S.R.O 389(I) 2023 مورخہ 21 مارچ، 2023 کی رو سے سالانہ آڈٹ شدہ مالی گوشواروں کی رپورٹس تک مندرجہ ذیل لنک اور QR حامل کوڈ کے ذریعے رسائی حاصل کی جاسکتی ہے۔



<https://investors.interloop-pk.com/financial-reports/>

3. 30 جون، 2025 کو ختم ہونے والے سال کے لیے -1 روپے فی شیئر کی شرح سے یعنی 10% حتمی منافع منقسمہ کا اعلان کرنا اور منظوری دینا، جیسا کہ ڈائریکٹر صاحبان کی طرف سے تجویز کی گئی ہے۔
4. مالی سال 2025-26 کے لیے آڈیٹرز کا تقرر اور ان کا معاوضہ طے کرنا۔ ممبرز کو مطلع کیا جاتا ہے کہ بورڈ آف ڈائریکٹرز نے کمپنی کی بورڈ آڈٹ کمیٹی کی سفارش پر، سبکدوش ہونے والے آڈیٹرز میسرز کریسنٹن حیدر بھیم جی اینڈ کمپنی، چارٹرڈ اکاؤنٹنٹس کو دوبارہ کمپنی کے آڈیٹرز کی حیثیت سے مقرر کرنے کی سفارش کی ہے۔

## دیگر امور:

5. صاحب صدر کی اجازت سے کوئی دوسری کارروائی نمٹانا۔

بحکم بورڈ

(رانا علی رضا)

کمپنی سیکریٹری

بمقام: فیصل آباد

مورخہ: 18 ستمبر، 2025

# PATTERN OF SHAREHOLDING AS ON JUNE 30, 2025

SHAREHOLDING			
Number of Shareholders	From	To	Total Shares Held
2,470	1	100	97,200
2,070	101	500	616,854
1,739	501	1,000	1,415,633
2,723	1,001	5,000	6,644,820
659	5,001	10,000	4,974,788
229	10,001	15,000	2,816,288
137	15,001	20,000	2,424,395
108	20,001	25,000	2,498,195
45	25,001	30,000	1,263,081
34	30,001	35,000	1,113,119
30	35,001	40,000	1,141,537
34	40,001	45,000	1,435,111
24	45,001	50,000	1,169,362
23	50,001	55,000	1,195,748
15	55,001	60,000	872,481
24	60,001	65,000	1,509,858
13	65,001	70,000	886,452
7	70,001	75,000	509,236
18	75,001	80,000	1,410,294
14	80,001	85,000	1,153,067
7	85,001	90,000	611,553
10	90,001	95,000	926,836
16	95,001	100,000	1,594,004
6	100,001	105,000	617,099
3	105,001	110,000	321,040
4	110,001	115,000	452,333
3	115,001	120,000	354,417
8	120,001	125,000	986,853
1	125,001	130,000	128,014
2	130,001	135,000	261,929
4	135,001	140,000	546,040
7	140,001	145,000	994,395
2	145,001	150,000	300,000
2	150,001	155,000	306,989
5	155,001	160,000	794,102
2	160,001	165,000	321,051
3	170,001	175,000	518,354
2	175,001	180,000	353,300
1	180,001	185,000	181,832
1	190,001	195,000	190,928
8	195,001	200,000	1,596,954
3	200,001	205,000	601,854
2	205,001	210,000	415,471
1	210,001	215,000	213,561
1	215,001	220,000	216,340
4	220,001	225,000	898,798
1	225,001	230,000	229,809
1	235,001	240,000	240,000
3	240,001	245,000	726,700
4	245,001	250,000	1,000,000
2	255,001	260,000	516,190
2	260,001	265,000	523,060
1	270,001	275,000	273,156
1	275,001	280,000	280,000
1	290,001	295,000	293,475



