

59th ANNUAL REPORT 2025



SAIF GROUP



Kohat Textile Mills Limited





KOHAT TEXTILE MILLS LIMITED
Generation of Excellence in Business



SAIF GROUP
ALL INFORMATION IS CONFIDENTIAL AND NOT TO BE RELEASED









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COMPANY INFORMATION

BOARD OF DIRECTORS

Javed Saifullah Khan (Chairman)
Barrister Assad Saifullah Khan (Chief Executive Officer)
Anwar Saifullah Khan
Hoor Yousafzai
Asif Saifullah Khan
Rana Muhammad Shafi
Abdul Rehman Qureshi
Sardar Aminullah Khan

AUDIT COMMITTEE

Abdul Rehman Qureshi (Chairman)
Sardar Aminullah Khan
Rana Muhammad Shafi

HR & REMUNERATION COMMITTEE

Abdul Rehman Qureshi (Chairman)
Barrister Assad Saifullah Khan
Hoor Yousafzai

CHIEF FINANCIAL OFFICER

Abid Hussain

SR. DIRECTOR TECHNICAL

Badar Us Samee

DIRECTOR MARKETING & SALES

Amir Badshah

COMPANY SECRETARY

Umar Shahzad

HEAD OF INTERNAL AUDIT

Muhammad Adeel Raza

AUDITORS

Shinewing Hameed Chaudhri & Co.,
Chartered Accountants

LEGAL ADVISORS

Abdul Khaliq

BANKERS

Askari Bank Limited
Al Baraka Bank Pakistan Limited
Bank Alfalah Limited
Bank Islami Pakistan Limited
Dubai Islamic Bank Limited
First Habib Modaraba
Meezan Bank Limited
National Bank of Pakistan
Pak Oman Investment Company Limited
Soneri Bank Limited
Saudi Pak Industrial & Agricultural
Investment Company Limited
The Bank of Punjab
The Bank of Khyber
United Bank Limited

HEAD OFFICE

4th Floor, Kashmir Commercial Complex,
Fazal-e-Haq Road, Blue Area
Islamabad

Phone : (051) 2604733-5

Fax : (051) 2604732

email : ktm@saifgroup.com / ca.ktml@saifgroup.com

REGISTERED OFFICE

APTMA House, Tehkal Payan,
Jamrud Road, Peshawar
Phone : (091) 5843870, 5702941
Fax : (091) 5840273
email : Peshawar@saifgroup.com

MILLS

Saifabad, Kohat
Phone : (0922) 862309, 862065
Fax : (0922) 862057
email : ktmkht@saifgroup.com

SHARE REGISTRAR

Hameed Majeed Associates (Pvt.) Ltd.,
HM House, 7-Bank Square, Lahore
Phone : (042)-37235081
(042)-37325082
Fax : (042)-37358817
email : info@hmaconsultants.com

WEB SITE

www.kohattextile.com

**Head
Office**

4th Floor, Kashmir Commercial
Complex, Fazal-e-Haq Road,
Blue Area, Islamabad

OFFICES



MILLS / FACTORY

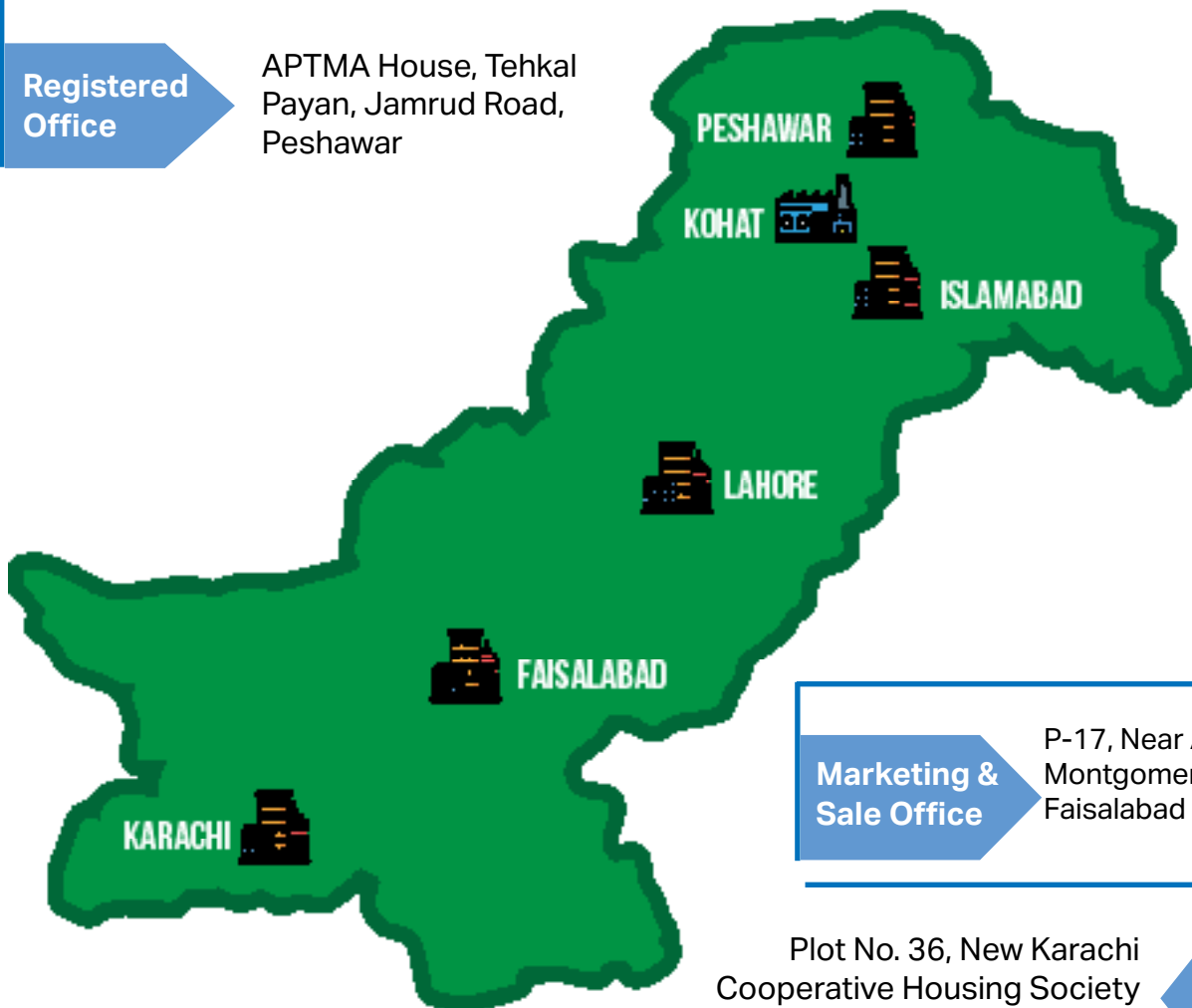


Saifabad,
Kohat

**Mills /
Factory**

**Registered
Office**

APTMA House, Tehkal
Payan, Jamrud Road,
Peshawar



**Marketing &
Sale Office**

P-17, Near Allied Bank Ltd,
Montgomery Bazar,
Faisalabad

Plot No. 36, New Karachi
Cooperative Housing Society
behind Dolmen Mall Tariq Road,
Karachi

**Marketing &
Sale Office**

ABOUT US

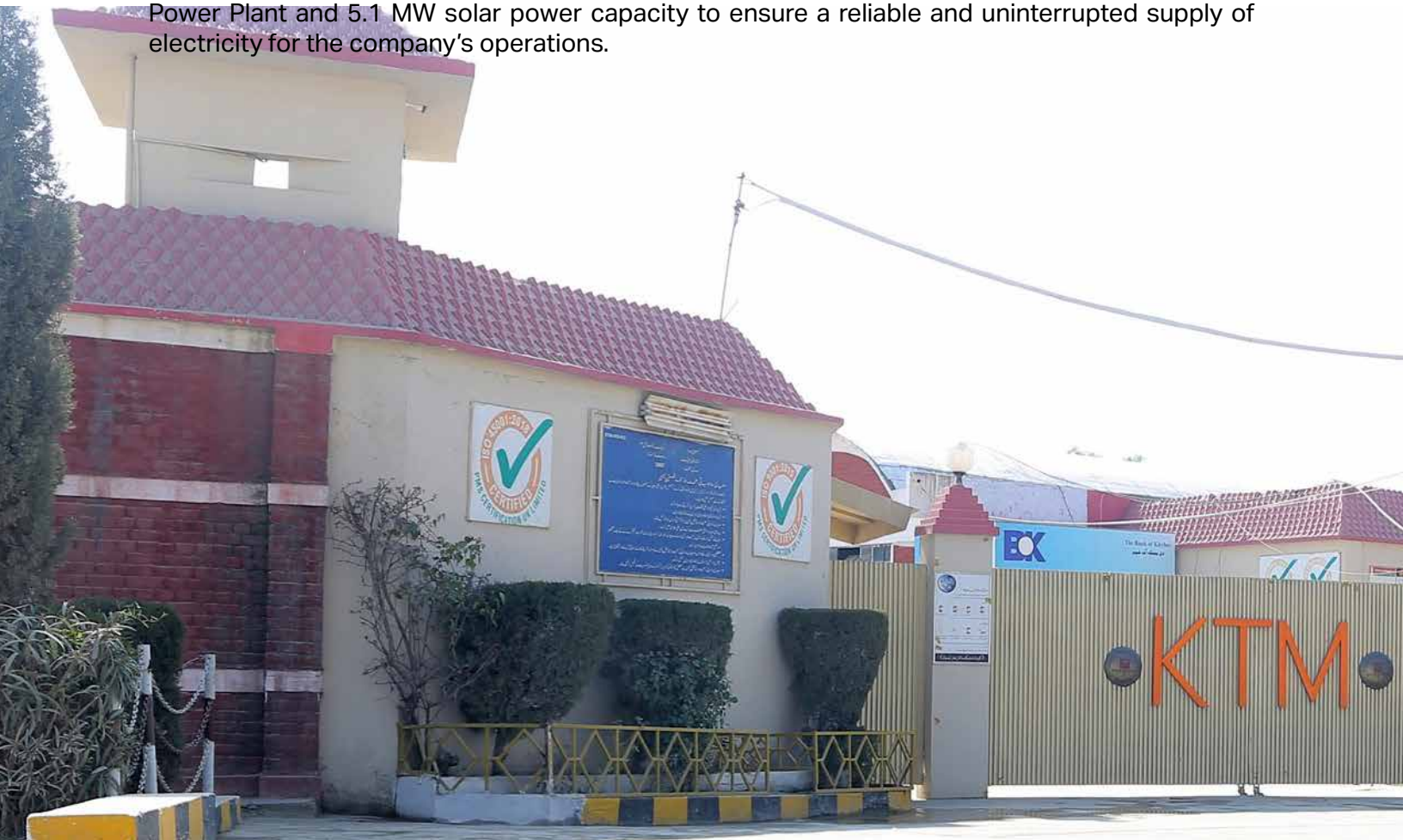
The Kohat Textile Mills Limited - KTM (www.kohattextile.com) is a public limited company incorporated in Pakistan in 1967 and its shares are listed on Pakistan Stock Exchange. KTM started its operations in the first quarter of 1970, and its success provided the catalyst for the subsequent blossoming and diversification of the Saif Group. The Saif Group (www.saifgroup.com) is one of Pakistan's leading industrial and services conglomerates, with primary operations in oil and gas exploration, power generation, textiles manufacturing, real estate development, healthcare services, information technology, and software development. KTM is a manufacturer & seller of good quality cotton and man made fiber yarn. The production facilities are situated in Saifabad, Kohat (Khyber Pakhtunkhwa) Pakistan while the Head office is situated in Islamabad - Pakistan.

With an installed capacity of 44,508 spindles, the Company has an annual production capacity of 10 million kgs. KTM manufactures and markets cotton cotton and manmade fibre yarn. KTM has developed a strong customer base in the domestic market.

International accreditation agencies validate quality manufacturing procedures. KTM holds certifications under ISO-9001:2015, ISO-14001:2015, ISO-45001:2015, ISO-50001-2018 and ISO-26000:2010. Additionally, KTM is certified by OEKO-TEX, BCI, GRS and RCS. The company has also received a credit rating of category A with a stable outlook from PACRA.

Quality Control is guaranteed through a carefully selected combination of modern European, Japanese and Chinese machinery supported by a sophisticated in-house laboratory and stringent quality control systems.

Along with 4.8 MW connection from WAPDA, KTM has also installed a 5.0 MW gas-fired Captive Power Plant and 5.1 MW solar power capacity to ensure a reliable and uninterrupted supply of electricity for the company's operations.



CORE VALUES

Our core values reflect the principles of “Knowledge”, “Trust” and “Meritocracy”.

- **K**nowledge: We believe in knowledge building accumulation by providing learning opportunities to our employees for their professional growth.
- **T**rust: We promote a culture of trust, honesty, respect and recognition for exceptional performance across the Company.
- **M**eritocracy: We foster meritocracies in hiring, rewarding and promoting the best people based on their merit.



Vision

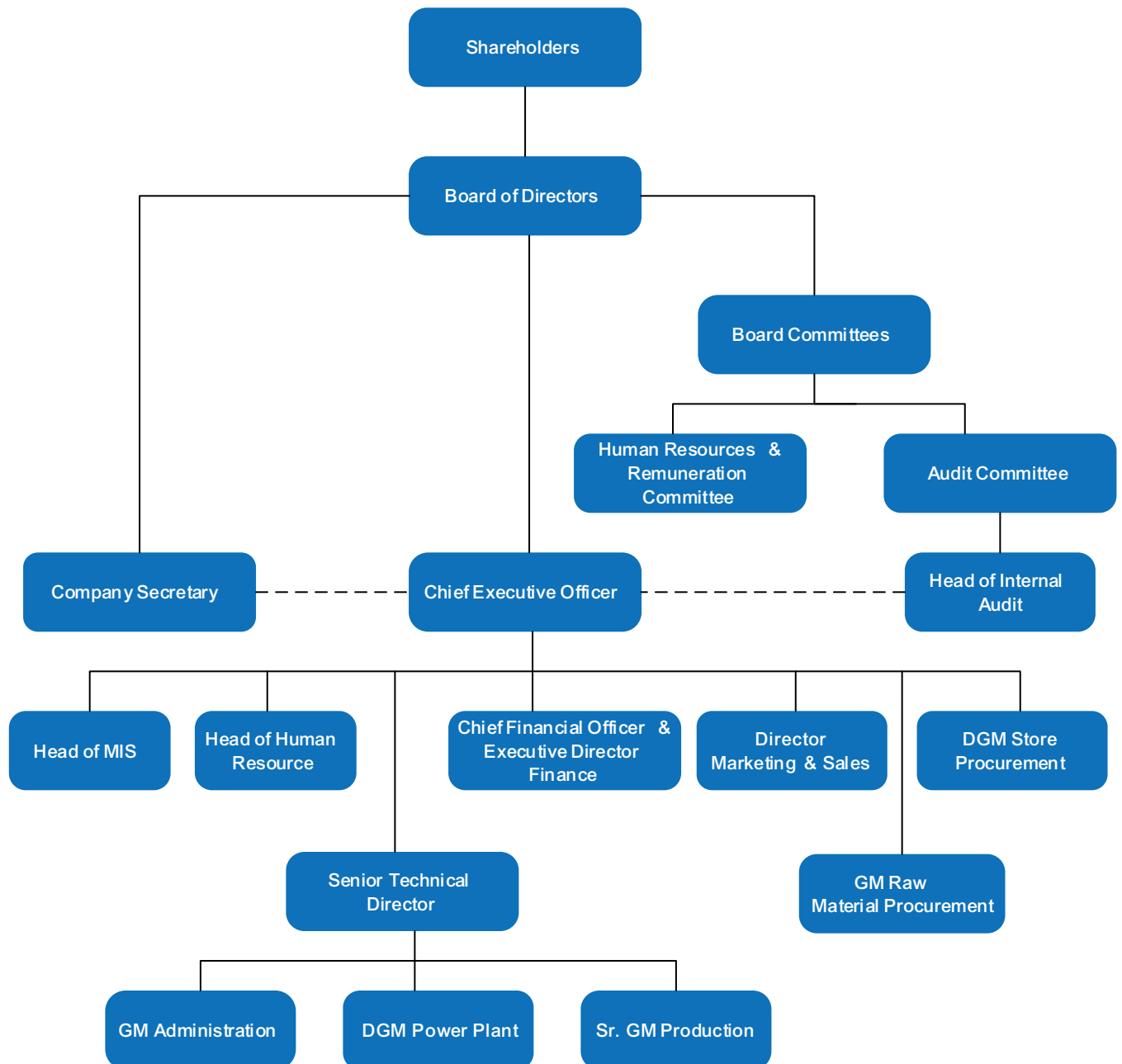
To attain market leadership through unmatched quality, a diverse and unique product mix, empowered employees, world class systems, and the highest ethical and professional standards.

Mission

- Give our shareholders a competitive return on their investment through market leadership, sustainable business growth and sound financial management.
- Earn and sustain the trust of our stakeholders through efficient resource management.
- Provide the highest quality products and services consistent with customer needs and continue to earn the respect, confidence and goodwill of our customers and suppliers.
- Foster a culture of trust and openness in order to make professional life at the Kohat Textile Mills Limited a stimulating and challenging experience for all our people
- Strive for the continuous development of Pakistan while adding value to the textile sector.



ORGANIZATIONAL CHART



TIME LINE

CELEBRATING 58TH YEARS OF EXCELLENCE (3RD GENERATION)

Solar Power Capacity
increase to 5.1 MW

Financial Position: Rs.10.10 billion

ISO Certified BCI, Oekotex & GRS

Pacra credit rating "A"

2025

Solar Power Capacity
increase to 2.1 MW

2023

Increase capacity
to 44,508 spindle

2022

Installation of 1MW
solar project
Increase capacity
to 38,460 spindle

2021

Achieving the milestone on
successfully completing 50 years
celebrating its Golden Jubilee

2019



Increase capacity to
35,280 spindle

2014

First export
consignment

1971

Listed on Stock
Exchanges of Pakistan
Sales: Rs.9.2 million
Profit: Rs.0.8 million

1970

Started Commercial
Production
Spindles: 12,480
No. of workers: 200

1969

Statement of
Financial Position:
Rs.2.8 million

1968

Establishment
in KPK

1967

DIRECTORS' PROFILE



Javed Saifullah Khan
(Chairman/Director)

Mr. Khan is a globally acclaimed business leader with deep and comprehensive expertise in introducing new projects in emerging markets. He has been serving as the Chairman of Saif Group for over three decades. He is also the Chairman of the Boards of Directors of Kohat Textile Mills Limited, Saif Power Limited (SPL), Saif Textile Mills Limited, and Saif Energy Limited. He also serves as Director of Saif Holdings Limited.

Under Mr. Khan's leadership, Saif Group have successfully established new businesses and developed projects in different sectors including Telecom, Power Generation, Healthcare, Textile, and Information Technology. It was his vision to set up SPL's power plant with gross capacity of 225 MWs which commenced commercial operations in April 2010. He is credited with launching Mobilink (now Jazz), the first ever GSM cellular company in the subcontinent, which is now the leading cellular company in Pakistan. He also developed Mediterranean Textile Company, located in Alexandria – Egypt, which produces yarn for the premium segment of the European shirting market.

Mr. Khan has served as Chairman of All Pakistan Textile Mills Association (APTMA) for two terms, Member Board of Directors of Pakistan International Airlines (PIA), and Board Member of Habib Bank Limited, and Member Board of Investment – Government of Pakistan.

He represented Pakistani employers in ILO meetings in Geneva twice, led APTMA delegation to ITMF conference in Cairo in 1984 and also represented Pakistan in textile quotas conference in Berlin in 1984. As a member of Prime Minister's entourage, he has visited USA, China, Germany and Italy.

In recognition of his expertise of Pakistan's corporate sector and his dedication to successfully attracting foreign direct investment into Pakistan, the Government of Pakistan awarded Mr. Khan the prestigious Sitara I Imtiaz, one of Pakistan's highest Civil Awards, in 2007.

Mr. Khan enjoys playing golf and takes keen interest in social welfare work, from the platform of Saifullah Khan Trust which serves the poor segment of society.

Mr. Khan graduated with a BA in Economics & History from Carnegie Mellon University and went on to receive his MBA from the University of Pittsburgh in 1973.



Barrister Assad Saifullah Khan
(CEO/Director)

Barrister Assad Saifullah Khan is the CEO of Kohat and Saif Textile Mills Ltd. and head of Legal Affairs for the Saif Group. As Head of the Legal Department he is responsible for coordinating all legal and contractual matters for Group subsidiaries and associated companies.

Barrister Assad Saifullah Khan brings with him the considerable experience gained through working in the UK and Pakistan. During his legal education, Barrister Assad Saifullah Khan worked with Orr, Dignam & Co (Islamabad) and as a caseworker for the current Deputy Leader of the Labor Party – the Right Honorable Harriet Harman MP, QC.

After completing the Bar Vocational Course, Barrister Assad interned for several months at J.D. Spicer & Co. a leading solicitor's practice in London, before moving back to Pakistan during the summer of 2007.

This was followed by a one-year tenure as an Associate at Hassan & Hassan (Lahore). Under the tutelage of Dr. Parvez Hassan, Barrister Assad handled company law cases and corporate work for several large multinationals.

Barrister Assad Saifullah Khan graduated from the University of Pennsylvania in 2004, majoring in History and Culture and a minor in French. He then moved to London to pursue his legal education by attaining his Common Professional Examination/ Graduate Diploma in Law from the College of Law in 2005, and certification in the Bar Vocational Course from the Inns of Court School of Law (ICSL) in 2007.



Anwar Saifullah Khan
(Director)

Anwar Saifullah Khan was the Co-Chairman of the Saif Group of Companies. He was also the Chairman of Saif Energy Ltd, a former Member of the Board of Directors of Pakistan Mobile Communications Ltd (Mobilink), and a former Member of the Policy Board of the Securities and Exchange Commission of Pakistan. He was also Chairman of Saif Textile Mills, Gadoon, and Kohat Textile Mills, Kohat.

Anwar Saifullah Khan joined the Civil Service of Pakistan in 1970. During his years in government service, he held key field and staff appointments, including Deputy Commissioner of Mardan and Kohat Districts. He served as Consul General of Pakistan in Montreal, Canada from 1980 to 1984. He resigned from the Civil Service in 1984 to join the Saif Group.

In the General Elections of 1988, Mr. Anwar S. Khan was elected to the National Assembly of Pakistan. Following the 1990 General Elections, he was elected to the Senate of Pakistan representing the NWFP and served as a Senator until March 1997. In the 2008 General Elections, Mr. Anwar S. Khan was elected from two constituencies to the North West Frontier Provincial Assembly from his native Lakki Marwat District.

During his service as a public representative, Mr. Anwar S. Khan held the following Cabinet positions:

Federal Minister for Environment and Urban Affairs (1991 to 1993) Federal Minister for Housing and Works (1993) Federal Minister for Petroleum and Natural Resources (1994 to 1996).

Mr. Anwar S. Khan is a third-generation elected public representative. He is a grandson of Khan Sahib Faizullah Khan who served as an elected member of the first NWFP Assembly representing the Lakki East constituency of Bannu District from 1937 – 46. Since then, family members have been elected in the 1962, 1970, 1977, 1985, 1988, 1990, 1993, 1997 & 2008 General Elections.

Anwar Saifullah – Khan holds an MA in Political Science from the University of Peshawar, an MA in Politics, Philosophy and Economics from Christ Church – the University of Oxford and a master's in Public Administration from the University of Southern California, USA. He has played tennis since childhood and served as the Pakistan Tennis Federation's president from 1996 to 2001. He frequently attended the Wimbledon Tennis Tournament.



Hoor Yousafzai FCA
(Director)

Hoor Yousafzai is the CEO of Saif Holdings Ltd, which is the holding company of Saif Group of Companies. In addition to being on the Boards of various Saif Group companies, she is also the Chairperson of the Board of Directors of Saif Power Ltd and Saif Healthcare Ltd. She is the CEO of Akbar Kare Institute, a leading institute that aims towards improving the lives of families with children suffering from lifelong disabilities due to Cerebral Palsy and Spina Bifida, irrespective of their wealth, class, or creed.

A seasoned, outcome-oriented leader and finance expert with over 21 years of experience, she has been actively responsible for establishing long-range goals, strategies, plans, and policies of Saif Group, with a primary focus on corporate taxation, regulatory compliance, project evaluations, and business sustainability.

Before joining Saif Group, Mrs. Yousafzai completed her CA articles in KPMG Chartered Accountants, Pakistan. In addition to being a Fellow Chartered Accountant, she also has a Master's Degree in Computer Science and Economics. She is an avid learner and received numerous distinctions during her educational years.