## SHAREHOLDING

Number of Shareholders	From	To	Total Shares Held
4	295,001	300,000	1,200,000
1	300,001	305,000	301,450
1	305,001	310,000	306,980
2	315,001	320,000	633,078
1	320,001	325,000	320,900
1	335,001	340,000	339,285
1	350,001	355,000	354,120
1	360,001	365,000	361,530
1	370,001	375,000	372,787
1	395,001	400,000	400,000
1	430,001	435,000	434,191
1	435,001	440,000	436,396
1	475,001	480,000	477,360
1	480,001	485,000	485,000
1	485,001	490,000	486,851
4	495,001	500,000	1,995,936
1	500,001	505,000	501,398
1	540,001	545,000	541,676
2	570,001	575,000	1,140,370
1	620,001	625,000	625,000
1	715,001	720,000	719,728
1	740,001	745,000	744,565
2	745,001	750,000	1,500,000
1	795,001	800,000	800,000
1	830,001	835,000	834,999
1	880,001	885,000	883,952
1	905,001	910,000	906,099
1	945,001	950,000	950,000
2	975,001	980,000	1,956,574
1	1,000,001	1,005,000	1,000,030
1	1,030,001	1,035,000	1,035,000
1	1,095,001	1,100,000	1,100,000
1	1,110,001	1,115,000	1,111,100
1	1,170,001	1,175,000	1,173,597
1	1,240,001	1,245,000	1,243,100
1	1,250,001	1,255,000	1,255,000
1	1,375,001	1,380,000	1,375,600
1	1,395,001	1,400,000	1,395,900
1	1,495,001	1,500,000	1,499,998
1	1,600,001	1,605,000	1,600,649
1	1,620,001	1,625,000	1,623,261
1	1,635,001	1,640,000	1,638,563
1	1,715,001	1,720,000	1,719,768
1	1,865,001	1,870,000	1,870,000
1	2,380,001	2,385,000	2,383,265
1	2,530,001	2,535,000	2,531,295
1	2,690,001	2,695,000	2,691,637
1	3,250,001	3,255,000	3,251,453
2	3,435,001	3,440,000	6,875,659
1	3,665,001	3,670,000	3,666,953
1	4,015,001	4,020,000	4,016,621
1	4,130,001	4,135,000	4,130,905
1	4,375,001	4,380,000	4,375,118
1	5,755,001	5,760,000	5,756,377
1	5,800,001	5,805,000	5,804,461

## SHAREHOLDING

Number of Shareholders	From	To	Total Shares Held
2	6,425,001	6,430,000	12,854,400
1	8,505,001	8,510,000	8,505,004
1	9,630,001	9,635,000	9,632,510
1	9,715,001	9,720,000	9,719,745
1	11,080,001	11,085,000	11,084,818
1	11,110,001	11,115,000	11,111,100
1	11,140,001	11,145,000	11,144,488
1	11,565,001	11,570,000	11,568,960
1	11,885,001	11,890,000	11,890,000
1	12,065,001	12,070,000	12,069,188
1	17,630,001	17,635,000	17,635,000
1	21,565,001	21,570,000	21,568,960
2	21,970,001	21,975,000	43,949,262
1	31,110,001	31,115,000	31,111,348
1	31,760,001	31,765,000	31,760,311
1	37,435,001	37,440,000	37,438,351
1	89,155,001	89,160,000	89,155,912
1	398,810,001	398,815,000	398,812,685
1	479,625,001	479,630,000	479,627,935
<b>10,627</b>			<b>1,401,709,468</b>

Categories of Shareholders	Shareholders	Share Held	Percentage
Director, Chief Executive Officer and their Spouse(s) and minor children & sponsors	16	977,647,680	69.75
Associated Companies, undertakings and related parties	–	–	–
NIT and ICP	–	–	–
Banks Development Financial Institutions, Non-Banking Financial Institutions	9	25,550,900	1.82
Insurance Companies	14	24,724,736	1.76
Modarabas and Mutual Funds	46	40,235,619	2.87
General Public			
a. Local	9,786	276,065,333	19.69
b. Foreign	634	2,653,939	0.19
Foreign Companies	4	43,581,686	3.11
Others	118	11,249,575	0.80
<b>Totals</b>	<b>10,627</b>	<b>1,401,709,468</b>	<b>100.00</b>
<b>Shareholders holding 10% or more</b>		<b>Shares Held</b>	<b>Percentage</b>
	2	878,440,620	62.67