Asif Saifullah Khan
(Director)

Asif Saifullah Khan joined the Board of Saif Holdings Limited in 2020. After graduating from the University of Cambridge, he began his legal career in the corporate finance team of an international law firm in London. He then worked as legal counsel at asset management firms in London and Dubai. Throughout his legal career, Mr. Asif has been responsible for corporate, commercial, and regulatory compliance matters, dealing with significant stakeholders and regulators, including the London Stock Exchange, Bank of England, and the Financial Conduct Authority.

More recently Mr. Asif has worked with start-ups and SMEs in the technology sector advising on corporate, commercial, and fundraising matters.

He has a BA in International Studies and Arabic from Emory University, USA and an MA in Law from the University of Cambridge, UK. He was called to the Bar of England & Wales in 2011. He is an Advocate, Lahore High Court and a qualified Solicitor in England & Wales.



Rana Muhammad Shafi
(Director)

Rana Muhammad Shafi is an Advisor to the Board of Director of Saif Group of Companies. He advises the BOD for Investments, mergers and acquisition on new ventures and on financial matters of Saif Group Companies. He also advises on securitization of assets, treasury functions for acquisitions of funds for new projects and dealing with capital markets. He is also BOD member of Saif Textile Mills Limited and Saif Power Limited.

He has over 53 years of rich and varied experience in the field of Cost and Management Accounting, Financial & Corporate Accounting, Administration, Management control, Treasury & Financial Management. He has been associated with Saif Group since January 1981 and has worked in the capacities of Cost & Management Accountant, Chief Accountant, Commercial Manager, General Manager Finance, Executive Director Finance and Chief Financial Officer.

He is a certified director under Listed Companies (Code of Corporate Governance), Regulations, 2019. He has conducted a number of workshops on corporate accounting, leadership management and treasury financing. Before joining Saif Group, he has been associated with Ali Textile Mills Ltd., Jhang, Mansoor Textile Mills Ltd., Lahore and Nishat Mills Ltd. Faisalabad.

He holds a Master's Degree in Commerce from the University of Punjab and Cost and Management Accountant Finalist from Institute of Cost and Management Accountants of Pakistan.



Abdul Rehman Qureshi
(Director)

Mr. Abdul Rehman Qureshi is a member of the company's Board elected as an independent director. He is law graduate of the Punjab University, Lahore and possesses a vast and varied experience in various capacities as Chairman, Commissioner, Advisor and Chief Legal Affairs while working at senior level in the erstwhile Corporate Law Authority (CLA) and the Securities and Exchange Commission of Pakistan (SECP), the apex regulator of the Capital Market, Non-Banking Finance Companies, Insurance Industry and the entire corporate sector. He has been on the faculty of the International Islamic University, Islamabad (evening classes), teaching company law and comparative securities laws. He has also been Member, Board of Governors of the Institute of Management Sciences, Peshawar. Mr. Qureshi attended several international courses, seminars, training programs and workshops on various subjects related to corporate laws and corporate governance particularly in the countries like Australia, Japan, India, USA and U.K. Besides, he acted as members of various committees and commissions constituted to review and revamp the corporate laws namely the company law, Securities Law, Insurance Law, and Banking Laws. He has been associated to prepare the final draft of the Companies Act, 2017.



Sardar Aminullah Khan
(Director)

Sardar Aminullah Khan joined the Inland Revenue Service of Pakistan in 1977 in BS-17 through CSS exam and retired after serving as Member, Chief Commissioner, Additional Commissioner, Deputy Commissioner and Assistant Commissioner in Income Tax department of Federal Board of Revenue. He served for 35 years in several Government departments within and outside Pakistan in various capacities. He has been engaged in tax management, project management, cooperative housing management, social clubs management, investment promotion, framing and interpretation of laws on investment and taxation, trade and economy, tax reforms etc. His last held position was Director General, KP Revenue Authority in 2014.

He served in embassy of Pakistan Beijing China from 2008 to 2011 as Economic Minister. After retirement, he joined Ghulam Ishaq Khan Institute of Engineering Sciences and Technology as Pro-Rector Administration and Finance.

MANAGEMENTS' PROFILE



Abid Hussain
(Chief Financial Officer)

Abid Hussain is the Chief Financial Officer of Kohat Textile Mills Ltd.,(KTM) leveraging over 39 years of extensive experience in financial leadership, tax planning, budgeting, and strategic financial management. From 2008 to 2016, he also managed the financial and operational affairs of a Saif Group Company namely Mediterranean Textile Company in Alexandria, Egypt.

He has successfully driven numerous strategic initiatives that have resulted in sustained financial performance, improved operational efficiency, significant cost reductions, and revenue growth. His unwavering commitment to robust financial stewardship and innovative strategies enhances the Company's fiscal discipline and aligns with its strategic objectives. Additionally, he takes step to introduce renewable clean and green solar energy project at KTM to mitigate the environmental impact and optimize production costs. He also takes initiatives in respect of corporate social responsibility by providing free facilities to employees and local community such as social security dispensary and a school.



Badar Us Samee
(Senior Technical Director)

Badar Us Samee, a Textile Engineer from National Textile University Faisalabad, brings 31 years of industry experience to his role as Senior Technical Director. He has progressed through various positions, demonstrating his extensive expertise in export and local quality yarn manufacturing. His specialization includes a wide range of yarns such as carded/combed, PC/CVC, synthetic, and blended fibers, as well as specialty yarns like Bamboo, Tencel, and Melange. Additionally, Mr. Samee excels in project planning, management, and HR/administration affairs, contributing significantly to both technical advancements and operational efficiency in the textile sector.



Amir Badshah
(Director Marketing & Sales)

Amir Badshah holds a Master's degree in Economics from the University of Peshawar and brings 25 years of professional experience to his role, he currently served as Director of Marketing & Sales. Renowned for his expertise in new product development, he has played a crucial role in introducing innovative trends to the textile market. His strategic vision and deep industry knowledge have significantly enhanced the company's market presence and growth. Mr. Badshah's leadership continues to drive excellence in sales and marketing, positioning the company at the forefront of industry developments and ensuring sustained success in a competitive landscape.



Umar Shahzad
(Company Secretary)

Umar Shahzad is a Fellow Member of the Institute of Corporate Secretaries of Pakistan. He holds an LLB and a Master's degree from the University of the Punjab and is a Certified Director from the Pakistan Institute of Corporate Governance (PICG). With over 28 years of professional experience in national and multinational organizations, he has extensive expertise in Accounting, Financial Controls, Investment Management, Corporate Compliance, and Legal Affairs. Renowned for his ability to design and implement robust policies and procedures for listed companies, he ensures strict compliance with laws and regulations. His dedication to governance and regulatory excellence makes him a valuable asset to any organization.



Saad Gul Karori
(GM Accounts & Finance)

Saad Gul Karori, a fellow member of the Association of Chartered Certified Accountants (UK) and a finalist with the Institute of Chartered Accountants of Pakistan, joined the company in 2017 as Manager Accounts. With a strong background in finance, accounts, corporate law, and audit, Saad has progressed through various roles and is now the General Manager of Finance & Accounts. His diverse expertise and strategic insights have been pivotal in shaping the company's financial management. Additionally, he served as Company Secretary in 2019, further demonstrating his broad skill set and leadership within the organization.

MANAGEMENTS PROFILE



Muhammad Adeel Raza
(Head of Internal Audit)

Muhammad Adeel Raza joined the Company as Head of Internal Audit in January 2024. A fellow member of PIPFA and ICAP finalist, he also holds a Master's degree from BZU, Multan. With over 8 years of experience in accounting, finance, taxation, ERP, and auditing, he has a distinguished background with a leading audit firm and a prominent listed sugar company. As a skilled financial data analyst, he excels in applying advanced analytical and audit techniques to enhance work efficiency. His expertise has significantly refined our internal audit processes, bolstered controls, and improved risk management, driving greater transparency in the Company's operations.



Ikram Ullah Khan
Senior General Manager (Technical)

Ikram Ullah Khan, a dedicated textile professional with a BSc in Textile Spinning from National Textile University Faisalabad, has been with the company since September 1999. With 26 years of experience in spinning, he currently serves as Senior General Manager (Technical). Mr. Khan's expertise encompasses a wide range of fibers, blends, and yarn counts, and he is committed to maintaining high-quality standards and industry best practices. His pivotal role in optimizing production processes and ensuring excellence in manufacturing underscores his strong management skills and his significant contribution to operational efficiency and product quality.



Safi Ullah Khan
(General Manager Raw Material Procurement)

With a distinguished career spanning over 33 years in the field of costing, Safi Ullah Khan brings a wealth of expertise and experience to his role as General Manager Raw Material Procurement at KTM. Mr. Khan embarked on his professional journey in 1993, joining KTM with a vision to drive excellence in raw material management and cost efficiency. Mr. Khan holds a Master's degree in Economics from Gomal University, which has significantly contributed to his profound understanding of economic principles and their application in business.



Muhammad Ashraf
(DGM Power Plant)

Muhammad Ashraf is a diligent employee of the Company since June 2011, now serve as head of Power division. He completed his qualification in Electrical from Government Vocational Institute Johar Abad. Joining as a Plant In-charge, he brings a wealth of expertise in Power Plant and Electrical systems. His 15 years of experience in power plants have greatly contributed to the advancement of the Power Plant department. Mr. Ashraf's diligent work and technical acumen have significantly enhanced operational efficiency and reliability within the department, ensuring robust power plant performance and supporting the company's overall operational success.



Adnan Janjua
(DGM Procurement)

Adnan Janjua, an MBA in Marketing, brings 21 years of expertise in Textile Spare Parts Procurement and 11 years in Supply Chain Management within the Solar Industry. Currently overseeing procurement operations, Mr. Janjua plays a pivotal role in managing procurement across multiple sectors and locations. His extensive experience and strategic insight are crucial in optimizing procurement processes and enhancing supply chain efficiency. His leadership ensures effective resource management and supports the company's operational success and growth across diverse industry sectors.



Fahad Saleem
(Head HR)

Fahad Saleem, Head of HR, has been with the company since 2006. He holds a BS in Computer Science and a Master's degree in Business Administration with a specialization in Human Resources. With 10 years of extensive experience in managing HR functions, administration, and employee relations, Mr. Fahad Saleem has demonstrated exceptional leadership and communication skills. His ability to effectively manage cross-functional teams and build strong relationships with diverse stakeholders has been pivotal in driving HR initiatives and fostering a collaborative work environment, contributing significantly to the company's overall success and organizational culture.

NOTICE OF 59TH ANNUAL GENERAL MEETING

NOTICE is hereby given that the **59thAnnual General Meeting** of **Kohat Textile Mills Limited** (the Company) will Insha'Allah be held on **Friday, October 24, 2025 at 11:00 a.m.** at its registered office, **APTMA House Tehkal Payan, Jamrud Road, Peshawar**, to transact the following business:

• **ORDINARY BUSINESS:-**

1. To confirm the minutes of the last Annual General Meeting of the Company held on October 25, 2024.
2. To receive, consider and adopt the annual audited Financial Statements of the Company together with the Chairman's Review, the Directors' and Auditors' Reports thereon for the year ended June 30, 2025.
3. To approve final cash dividend 10 % i.e. Re. 1 /- per share for the year ended June 30, 2025 as recommended by the Board of Directors, in addition to Re.1/- interim cash dividend already paid during the year.
4. To appoint auditors and fix their remuneration for the year ending June 30, 2026. A notice pursuant to the provisions of sub-section (2) of section 246 of the Companies Act, 2017 is hereby given that the Board upon recommendation of the Audit Committee has recommended the name of M/s Shinewing Hameed Chaudhri & Co., Chartered Accountants, who being eligible, have offered themselves for re-appointment as external auditors of the company after obtaining their consent.

• **SPECIAL BUSINESS:-**

5. To consider and if deemed fit, approve and ratify the transactions already executed and to be executed by the Company with the related parties in its ordinary course of business by passing the following special resolution:-

"RESOLVED THAT the Company be and is hereby authorized to share common expenses with its associated companies including M/s. Saif Textile Mills Limited. The common expenses may include but not limited to office rents, administrative salaries, utility expenses, repair and maintenance and other miscellaneous expenses

etc. (collectively the "Administrative Expenses"), in respect of its joint offices.

RESOLVED FURTHER THAT the transactions entered into by the Company in its ordinary course of business with the related parties during the year ended June 30, 2025 as disclosed in notes to the Financial Statements are hereby ratified and approved.