# INVESTOR INFORMATION

## COMPANY REGISTERED OFFICE

Established on	April 25, 1992
Line of Business	Textile Composite
Registered Office	15-A, Peoples Colony No. 1, Faisalabad
Fiscal Year-End	30th June
External Auditors	Kreston Hyder Bhimji & Co. Chartered Accountants
Share Registrar	CDC Share Registrar Services Limited
Website	<a href="http://www.interloop-pk.com">www.interloop-pk.com</a>

## STOCK INFORMATION

Exchange Listing	Listed on Pakistan Stock Exchange (PSX) on April 05, 2019.
Stock Symbol	ILP
Number of Shares Authorized	5,000,000,000
Number of Shares Issued	1,401,709,468
Number of Shareholders	10,627 (as on June 30, 2025)

## REGULATORS FEE

For the FY 2025-26, the annual listing fee of Pakistan Stock Exchange (PSX), the supervisory fee of Securities & Exchange Commission of Pakistan (SECP) and the annual supervision fee of Audit Oversight Board (AOB) has been paid within the stipulated time.

## FINANCIAL CALENDAR

September 2025	Audited annual results for the year ended June 30, 2025
September 2025	Mailing of annual reports
October 2025	Annual General Meeting
October 2025	Unaudited first quarter financial results
February 2026	Unaudited half year financial results duly reviewed by Auditor
April 2026	Unaudited third quarter financial results
June 2026	Annual Business Plan & Budgets for next fiscal year

## STATUTORY COMPLIANCE

During the year, the Company has complied with all applicable provisions, filed all returns/forms and furnished all the relevant particulars as required under the Companies Act, 2017 and allied rules, the Securities and Exchange Commission of Pakistan (SECP) Regulations and the Listing regulations of PSX.

## SHARE TRANSFER SYSTEM

Share transfers received by the Company's Share Registrar are registered within the prescribed period.

## ANNUAL GENERAL MEETING (AGM)

Pursuant to Section 132 of the Companies Act, 2017, the Company holds a General Meeting of shareholders at least once a year. Every shareholder has a right to attend the General Meeting. The notice of such meeting is sent to all the shareholders at least 21 days before the meeting and also advertised in at least one English and one Urdu newspaper having circulation nationwide.

## AGM 2025 WILL BE HELD AS ON:

Date: **October 10, 2025**

Time: **10:00 A.M.**

Venue: **Interloop Executive Club, Interloop Industrial Park,  
7 KM, Khurrianwala –Jaranwala Road, Khurrianwala,  
Faisalabad.**

## DATES OF BOOK CLOSURE

The register of the members and shares transfer books of the Company will remain closed from October 03, 2025 to October 10, 2025 (both days inclusive).

## FINAL CASH DIVIDEND

The Board of Directors in their meeting held on September 10, 2025 has proposed a final cash dividend on ordinary shares at Rs. 1 per ordinary share.

## DATE OF DIVIDEND PAYMENT

The payment of dividend, upon approval by shareholders at the forthcoming Annual General Meeting, will be made after October 10, 2025.

Last year, the Company has credited the final cash dividend on November 01, 2024 after approval from shareholders at the 32nd Annual General Meeting.

## PROXIES

Pursuant to Section 137 of the Companies Act, 2017 and according to the Memorandum and Articles of Association of the Company, every shareholder of the Company who is entitled to attend and vote at a general meeting of the Company can appoint another person as his/her proxy to attend and vote on his/her behalf. Every notice calling a general meeting of the Company contains a statement that a shareholder entitled to attend and vote is entitled to appoint a proxy who sought to be a member of the Company. The instrument appointing a proxy (duly signed by the shareholder

appointing that proxy) should be deposited at the registered office of the Company not less than forty-eight hours before the said general meeting.