ALSO RESOLVED THAT the Chief Executive of the Company be and is hereby authorized to execute/ approve all the transactions to be carried out in its ordinary course of business with Related Parties during the ensuing year ending June 30, 2026 and in this connection the Chief Executive be and is hereby also authorized to take any and all necessary actions and to sign execute any and all such documents/ indentures as may be required in this regard on behalf of the Company."

A statement of material facts as required under Section 134(3) of the Companies Act, 2017 in respect of Special Business to be transacted at the Annual General meeting is annexed.

6. To transact any other business with the permission of the Chair.

BY ORDER OF THE BOARD



Umar Shahzad

Place: Peshawar

Date: October 02, 2025

Company Secretary

NOTES:

1. The Shares Transfer Books of the Company will remain closed from October 18, 2025 to October 24, 2025 (both days inclusive). Transfers received in order at the office of the Company's Shares Registrar M/s Hameed Majeed Associates (Pvt) Limited, HM House, 7-Bank Square, Lahore by the close of business on dated October 17, 2025 will be treated in time.

NOTICE OF 59TH ANNUAL GENERAL MEETING

2. Circulation of Annual Report through QR Code and through Web-link: In accordance with Section 223 of the Companies Act, 2017 and pursuant to SRO 389(I)/2023 dated 21 March 2023 of the Securities & Exchange Commission, the Company obtained members' approval at the 57th Annual General Meeting held on 27 October 2023 to circulate the Annual Report to members through a QR-enabled code and web-link. The Annual Report is available on the Company's website and can be downloaded through the following QR code and web-link.



<https://kohattextile.com/investor-information/#rep>

3. The Company has electronically transmitted the Annual Report 2025 via email to members whose email addresses are available with the Company's Share Registrar, M/s Hameed Majeed Associates (Pvt) Limited while printed notices of the AGM, along with the web link and QR code to download the Annual Report, have been sent to members whose email addresses are not available. The Company will provide hard copies of the Annual Report to any member upon request, at their registered address, free of cost, within one week of receiving such a request, if the request is made by the member using the standard request form available on the Company's website or by email at ca.ktml@saifgroup.com.
4. Members or proxies who wish to attend the AGM via video link or other electronic means are requested to email the Company a clear copy of both sides of their valid Computerized National Identity Card (CNIC) along with their Name, Folio Number, Cell number, and Number of Shares held. Please use the subject 'Registration for AGM of KTM' and send this information/document to umar.shahzad@saifgroup.com at least 48 hours before the time of the AGM. Only those members whose names appear in the Register of Members of the Company as at October 17, 2025, will be

entitled to attend and vote at the AGM.

5. A member entitled to attend and vote at the meeting may appoint another person/member as a proxy to attend, speak and vote on behalf of him/her. Forms duly stamped with Rs.50/- revenue stamp, signed and witnessed by two persons, in order to be valid must be received at the Registered Office of the Company not later than 48 hours before the time of holding the meeting.
6. Any individual beneficial owners of CDC, entitled to attend and vote at the meeting must bring his/her CNIC or passport to prove his/her identity and the proxy shall produce his/ her original CNIC or passport. In case of corporate members, the Boards' resolution or power of attorney with specimen signatures of the nominee shall require to be produced at the time of the meeting.
7. Members are requested to submit an attested photocopy of their valid Computerized National Identity Cards (CNICs) as per SECP's direction, if not provided earlier.
8. Change in Address: Members are requested to promptly notify any change in their address.
9. E-Voting / Voting by Postal Ballot: The Company shall provide its members with facilities for e-voting and voting by postal ballot for all businesses classified as special business, in accordance with the provisions of the Companies (Postal Ballot) Regulations, 2018.
- E-Voting Procedure: a) Details of the e-voting facility will be shared through an e-mail with those members who have their valid CNIC numbers, cell numbers and registered e-mail address available in the register of the members of the Company by the close of business on October 17, 2025. b) E-voting facility will be available to eligible members from October 21, 2025, 9:00 am and shall close on October 23, 2025 at 5:00 pm. c) Members can cast their votes at any time in this period. Once the vote on a resolution is cast by a member, he/she shall not be allowed to change it subsequently.
10. Pursuant to Section 132(2) of the Companies Act, 2017 if the Company receives consent from members holding in aggregate 10% or more shareholding residing in a geographical

NOTICE OF 59TH ANNUAL GENERAL MEETING

location to participate in the meeting through video conference, the Company will arrange video conference facility in that city subject to availability of such facility in that city. To avail such facility, please fill the following form and submit to the registered address of the Company atleast seven (07) days before the date of the annual general meeting.

I/ We, _____
_____ of _____, being a
member of Kohat Textile Mills Limited, holder
of _____ Ordinary Shares as per
Register Folio No. / CDC A/C No. _____
hereby opt for Video Conference facility at
_____.

Signature of member

11. DIVIDEND PAYMENTS THROUGH ELECTRONIC MODE:

In order to receive the future dividends through electronic mode as per requirements of Section 242 of the Companies Act, 2017, members are requested to provide the following detail to our share registrar M/s Hameed Majeed Associates (Pvt.) Limited:

Name of Member	
Folio / CDS Account No.	
CNIC	
Email	
Title of Bank of Account	
Bank Account (IBAN) Number (24-Digits)	
Bank's Name	
Branch Name and Address	
Contact No.	

12. Pursuant to Section 244 of the Companies Act, 2017 any shares issued, or dividend declared by the Company which remains unclaimed or unpaid for a period of three years from the date it became due and payable shall vest with the

Federal Government after compliance with the procedures prescribed under the Companies Act, 2017. Members, who for any reason, could not claim their dividend, are advised to contact our Share Registrar M/s Hameed Majeed Associates (Pvt) Limited, HM House, 7-Bank Square, Lahore and collect/ enquire about their unclaimed dividend. In compliance with Section 244 of the Companies Act, 2017, after having completed the stipulated procedures, all such dividend(s) appearing as outstanding for a period of 3 years or more from the date due and payable shall be deposited to the Federal Government.

13. As per Section 72 of the Companies Act, 2017 every company is required to replace its physical shares with book-entry form. Members having physical shares are therefore requested to open CDC sub-account with any of the brokers or Investor Account directly with CDC to place their physical shares into book-entry form. This will facilitate them in many ways including safe custody/online trading of shares, easy transfer of ownership, no risk of damage/lost/duplicate shares, instant credit of entitlements (bonus/right issue) etc.
14. As per SECP's SRO 452 dated March 17, 2025, no gifts shall be distributed at the General Meetings.

STATEMENT OF MATERIAL FACTS U/S 134(3) OF THE COMPANIES ACT, 2017

Agenda no. 5:

The transactions conducted with associated companies require the approval of the Board on the recommendation of the audit committee on the quarterly basis pursuant to clause 15 of the Listed Companies (Code of Corporate Governance) Regulations, 2019. However, since a majority of the company's directors were interested in the said transactions due to their common directorship and holding of shares in the associated companies, the quorum of the directors could not be formed for approval of these transactions pursuant to section 207 of the Companies Act, 2017, thus, these transactions are being placed before the members for their approval.

I am pleased to present my review of the overall performance of the Board of Directors (the "Board") of Kohat Textile Mills Limited (the Company) and its effectiveness in achieving the Company's objectives for the year ended June 30, 2025.

The Board has diligently carried out its duties in the best interests of the Company's shareholders, effectively and efficiently managing the Company's affairs. The Company remains committed to adhering to the best practices of corporate governance and complies with all relevant requirements of the Companies Act, 2017, and the Listed Companies (Code of Corporate Governance) Regulations, 2019 (The Code), pertaining to the composition, meetings, and procedures of the Board and its Committees.

For the financial year ended on June 30, 2025, an annual evaluation of the Board was conducted in accordance with the directives of the Code. I am delighted to report that the Board has diligently fulfilled its duties in compliance with the law and in the best interests of the Company and its shareholders. The overall performance of the Board was assessed based on several factors, including its adherence to the vision, mission, and values; active involvement in strategic planning; policy formulation; oversight of the organization's business activities; supervision of financial resource management; effective fiscal control; and unbiased treatment of all employees. The Board has ensured that it maintains adequate representation of non-executive, independent, and female directors on both the Board and its committees, as mandated by the Code. Additionally, the members of the Board and its respective committees possess the necessary skills, experience, and knowledge to effectively manage the Company's affairs.

The Board diligently and consistently oversees and monitors performance of the Company and its sub-committees. The Board has formulated short, medium, and long-term plans to achieve its strategic goals. During the financial year 2024-25, the Board made significant contributions to the Company by fulfilling the following functions:

- Performed effective and robust oversight of the Company's operations
- Ensured the quality and appropriateness of financial reporting and the transparency of disclosures in annual and quarterly financial statements
- Conducted risk assessment, especially, of regulatory and legal requirements, market trends, raw material supply and price, energy availability and cost, interest rate and liquidity risks
- Ensured that the adequate system of internal controls is in place with regular reviews through self-assessment mechanism and internal audit activities
- Oversaw the governance and management of the Company's sustainability risks and opportunities, including environmental, social, and governance (ESG) considerations.
- Promoted diversity, equity, and inclusion (DE&I) to support gender equality.



(Javed Saifullah Khan)

Chairman

Place: Islamabad

Date: September 30, 2025

DIRECTORS' REPORT TO THE MEMBERS

Dear Members,

The Directors of Kohat Textile Mills Limited are pleased to present 59th Annual Report along with audited financial statements and auditor's report thereon for the year ended June 30, 2025.

This report has been prepared in accordance with Section 227 of the Companies Act, 2017 and Listed Companies (Code of Corporate Governance) Regulations, 2019 and will be submitted to the shareholders at the 59th Annual General Meeting of the Company to be held on October 24, 2025.

Financial review

The principal business activity of the Company is the manufacturing and sale of yarn.

During the year, sales increased from Rs. 8.0 billion to Rs. 8.3 billion, reflecting a growth of 4% year-on-year, primarily driven by higher prices. Despite the unprecedented rise in gas tariff, the Company successfully sustained its profitability, posting a pre-tax profit of Rs. 476 million, representing a robust growth of 47%. The improvement in profitability was further supported by a reduction in financing costs.

The Company remained regular in its debt servicing obligations with all banks, while its plant continued to operate at full capacity throughout the year.

Earnings per Share

The basic and diluted earnings per share is Rs.13.50 (2024: Rs. 10.29).

Dividend

The Directors have recommended a final cash dividend @ 10% (2024: 10%), which is in addition to Re.1/- (10%) interim cash dividend already paid during the year.

Accordingly, appropriation of profit will be as under:

	2025	2024
	Rs.'000	
Profit available for appropriation	280,766	214,117
Appropriation:		
Interim Cash dividend 10% (2024: Nil)	20,800	-
Final Cash dividend 10% (2024: 10%)	20,800	20,800
	41,600	20,800
Un-appropriated profit carried forward	239,166	193,317

Holding company

Saif Holdings Limited, incorporated in Pakistan, is the holding company of Kohat Textile Mills Limited with 75.56% shareholding.

Certifications

The Company is certified by ISO in following:-

- 9001:2015 (Quality Management Systems)
- 45001:2018 (Occupational Health & Safety Management Systems).
- 14001:2015 (Environment Management Systems)
- 26000:2010 (Corporate Social Responsibility Management Systems).
- 50001:2018 (Energy management Systems).

In addition, the company is also certified as follows:

- Global Recycled Standard (GRS)
- Recycled Claim Standard (RCS)
- Better Cotton Initiative (BCI)
- Oeko-Tex Standard 100

Credit Rating Certification

The Company's credit rating is maintained as "A" with stable outlook by Pakistan Credit Rating Agency (PACRA).

Debt repayment

The Company has adopted an effective cash flow strategy whereby cash inflows and outflows are monitored vigilantly. Efficient financial management has enabled the Company to meet its financial commitments.

Future Outlook

The outlook for Pakistan's economy is gradually improving, with declining inflation, monetary easing, and reform measures under the government's Uraan Pakistan program creating a more supportive environment for businesses. These positive developments are expected to stimulate industrial activity and strengthen investor confidence, although challenges such as high debt levels, external sector pressures, and

DIRECTORS' REPORT TO THE MEMBERS

energy constraints will require sustained policy attention. For the textile sector, stable demand in both domestic and export markets, supported by lower financing costs and government initiatives, provides a strong platform for growth. With consistent policy support, reliable energy supply, and a continued shift towards value-added products, the textile industry is well-positioned to deliver sustainable growth and contribute significantly to Pakistan's exports and economic progress in the coming year.

During the year, the Company's new 3MW solar energy project successfully became operational, enhancing the total installed solar capacity to 5.1MW. This capacity is now sufficient to fully meet the factory's energy requirements, ensuring sustainability and cost efficiency in operations. Furthermore, to enhance efficiency and competitiveness, new machinery procured under the Company's Balancing, Modernisation and Replacement (BMR) plan is in the commissioning phase after the balance sheet date. This strategic investment is expected to increase revenues, reduce operating costs, and further strengthen overall profitability in the long run.

Chairman's review

The Chairman's review is included in annual report briefly explaining the overall performance of the Board of Directors along with performance of the Board members and its committees and their effective role in meeting the challenges being faced. The Directors endorse the contents of the Chairman's review.

Corporate governance and Financial Reporting Framework

The Directors are fully cognizant of its responsibilities as laid down in the Code of Corporate Governance issued by the Securities and Exchange Commission of Pakistan and form a part of the Listing Regulations of the Pakistan Stock Exchange.

We confirm that

- a. The financial statements together with the notes thereon have been drawn in conformity with the Companies Act, 2017 and International Financial Reporting Standards as applicable in Pakistan. These financial statements present fairly its state of affairs, the result of its operations, cash flows and changes in equity.
- b. Proper books of the accounts have been maintained by the Company.
- c. Appropriate accounting policies have been consistently applied in preparation of financial statements and accounting estimates are based on reasonable and prudent judgment.
- d. The system of internal control is sound in design and has been effectively implemented and monitored. The process of monitoring internal controls will continue as an ongoing process with the objective to further strengthen the controls and bring improvements in the system.
- e. Chief Executive and Chief Financial Officer duly endorsed the financial statements before the approval of the Board.
- f. International Financial Reporting Standards, as applicable in Pakistan have been duly followed in preparation of the financial statements. Any departure thereof has been adequately disclosed and explained.
- g. All liabilities in regard to the payment on account of taxes, duties, levies and charges have been fully provided and will be paid in due course or where claim was not acknowledged as debt the same are disclosed as contingent liabilities in the notes to the financial statements.
- h. There is no significant doubt about the Company's ability to continue as a going concern.
- i. There has been no material departure from the best practices of Corporate Governance.
- j. We have an Audit Committee, and HR & Remuneration Committee the members of which are from the Board of Directors and the Chairman of both committees is an independent director.
- k. The Board has adopted a Vision, Mission and a Statement of Overall Corporate Strategy.
- l. The key operating and financial data of the Company for last six years is given below;

DIRECTORS' REPORT TO THE MEMBERS

Year ended	30-Jun					
	2025	2024	2023	2022	2021	2020
Property, plant & equipment (Rs. In 000')	6,240,427	4,987,986	5,051,423	4,985,146	2,923,789	2,477,022
Net worth (Rs. In 000')	4,606,708	3,910,444	3,709,061	3,624,882	1,949,002	1,651,295
Sales (Rs. In 000')	8,253,381	7,964,142	5,952,262	4,930,819	3,620,143	2,590,719
Gross Profit (Rs. In 000')	1,203,783	1,219,519	847,126	857,360	744,710	213,054
Profit from operations (Rs. In 000')	926,897	924,080	610,332	651,149	578,516	103,774
Profit / (loss) before taxation (Rs. In 000')	475,970	324,364	140,145	450,840	466,633	(76,881)
Earnings / (loss) per share (Rs.)	13.5	10.29	4.09	14.05	15.01	(3.14)
No. of spindles installed	44,508	44,508	44,508	44,508	38,460	35,280

Material Changes and Commitments

There have been no material changes and commitment affecting the financial position of the Company that have occurred between the end of the financial year of the Company to which the Statement of Financial Position relates and the date of the report, other than disclosed in the Financial Statements, or in this report.

Modernization & expansion

Your Company is committed to modernize and expand production line according to rapidly changing technology.

Composition of the Board

The Board of Directors as at June 30, 2025 consist of;

Directors	Numbers	Composition	Numbers
a) Male	7	a) Independent Directors	2
b) Female	1	b) Other Non-Executive Directors	4
		c) Executive Director	1
		d) Female Director	1

Human Resource & Remuneration Committee

The Human Resource & Remuneration Committee meeting is held to review and recommend the compensation and development policies relating to the employees' remuneration and to approve all matters relating to the remunerations of the executive director and key management.

Following are the members of the committee:

- 1- Abdul Rehman Qureshi (Chairman)
- 2- Barrister Assad Saifullah Khan
- 3- Hoor Yousafzai

Board Audit Committee (BAC)

The Board Audit Committee assists the Board primarily in reviewing and reporting financial information, systems of internal control and risk management and the audit process. It has the autonomy to call for information from management and to consult directly with the external auditors

DIRECTORS' REPORT TO THE MEMBERS

or advisors as considered appropriate. Committee meets in each quarter. After each meeting, the Chairman of the Committee reports to the Board.

Following are the members of the committee:

- 1- Abdul Rehman Qureshi (Chairman)
- 2- Sardar Aminullah Khan
- 3- Rana Muhammad Shafi

Board of Directors along with Attendance of Board Meetings

During the year four meetings of the Board of Directors, four meetings of the Board Audit Committee and one meeting of the HR & remuneration Committee were held. Attendance of the Director is as under:

Sr. #	Director	Category	Committees		Attendance		
			Board Audit Committee	HR & Remuneration Committee	Board Of Directors	Board Audit Committee	HR & Remuneration Committee
1	Javed Saifullah Khan	Non-Executive Director	-	-	4/4	-	-
2.	Anwar Saifullah Khan	Non-Executive Director	-	-	-	-	-
3.	Assad Saifullah Khan	Executive Director	-	ü	4/4	-	1/1
4.	Hoor Yousafzai	Non-Executive Director	-	ü	2/4	-	1/1
5.	Asif Saifullah Khan	Non-Executive Director	-	-	4/4	-	-
6.	Sardar Aminullah Khan	Independent Director	ü	-	3/4	1/4	-
7.	Abdul Rehman Qureshi	Independent Director	ü	ü	4/4	4/4	-
8.	Rana Muhammad Shafi	Non-Executive Director	ü	-	4/4	3/4	-

In February 2025, Osman Saifullah Khan resigned from the Board of Directors, and Anwar Saifullah Khan was subsequently appointed in due course to fill the vacancy.

Leave of absence was granted to the Directors who were unable to attend above meetings.

Code of conduct

As per the Corporate Governance guidelines, the Company has prepared Code of Conduct and communicated throughout the Company.

Evaluation on Board performance

The Board of Directors comprises of highly professional individuals. All members possess reasonable qualifications, high caliber and diversified experience. Furthermore, they have in-depth knowledge of business processes and strategic vision.

The evaluation of Board's role of oversight and its effectiveness is continual process, which is appraised by the Board itself. The board has adopted a highly structured process to evaluate its own performance, as well as individual performances of every member. Comprehensive questionnaires are developed in the conformity with Code of Corporate Governance and International best Practices. The core areas of focus are:-

- I) Alignment of corporate goals and objectives with the vision and mission of the Company;
- II) Strategy formulation for sustainable operation;
- III) Board's independence; and
- IV) Evaluation of Board's Committees performance in relation to discharging

DIRECTORS' REPORT TO THE MEMBERS

their responsibilities set out in respective terms of reference

The overall performance of the board remained satisfactory.

Review of CEO's performance

The performance of the CEO is formally appraised through the evaluation system which is based on quantitative and qualitative values. It includes the performance of the business, the accomplishment of objectives with reference to profits, organization building, succession planning, corporate success and compliance with applicable regulatory requirements.

Director's training

The directors of the Company are adequately trained to perform their duties, and are aware of their powers and responsibilities under the Companies Act 2017 and the regulations of PSX rule book.

Directors' Remuneration

The remuneration of the Board members is approved by Board itself. However, in accordance with the Code of Corporate Governance, it is ensured that no director takes part in deciding his/her remuneration. The Company does not pay remuneration to non-executive directors except fee for attending the meetings. There is only one executive director who is also the Chief Executive Officer of the Company. Please refer to note 41 of the notes to financial statements for information on remuneration of Chief Executive Officer and Directors for the year ended June 30, 2025.

Statement of Ethics & business practices

The Statement of Business Ethics and Core Values provide the framework on which the Company conducts its business. The Board of Directors and the employees of the Company

are the custodians of the excellent reputation for conducting our business according to the highest principles of business ethics. The following principles constitute the business ethics & the core values of the Company.

- Demonstrate Honesty integrity, fairness and ethical behavior when interacting within or outside the organization.
- Compliance with all Laws & Regulations as a good corporate citizen.
- Commitment to run the business in an environment that is sound & sustainable.
- Belief in the principles of reliability, credibility and transparency in business transactions.
- To be an equal opportunity employer.
- Safeguard shareholder's interest.
- Ensure Health & Safety environment to protect our people, neighbors, customers & visitors.
- Encourage the business challenges.
- Investment in Human Capital.
- Proper Financial disclosure of the conflict of interest transactions if any.
- Accountability & responsibility.
- Good & effective public relations.
- Promotion of culture of excellence by exceeding the expectations of all stakeholders.
- Customer satisfaction for continued growth.
- Encourage employees to be creative & innovative.
- Respect for all stakeholders.
- Reliable & dependable supplier, enhancement of profitability to benefit

shareholders, employees and the Government.

Safeguarding of Records

The Company puts great emphasis on storage and safe custody of its financial records. The access to electronic documentation has been secured through implementation of a comprehensive password protected authorization system. Remote disaster recovery sites have been adequately set up for maintaining backup server and data in case our primary server encounters any issues.

Human Capital Management

During the year, efforts were made to increase the efficiency & accountability of employees, while improving services to our customers and streamlining our administration. Company remains passionate about promoting and maintaining a positive culture of employees and attracting, retaining & developing talent across. As part of its human capital strategy, the Company appreciates equal opportunity employment. While we ensure compliance with the prevailing labor laws, we follow best practices in industrial relations and ensure a productive and positive work environment for all. To maintain its competitive advantage, the Company will continue investing in its people to develop a diverse and highly competitive talent pool, fully capable of managing the future challenges of the business.

Corporate Social Responsibility

The Company considers social, environmental and ethical matters in the context of the overall business environment. The Company is committed to work in the best interest of all the stakeholders. Being socially responsible, Company has provided free land for Social Security dispensary and free building to school. The Company arranged the sports activities between the teams of different local organizations and tours to northern areas.

The Company provides the financial support to low paid salaried employees to finance the education expenses of employees' children. The Company arranges free medical camps for employees. Every year, through balloting employees are sent to perform Hajj. We also encourage our team members to dedicate their time and to take active participation in such activities.

The Company was also presented Corporate Philanthropy Award, EFP 18th Occupational safety and health Award and 3rd Skills development employers recognition Award.

Sustainability

The Board acknowledges its responsibility towards sustainability risks and opportunities alongside emphasis on environmental, social, and governance principles (ESG). We have prioritized our efforts to support community development and empower our workforce. The yearly plantation drive has collectively contributed more than 5,200 trees over the last 4 years. This has resulted in a positive environmental impact by reducing carbon emissions.

Company also understands the requirements of IFRS S1 "General Requirements for Disclosure of Sustainability-related Financial Information" and IFRS S2 "Climate-related Disclosures". However, these IFRSs are not early adopted by the Company.

Our Diversity, Equality, and Inclusion (DE&I) approach underscores our commitment to respecting each team member and ensuring an equitable and supportive work environment conducive to growth. As a proud equal opportunity employer, we create an environment where all employees feel that they can learn, contribute, and grow.

Retirement Benefit Funds

The Company operates a non-funded defined benefit plan (gratuity scheme) for its

permanent employees. The latest actuarial valuation was carried out on June 30, 2025.

Health, Safety and Environment

We feel our responsibility in maintaining best possible standards towards health and safety of not only of our dedicated employees but also the people near our factory premises. Life insurance and medical insurance is provided to employees. Proper first aid medical assistance is provided in factory in case of any injury. A dedicated social security dispensary is also located in front of our factory premises. We also ensure the compliance of our production facility with ISO health, safety and environment standards. Our production facility does not discharge any harmful material. However, we have strict compliance towards wastage and disposal. Regular fire drill exercises and protection sprays against seasonal diseases are carried out in the factory and residential colonies as well. As part of the Company's clean and green energy policy, 5.1 MW solar power project is operational.