#### **CIRCULATION OF NOTICE OF AGM AND ANNUAL REPORT**

In compliance with section 223(6) of the Act read with S.R.O 452(I)/2025 dated March 17, 2025, by SECP, the Company has electronically transmitted the Notice of the Annual General Meeting and the Annual Report of 2025 through email to its Shareholders whose email addresses are available with the Company's Share Registrar, M/s. CDC Share Registrar Services Limited. The printed notices of the AGM, after insertion of the weblink and QR enabled code for downloading the Annual Report, have also been dispatched under S.R.O. 389 (I)/2023, dated March 21, 2023. The Financial Statements of the Company for the year ended June 30, 2025, along with the reports have also been uploaded on the website of the Company.



<https://investors.interloop-pk.com/financial-reports/>

#### **DIVIDEND MANDATE (MANDATORY)**

To facilitate the resident companies, the Securities Exchange Commission of Pakistan, through its S.R.O. 389 (I)/2023, dated March 21, 2023,

As per provisions of Section 242 of Companies Act, 2017, any dividend payable in cash shall only be paid through electronic mode directly into the bank account designated by the entitled shareholders and SECP vide S.R.O.1145(I)/2017 directed all shareholders to provide their valid International Bank Account Numbers (IBAN) to receive cash dividend electronically. Company shall be constrained to withhold the payment of Dividend to the shareholders, in case of non-availability of IBAN of the shareholder or authorized person.

#### **UNCLAIMED DIVIDEND**

Shareholders, who by any reason, could not claim their dividends / shares, if any, are advised to contact our Share Registrar to collect / enquire about their unclaimed dividend/shares, if any. In compliance with Section 244 of the Companies Act, 2017, after having completed the stipulated procedure, all such dividend outstanding for a period of 3 years or more from the date due and payable shall be deposited to the Federal Government in case of unclaimed dividend and in case of shares, shall be delivered to the SECP.

#### **WITHHOLDING TAX/ZAKAT ON DIVIDENDS:**

Pursuant to the requirements under Section 150 of the Income Tax Ordinance, 2001, withholding tax is deductible at source on the amount of dividend paid by the Company at the rate of 15% for filers and at the rate of 30% for non-filers.

In the light of clarification from Federal Board of Revenue, all the shareholders who intend to seek exemption from withholding of taxes on payment of dividend under clause 47B of Part – IV of the Second Schedule of the Income Tax Ordinance, 2001, are requested to provide valid Exemption Certificate under section 159(1) of the Income Tax Ordinance, 2001 duly issued by the concerned Commissioner of Inland Revenue in order to claim the said exemption. Zakat is also deductible at source from the dividend at the rate of 2.5% of the face value of the share, other than corporate holders or individuals who have provided an undertaking for non-deduction of zakat.

#### **PROHIBITION OF GIFTS**

In compliance with Section 185 of the Act read with Circular 2 of 2018, dated February 09, 2018, and S.R.O. 452(I)/2025 dated March 17, 2025 of SECP has strictly prohibited companies from providing gifts or incentives, in lieu of gifts (tokens/coupons/lunches/takeaway/packages) in any form or manner, to the shareholders at or in connection with General Meetings.

#### **REDRESSAL OF INVESTOR COMPLAINTS**

Investors approach the Company for their queries and complaints generally through Company Secretarial Section. Various means of filing a complaint are available on Company's website. Investors' complaints /queries are usually related to receipt of latest dividends, request for hard copies of annual/quarterly reports, updation of bank account details to receive dividends, change of address, transfer/transmission of shares and unclaimed dividends etc. These queries / complaints are handled with utmost priority meeting the expectations of investors to their satisfaction.