Information Technology

Information Technology Division (ITD) continues to be a key component and provides an extensive range of computing and communication services, facilities and infrastructure for use by its employees. The ITD is aligned to the business needs of the organization, ensuring that the solutions delivered are relevant to the needs of the business. Our Vision involves strengthening decision making, using improved analytics and dashboards capability and as a strategy will focus on other state of the art applications, reduce paper footprint and increase its reach to customers by deploying latest technology.

Whistle blowing policy

The Company is committed to the highest standards of openness, honesty, and accountability. In line with its commitment,

the Company encourages employees and / or third parties (suppliers, customers, dealers, etc.) with serious concerns about any aspect of the Company's work, to come forward and blow the whistle on those concerns. These concerns may include but not be limited to the following:

- Financial malpractice or impropriety or fraud
- Failure to comply with a legal obligation
- Disclosure of confidential information within or outside the Company
- Deviation from full and fair reporting of the Company's financial position
- Dangers to health and safety or the environment
- Unlawful civil and criminal activity
- Improper conduct or unethical behavior

All reporting shall be handled in a confidential manner. It shall be ensured that the person raising the issue, if not anonymous, is not targeted or penalized for raising the matter in all circumstances. Confidentiality shall be maintained to the fullest extent possible. However, if the person raising the issue has acted with false / malicious intent, disciplinary action shall be taken against the person.

Risk Management

The Company's risk management policy involves continually assessing the control environment to prevent and build resilience against any internal and external threats, both anticipated and unforeseen.

The Company's principal financial liabilities comprise long-term finances, trade and other payables and short-term borrowings. The main purpose of these financial liabilities are to finance the capital expenditure in balancing, modernization & replacement of fixed assets and company's operations.

Internal control

The Company has adequate internal control procedures commensurate with the size of operations and the nature of the business. These controls ensure efficient use and protection of Company's financial and non-financial resources. Regular internal audit and checks ensure that responsibilities are executed effectively. The Audit Committee of the Board of Directors reviews the adequacy and effectiveness of internal control system and suggests improvement for strengthening them, from time to time.

Corporate Briefing Session

The Company held its annual Corporate Briefing Session (CBS) on November 19, 2024, at APTMA House, Tehkal Payan, Jamrud Road, Peshawar. We consider CBS as an opportunity to interact with the stakeholders and prospective investors, whereby the Company takes the opportunity to apprise the local and foreign investors about the business environment and economic indicators of the Country, explain its financial performance, competitive environment in which the Company operates, investment decisions, challenges faced as well as business outlook.

Transaction with Related Parties

All transactions with related parties during the year were carried out at arm's length and were placed before the Board Audit Committee and the Board for review and approval. These transactions were made and are disclosed in Financial Statements in compliance with provisions of Code of Corporate Governance and Companies Act, 2017.

Customer Focusing

The Company believes that its valued customers are the foundation of its business success. Company policies are fully customers focused. A continuous liaison with the market and customers has always enabled your Company to best understand the needs to offer best suitable products and service level to the customers to remain the first choice.

Job Creation for Local Community

Your Company has introduced hundreds of jobs for skilled and unskilled local individuals in and around its factory premises. Employment generation not only improves the buying power of the local population but also gives them a fair opportunity to improve their standard of living.

Gender Pay Gap

Your company is an equal opportunity employer and there is no gender pay discrimination in the company.

- I) Mean of gender pay gap is 12.19%
- II) Median of gender pay gap is (20.22%).

Pattern of Shareholding

Pattern of shareholdings of the Company in accordance with the Companies Act, 2017 as at June 30, 2025 is annexed.

Communication

The Company focuses on the importance of the communication with the shareholders. The annual, half yearly and quarterly reports are communicated to them within the time

DIRECTORS' REPORT TO THE MEMBERS

specified in the Companies Act, 2017. The activities, financial reports and notices are updated on the Company's website at www.kohattextile.com, on timely basis.

Subsequent Events

Except the announcement of final cash dividend @ 10% (as mentioned in dividend note) there is no material financial event or change has occurred between the end of financial year as at June 30, 2025 and date of this report having any adverse impact over financial position of the company.

Auditors

The Board has recommended, as suggested by the Audit Committee, the appointment of M/s Shinewing Hameed Chaudhri & Co. Chartered Accountants, the retiring auditors who being eligible, have offered themselves for re-appointment for the ensuing year, subject to approval of the members in the forthcoming Annual General Meeting.

Acknowledgment

The Directors express their sincere gratitude to the Company's shareholders, financial institutions, and valued customers for their continued trust and support. We also extend our deep appreciation to our employees for their unwavering dedication, loyalty, and hard work. Their contributions remain the cornerstone of the Company's success, and we look forward to their continued commitment in the years ahead.

For and on Behalf of the Board



Assad Saifullah Khan
Chief Executive Officer



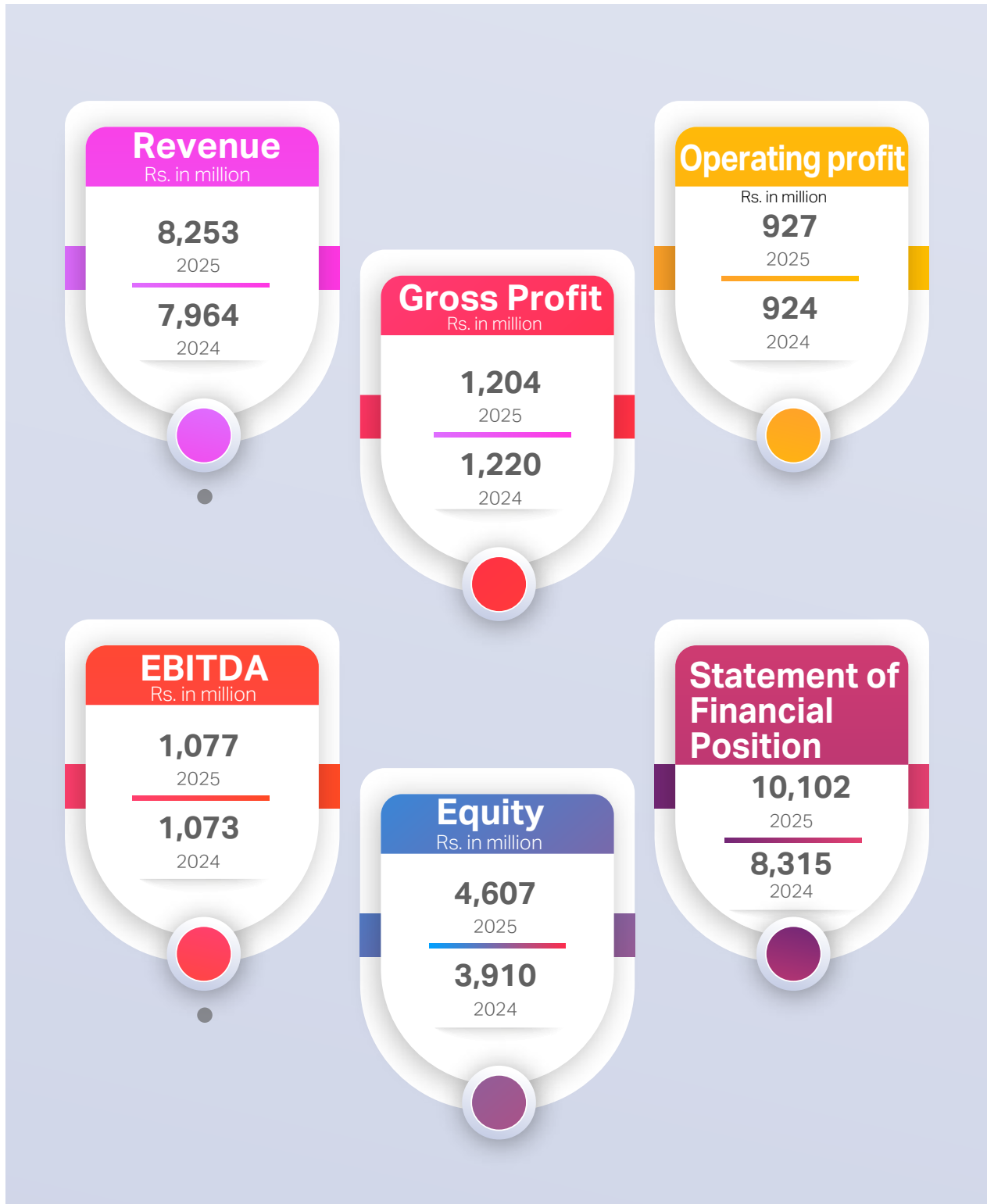
Rana Muhammad Shafi
Director

Place: Islamabad

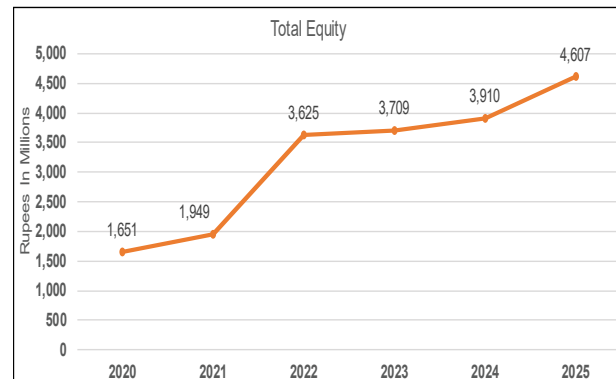
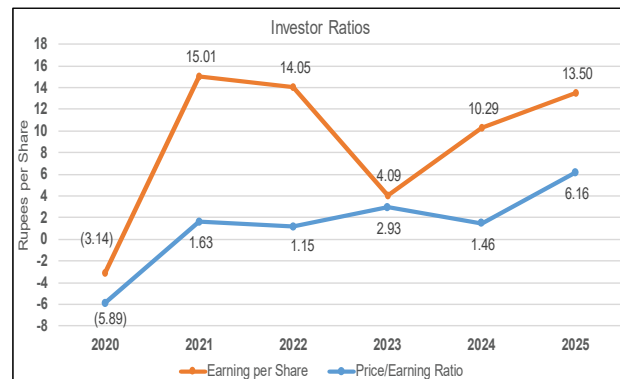
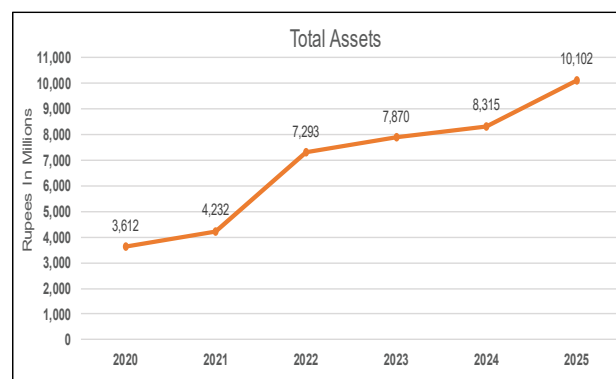
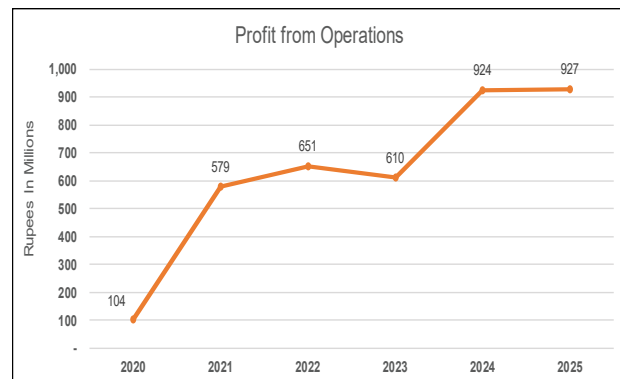
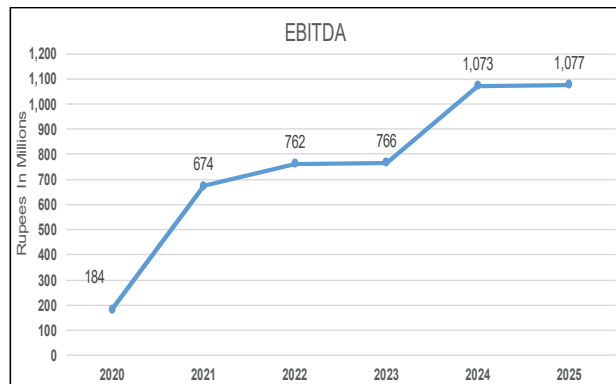
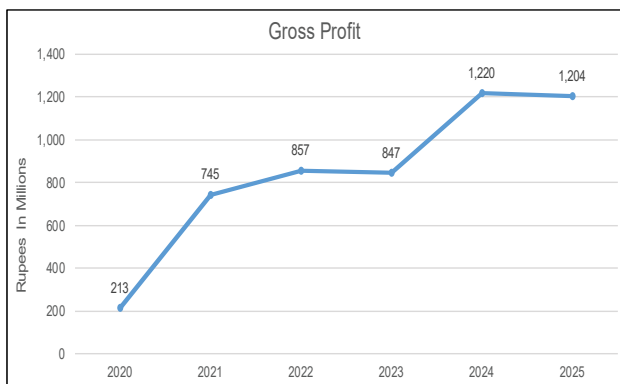
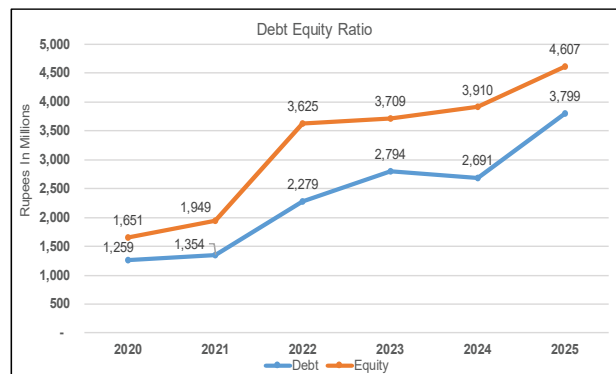
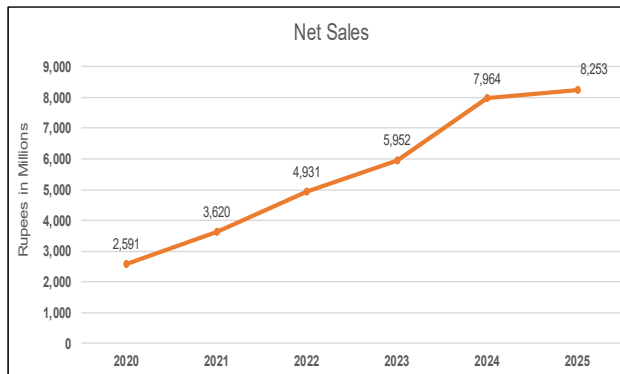
Dated: September 30, 2025

KEY PERFORMANCE INDICATORS

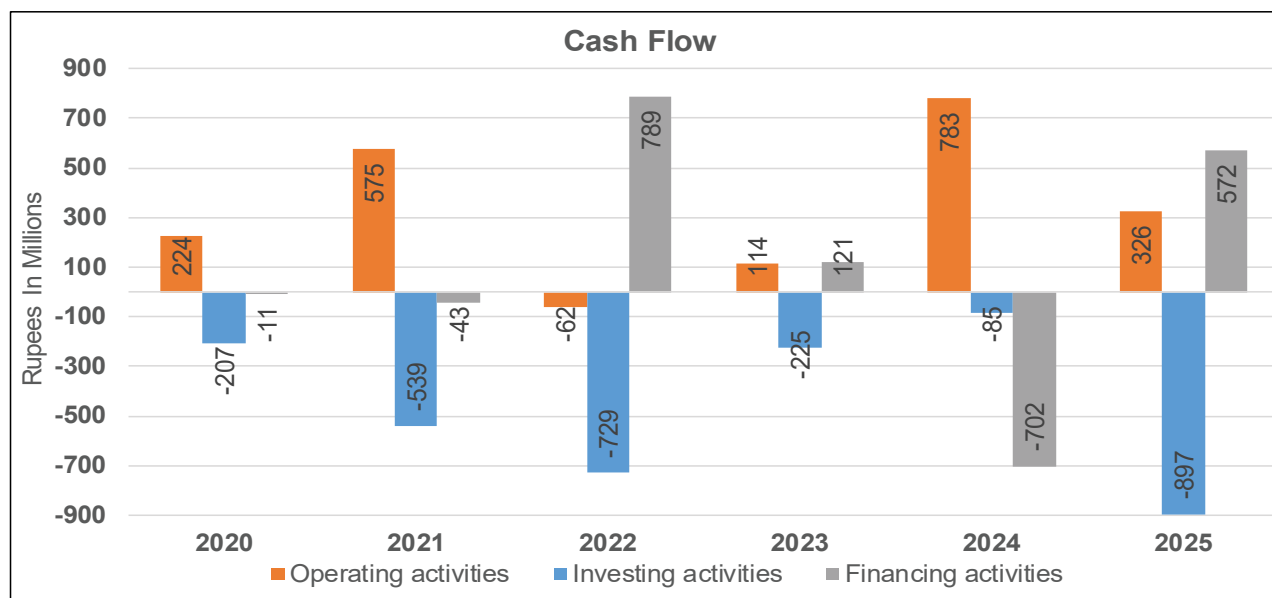
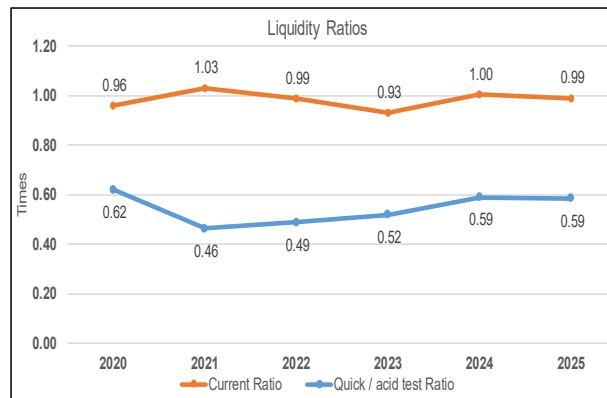
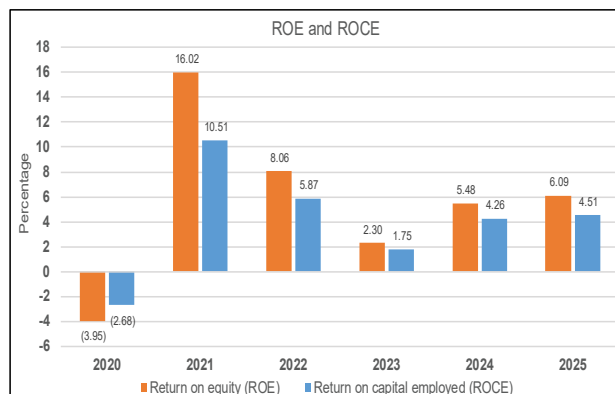
Key Performance Indicators (KPIs) depict the performance measures for the achievement of success of the company against the targets. The Company has evaluated its performance by following KPIs;



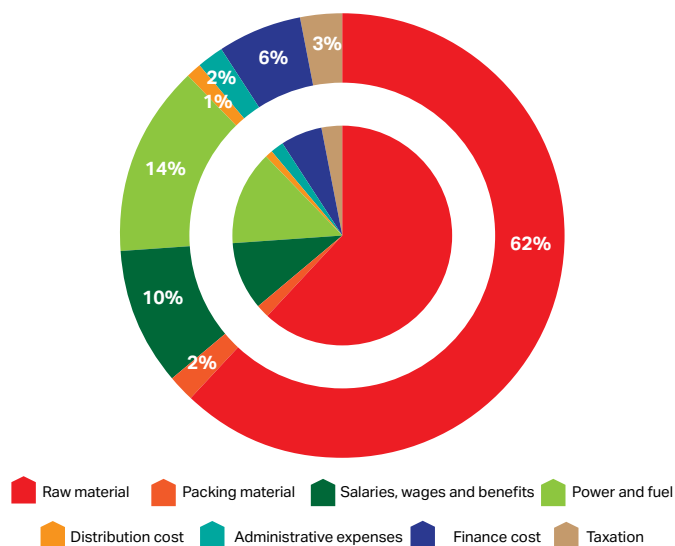
GRAPHICAL PRESENTATION



GRAPHICAL PRESENTATION



Revenue Distribution



PATTERN OF SHAREHOLDINGS

As at June 30, 2025

NUMBER OF SHARE HOLDERS	----- SHARE HOLDING ----- FROM	TO	TOTAL NO OF SHARES HELD
600	1	100	30,599
218	101	500	68,317
67	501	1000	56,968
99	1001	5000	258,154
24	5001	10000	173,059
7	10001	15000	87,859
4	15001	20000	79,500
6	20001	25000	136,450
3	25001	30000	85,416
1	30001	35000	32,003
2	40001	45000	89,000
2	45001	50000	99,500
1	50001	55000	53,000
1	55001	60000	60,000
1	115001	120000	116,704
1	145001	150000	146,800
1	225001	230000	230,000
1	285001	290000	288,946
1	945001	950000	945,547
1	2040001	2045000	2,045,000
1	15220001	15225000	15,717,178
1,042	TOTAL =>		20,800,000

CATEGORIES OF SHAREHOLDERS	NUMBER OF SHAREHOLDERS	SHARES HELD	%AGE OF CAPITAL
Directors and Chief Executive Officer and their spouses and minor children	9	41,304	0.20
Associated Company	1	15,717,178	75.57
NIT & ICP	2	5,100	0.02
Banks, Development Financial Institutions, Non Banking Financial Institutions	5	2,045,572	9.83
Joint Stock Companies	7	33,277	0.16
Insurance Company	1	200	0.00
Funds	2	3,650	0.02
General Public	465	2,763,420	13.29
Individuals	543	187,299	0.90
Others	7	3,000	0.01
Total	1,042	20,800,000	100.00

Shareholders holding 10% or more voting rights

Saif Holdings Limited	15,717,178	75.56
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PATTERN OF SHAREHOLDINGS

As at June 30, 2025

S. NO	NAME OF SHAREHOLDERS	SHARE HELD	Percentage
Directors, Chief Executive Officer, and their Spouse and Minor Children			
1	Javed Saifullah Khan	29,304	0.14
2	Anwar Saifullah Khan	3,500	0.02
3	Assad Saifullah Khan	500	0.00
4	Hoor Yousafzai	500	0.00
5	Asif Saifullah Khan	500	0.00
6	Shereen Saifullah Khan	5,000	0.02
7	Rana Muhammad Shafi	600	0.00
8	Abdul Rehman Qureshi	900	0.00
9	Sardar Aminullah Khan	500	0.00
	Total	41,304	0.20
Associated Company			
1	Saif Holdings Limited	Total	15,717,17875.57
NIT & ICP			
1	Investment Corporation of Pakistan	4,350	0.02
2	National Bank of Pakistan	750	0.00
	Total	5,100	0.02
Banks, Development Financial Institutions, Non Banking Financial Institutions			
1	IDBL (ICP Unit)	400	0.00
2	Habib Bank Limited	100	0.00
3	Bank of Bahawalpur Limited	50	0.00
4	National Bank of Pakistan	22	0.00
5	National Bank of Pakistan	2,045,000	9.83
	Total	2,045,572	9.83
Individuals	Total	187,299	0.90

PATTERN OF SHAREHOLDINGS

As at June 30, 2025

S. NO	NAME OF SHAREHOLDERS	SHARE HELD	Percentage
Joint Stock Companies			
1	Fateh Textile Mills Limited.	50	0.00
2	Maple Leaf Capital Limited.	1	0.00
3	Sultan Textile Mills (Karachi) Limited.	8	0.00
4	Backers & Partners (Private) Limited - MF	5,000	0.02
5	NCC - Pre Settlement Delivery Account	56	0.00
6	AL-HABIB Capital Markets (Private) Limited - MF	2,050	0.01
7	Pak Gases (PVT) Limited	26,112	0.13
Total		33,277	0.16
Insurance Company			
1	E.F.U. Ins. Co. Ltd.	200	0.00
Funds			
1	Trustee National Bank Of Pakistan Employees Pension Fund	3,526	0.02
2	Trustee National Bank Of Pakistan Emp Benevolent Fund	124	0.00
Total		3,650	0.02
General Public (Local)		2,763,420	13.29
OTHERS			
1	The Pak Ismailia Cooperative	350	0.00
2	Naseer Shaheed Ltd	300	0.00
3	Mollasses Export Co. Ltd.	100	0.00
4	Murree Brewery Co. Ltd.	50	0.00
5	United Executors & Trustee	1,700	0.01
6	Ambreen Silk Mills	400	0.00
7	Azeem Services (Pvt) Ltd,	100	0.00
Total		3,000	0.01
		20,800,000	100