#### **STOCK MARKET DATA OF HIGH AND LOW PRICE OF EQUITY SHARES ON PAKISTAN STOCK EXCHANGE DURING FY 2025**

<b>Highest</b>	<b>Lowest</b>
82.50	Rs. 45.00

## PROXY FORM

### INTERLOOP LIMITED

## ANNUAL GENERAL MEETING

I/We \_\_\_\_\_ of \_\_\_\_\_  
CDC A/C NO./ FOLIO NO. \_\_\_\_\_ being a shareholder of Interloop Limited ("The Company")  
hold \_\_\_\_\_ Ordinary Shares do hereby appoint \_\_\_\_\_  
Mr./Mrs./Ms \_\_\_\_\_ of \_\_\_\_\_  
CDC A/C NO./ FOLIO NO. \_\_\_\_\_ and or falling him/her \_\_\_\_\_  
of \_\_\_\_\_ who is/are also a shareholder of the said Company, as my /our proxy in my /our absence  
to attend and vote for me /us at the 33<sup>rd</sup> Annual General Meeting of the Company to be held on October 10, 2025 (Friday)  
at 10:00 A.M. at Interloop Executive Club, Interloop Industrial Park, 7-KM Khurrianwala-Jaranwala Road, Faisalabad and/  
or any adjournment thereof in the same manner as I/we myself /ourselves would vote if personally present at that meeting.  
At witness my/our hand this \_\_\_\_\_ day of \_\_\_\_\_ 2025.

#### Witness 1:

1. Signed: \_\_\_\_\_  
Name: \_\_\_\_\_  
Address: \_\_\_\_\_  
C.N.I.C/Passport NO. \_\_\_\_\_

Affix  
Revenue Stamp of  
Rs. 5/-

Signature of Member(s) \_\_\_\_\_

(The signature should match with the  
specimen registered with the Company)

#### Witness 2:

2. Signed: \_\_\_\_\_  
Name: \_\_\_\_\_  
Address: \_\_\_\_\_  
C.N.I.C/Passport NO. \_\_\_\_\_

#### Important:

1. This Proxy Form, duly completed and signed, must be received at the Registered Office of the Company, Interloop Limited, 15-A, Peoples Colony No.1, Faisalabad, not less than 48 hours before the time of holding the meeting.
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. The proxy form shall be witnessed by two persons whose names, addresses and CNIC/SNIC (Computer National Identity Card/Smart National Identity Card) numbers shall be mentioned on the form.
4. Attested copies of CNIC or the passport of the beneficial owners and the proxy shall be furnished with proxy form.
5. In case of corporate entity, the Board of Directors resolution/power of attorney with specimen shall be submitted (unless it has been provided earlier) along with proxy form to the Company.

AFFIX  
CORRECT  
POSTAGE

The Company Secretary,

**REGISTERED OFFICE**

15-A, Peoples Colony No. 1,  
Faisalabad, Pakistan

Phone: (92-41) 4360 400

Fax: (92-41) 2428 704

Email: [general.meetings@interloop.com.pk](mailto:general.meetings@interloop.com.pk)

## پراکسی فارم انٹرلوپ لمیٹڈ سالانہ اجلاس عام

میں / ہم \_\_\_\_\_ کے \_\_\_\_\_  
سی ڈی سی اکاؤنٹ نمبر / فوئیو نمبر \_\_\_\_\_ انٹرلوپ لمیٹڈ ("کمپنی") کے \_\_\_\_\_ شیئرز ہولڈر ہونے کے ناطے، محترم / محترمہ -  
\_\_\_\_\_ کے \_\_\_\_\_ سی ڈی سی اکاؤنٹ نمبر / فوئیو نمبر \_\_\_\_\_ اور / یا اُسے \_\_\_\_\_ کے \_\_\_\_\_  
\_\_\_\_\_ جو کہ مذکورہ کمپنی کے شیئرز ہولڈر بھی ہے، کمپنی کے 33 واں سالانہ اجلاس عام میں جو 10 اکتوبر، 2025 بروز جمعہ کو صبح 10:00 بجے انٹرلوپ ایگزیکٹیو  
کلب، انٹرلوپ انڈسٹریل پارک، 7-KM کھڑیا نوالہ - جڑانوالہ روڈ، فیصل آباد میں منعقد ہوگا یا اس کے التوا کی صورت میں، میری / ہماری غیر موجودگی میں میری / ہماری طرف سے شرکت  
کرنے اور اسی طرح سے ووٹ دینے کے لیے اپنا / اپنی نمائندہ مقرر کرتا ہوں / کرتے ہیں، جیسا کہ میں / ہم ذاتی طور پر اس اجلاس میں موجود ہوتے ہوئے ووٹ دیتا / دیتے۔

دستخط بروز \_\_\_\_\_ 2025 \_\_\_\_\_

### گواہان

(-5 روپے کارسیدی  
ٹکٹ یہاں چسپاں کریں)

(1) نام: \_\_\_\_\_  
پتہ: \_\_\_\_\_  
شناختی کارڈ / پاسپورٹ نمبر: \_\_\_\_\_  
دستخط: \_\_\_\_\_

ممبران کے دستخط \_\_\_\_\_  
(دستخط اس نمونے کے مطابق ہوں جو کمپنی کے پاس رجسٹرڈ ہیں)

(2) نام: \_\_\_\_\_  
پتہ: \_\_\_\_\_  
شناختی کارڈ / پاسپورٹ نمبر: \_\_\_\_\_  
دستخط: \_\_\_\_\_

### نوٹس:

- 1- صحیح طریقے سے مکمل کیا ہوا اور دستخط شدہ پراکسی فارم، اجلاس کے انعقاد سے کم از کم 48 گھنٹے قبل کمپنی کے رجسٹرڈ دفتر، انٹرلوپ لمیٹڈ، 15-A، پیپلز کالونی نمبر 1، فیصل آباد کو مل جانا چاہیے۔
- 2- اگر کوئی ممبر ایک سے زیادہ نمائندے مقرر کرے گا اور کمپنی کو ایک سے زیادہ پراکسی فارم جمع کروائے گا تو ایسے تمام نمائندگی نامے غیر موثر سمجھے جائیں گے۔
- 3- پراکسی فارم کی گواہی دو افراد دیں گے جن کے نام، پتہ اور شناختی کارڈ نمبر / سمارٹ قومی شناختی کارڈ نمبر اس فارم پر درج ہوں گے۔
- 4- اصل مالکان اور نمائندے کے شناختی کارڈ یا پاسپورٹ کی تصدیق شدہ کاپیاں، پراکسی فارم کے ساتھ پیش کی جائیں۔
- 5- کاروباری ادارے کی صورت میں کمپنی کو پراکسی فارم کے ساتھ بورڈ آف ڈائریکٹرز کی قرارداد / مختار نامہ مع دستخط نمونہ پیش کیے جائیں گے (اگر اس سے پہلے فراہم نہیں کیے گئے)



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POSTAGE

The Company Secretary,

**REGISTERED OFFICE**

15-A, Peoples Colony No. 1,  
Faisalabad, Pakistan

Phone: (92-41) 4360 400

Fax: (92-41) 2428 704

Email: [general.meetings@interloop.com.pk](mailto:general.meetings@interloop.com.pk)

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## NOTE

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### Corporate Office

1KM, Khurrianwala - Jaranwala Road,  
Khurrianwala, Faisalabad, Pakistan.

**P :** (92) 41 4360 400

**F :** (92) 41 2428 704

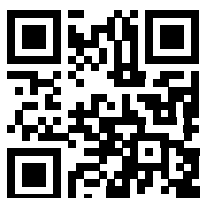
**M :** [externalaffairs@interloop-pk.com](mailto:externalaffairs@interloop-pk.com)

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15-A, Peoples Colony No.1,  
Faisalabad, Pakistan.

**P :** (92) 41 4360 400

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 [www.interloop-pk.com](http://www.interloop-pk.com)