SIX YEARS AT A GLANCE

Particulars	2025	2024	2023	2022	2021	2020
			Restated			
			----- Rupees in 000' -----			
Statement of Profit or Loss						
Sales	8,253,381	7,964,142	5,952,262	4,930,819	3,620,143	2,590,719
Gross profit	1,203,783	1,219,519	847,126	857,360	744,710	213,054
Operating profit / EBIT	926,897	924,080	610,332	651,149	578,516	103,774
Profit before taxation	475,970	324,364	140,145	450,840	466,633	(76,881)
Profit after taxation	280,766	214,117	85,154	292,267	312,170	(65,228)
Statement of Financial Position						
Property, plant and equipment	6,240,427	4,987,986	5,051,423	4,985,146	2,923,789	2,477,022
Investment & Other assets	20,377	22,587	21,134	17,291	8,527	6,442
Current assets	3,841,470	3,304,590	2,797,525	2,290,390	1,299,791	1,128,655
Current liabilities	3,878,195	3,291,581	3,009,780	2,317,874	1,263,171	1,175,900
Total assets employed	6,224,079	5,023,582	4,860,302	4,974,953	2,968,936	2,436,219
Represented By:						
Share Capital	208,000	208,000	208,000	208,000	208,000	208,000
Reserves	4,398,708	3,702,444	3,501,061	3,416,882	1,741,002	1,443,295
Shareholder's Equity	4,606,708	3,910,444	3,709,061	3,624,882	1,949,002	1,651,295
Long term loans	939,348	588,686	648,155	836,897	676,282	542,192
Lease liabilities	-	-	-	4,426	8,321	9,081
Deferred liabilities	229,861	209,834	182,118	169,826	140,173	111,585
Cash Flow Statement						
Operating activities	325,988	783,146	113,506	(61,656)	575,427	223,882
Investing activities	(897,125)	(85,324)	(224,555)	(728,994)	(539,052)	(206,966)
Financing activities	571,678	(702,476)	121,146	788,826	(43,372)	(11,224)
Cash and cash equivalents at the end of the year	10,160	9,619	14,273	4,176	6,000	12,997

KEY OPERATING AND FINANCIAL DATA

Particulars	UOM	2025	2024	2023 Restated	2022	2021	2020
RATIOS:							
	UOM						
Profitability Ratios:							
Gross Profit to sales	Percentage	14.59	15.31	14.23	17.39	20.57	8.22
EBITDA to sales	Percentage	0.13	0.13	0.13	0.15	0.19	0.07
Net Profit / (loss) to sales	Percentage	3.40	2.69	1.43	5.93	8.62	(2.52)
Return on equity	Percentage	6.09	5.48	2.30	8.06	16.02	(3.95)
Return on capital employed	Percentage	4.51	4.26	1.75	5.87	10.51	(2.68)
Liquidity Ratios:							
Current ratio	Times	0.99	1.00	0.93	0.99	1.03	0.96
Quick / acid test ratio	Times	0.59	0.59	0.52	0.49	0.46	0.62
Capital Structure ratios							
Financial leverage ratio	Times	0.82	0.69	0.75	0.63	0.69	0.76
Debt to equity ratio	Times	0.26	0.20	0.23	0.30	0.47	0.36
Interest cover ratio	Times	2.39	1.79	1.63	3.81	6.02	1.02
Turnover Ratios:							
Inventory turn over	Days	76	70	85	84	71	82
Inventory turn over ratio	Times	4.81	5.20	4.27	4.35	5.17	4.46
Debtor turnover	Days	87	75	78	60	58	67
Debtors turn over ratio	Times	4.22	4.89	4.71	6.10	6.25	5.47
Creditors turnover	Days	9	8	9	10	11	10
Creditors turnover ratio	Times	39.83	45.81	39.51	37.31	32.88	36.26
Fixed assets turn over ratio	Times	1.47	1.59	1.19	1.25	1.34	1.07
Total assets turn over ratio	Times	0.90	0.98	0.79	0.86	0.92	0.73
Operating cycle	Days	153	137	154	134	118	138
Investment / Market Ratio's:							
Earning / (loss) per share	Rs. Per share	13.50	10.29	4.09	14.05	15.01	(3.14)
Price earning ratio	Times	6.16	1.46	2.93	1.15	1.63	(5.89)
Price to book ratio	Times	0.38	0.08	0.07	0.09	0.26	0.23
Breakup value per share	Rs. Per share	217.00	188.00	178.32	174.27	93.70	79.39
Market value per share at the end of the year	Rs. Per share	83.19	15.01	12	16.12	24.5	18.5
EBITDA	Rs. in 000'	1,076,811	1,072,593	766,030	762,453	673,702	183,761

HORIZONTAL ANALYSIS

As at June 30, 2025

Assets	2025		2024		2023		2022		2021		2020	
Non- Current Assets	Rs. In '000'	%	Rs. In '000'	%	Rs. In '000'	%	Rs. In '000'	%	Rs. In '000'	%	Rs. In '000'	%
Property, plant & equipment	6,240,427	25.11	4,987,986	(1.26)	5,051,423	1.33	4,985,146	70.50	2,923,789	18.04	2,477,022	5.46
Intangible asset	-	-	-	-	-	-	-	-	-	-	649	(52.10)
Long term investment	9,223	88.76	4,886	-	4,886	105.73	2,375	1.06	2,350	(4.08)	2,450	(2.00)
Long term loans	1,434	3.91	1,380	40.10	985	(3.62)	1,022	(10.04)	1,136	(25.61)	1,527	4.66
Long term deposits	9,720	(40.44)	16,321	6.93	15,263	9.85	13,894	175.62	5,041	177.59	1,816	59.72
Total	6,260,804	24.95	5,010,573	(1.22)	5,072,557	1.40	5,002,437	70.60	2,932,316	18.07	2,483,464	5.45

Current Assets

Stores, spare & loose tools	90,191	59.02	56,718	(0.81)	57,182	13.90	50,204	23.63	40,609	17.56	34,544	(4.21)
Stock-in-trade	1,569,751	15.37	1,360,565	10.28	1,233,760	6.66	1,156,684	61.94	714,281	79.17	398,667	(40.34)
Trade debt	2,037,416	15.70	1,760,880	25.95	1,398,063	32.47	1,055,353	105.79	512,827	(15.98)	610,367	98.38
Loans & advances	10,970	333.60	2,530	(54.41)	5,550	(34.68)	8,496	142.74	3,500	(68.27)	11,031	78.35
Deposits, other receivables & prepayments	16,587	(19.04)	20,489	18.92	17,229	11.32	15,477	(12.98)	17,786	20.78	14,726	(13.81)
Taxation-net	102,264	9.04	93,789	31.23	71,468	-	-	-	-	-	46,323	(38.45)
Sales tax refundable	4,131	-	-	-	-	-	-	-	4,788	-	-	-
Cash & Bank balances	10,160	5.62	9,619	(32.61)	14,273	241.79	4,176	(30.40)	6000	(53.84)	12,997	77.92
Total	3,841,470	16.25	3,304,590	18.13	2,797,525	22.14	2,290,390	76.21	1,299,791	15.16	1,128,655	(2.62)

Equity & Liabilities

Share Capital & Reserves

Issued, subscribed & paid-up Capital	208,000	-	208,000	-	208,000	-	208,000	-	208,000	-	208,000	-
Unappropriated Profit	1,410,289	23.82	1,138,970	24.21	916,972	12.47	815,283	52.28	535,375	144.67	218,816	(15.68)
Surplus on revaluation of property	2,988,516	16.58	2,563,588	(0.80)	2,584,203	(0.67)	2,601,724	115.77	1,205,777	(1.53)	1,224,529	(1.28)
Unrealised loss on financial assets at fair value	(97)	(14.91)	(114)	-	(114)	(8.80)	(125)	(16.67)	(150)	200.00	(50)	-
Total:	4,606,708	17.81	3,910,444	5.43	3,709,061	2.32	3,624,882	85.99	1,949,002	18.03	1,651,295	(3.31)

Non Current Liabilities

Loan from holding company	-	-	-	-	-	-	60,000	(25.00)	80,000	(20.00)	100,000	-
Long term Financing	939,348	59.57	588,686	(9.18)	648,155	(16.57)	776,897	30.29	596,282	34.85	442,192	140.66
Long term deposits	8,889	22.08	7,281	57.05	4,636	23.43	3,756	33.95	2,804	22.98	2,280	21.47
Lease liabilities	-	-	-	-	-	-	4,426	(46.81)	8,321	(8.37)	9,081	(15.75)
"Deferred income - Government grant"	9,314	(48.94)	18,243	(39.03)	29,923	(16.40)	35,792	15,002.11	237	(88.13)	1,996	-
"Deferred liability - Staff retirement benefits"	229,861	9.54	209,834	15.22	182,118	7.24	169,826	21.15	140,173	25.62	111,585	(3.79)
Deferred taxation -net	429,959	48.73	289,094	0.94	286,409	(4.33)	299,374	55.83	192,117	63.10	117,790	(30.02)
Total	1,617,371	45.30	1,113,138	(3.31)	1,151,241	(14.73)	1,350,071	32.37	1,019,934	29.94	784,924	35.17

Current Liabilities

Trade & other payables	834,869	(11.64)	944,824	48.13	637,846	(17.42)	772,402	37.05	563,606	37.02	411,343	4.32
Contract liabilities	1,584	(28.33)	2,210	22.64	1,802	112.00	850	(2.41)	871	(88.19)	7,377	79.97
Accrued mark-up/ Profit	76,439	(41.29)	130,196	(3.61)	135,077	115.92	62,560	156.66	24,375	(44.97)	44,292	32.93
Short term borrowings	2,605,481	35.76	1,919,215	(1.14)	1,941,357	61.35	1,203,169	181.76	427,015	(34.26)	649,517	(7.15)
Current portion of non-current liabilities	263,439	35.50	194,427	(10.86)	218,124	(11.35)	246,048	0.31	245,280	294.07	62,242	(31.28)
Unpaid dividend	355	69.86	209	-	209	-	209	51.45	138	(16.87)	166	115.58
Unclaimed dividend	939	-	939	-	939	-	939	(0.53)	944	(1.97)	963	(73.88)
Taxation- net	95,089	(4.49)	99,561	33.77	74,426	134.80	31,697	3,264.86	942	-	-	-
Total	3,878,195	17.82	3,291,581	9.36	3,009,780	29.85	2,317,874	83.50	1,263,171	7.42	1,175,900	(4.05)

For the year ended June 30, 2025

Horizontal Analysis of Statement of Profit or Loss

Net sale	8,253,381	3.63	7,964,142	33.80	5,952,262	20.72	4,930,819	36.21	3,620,143	39.74	2,590,719	(12.67)
Cost of sales	(7,049,598)	4.52	(6,744,623)	32.11	(5,105,136)	25.33	(4,073,459)	41.66	(2,875,433)	20.94	(2,377,665)	(10.49)
Gross Profit	1,203,783	(1.29)	1,219,519	43.96	847,126	(1.19)	857,360	15.13	744,710	249.54	213,054	(31.31)
Distribution Cost	(106,407)	4.35	(101,974)	27.04	(80,267)	60.72	(49,941)	38.62	(36,028)	32.46	(27,200)	19.82
Administrative Expenses	(192,059)	6.01	(181,168)	14.23	(158,600)	22.86	(129,087)	27.35	(101,366)	25.71	(80,637)	10.30
Other income	57,470	258.96	16,010	(5.79)	16,994	17.22	14,497	98.18	7,315	239.13	2,157	186.07
Other expenses	(35,890)	26.79	(28,307)	89.71	(14,921)	(64.20)	(41,680)	15.41	(36,115)	903.19	(3,600)	(72.11)
Profit from Operation	926,897	0.30	924,080	51.41	610,332	(6.27)	651,149	12.56	578,516	457.48	103,774	(48.68)
Finance cost	(450,927)	(24.81)	(599,716)	27.55	(470,187)	134.73	(200,309)	79.03	(111,883)	(38.07)	(180,655)	55.79
Profit before taxation	475,970	46.74	324,364	131.45	140,145	(68.91)	450,840	(3.38)	466,633	(706.95)	(76,881)	(189.15)
Taxation	(195,204)	77.06	(110,247)	100.48	(54,991)	(65.32)	(158,573)	2.66	(154,463)	(1,425.52)	11,653	(160.48)
Profit after taxation	280,766	31.13	214,117	151.45	85,154	(70.86)	292,267	(6.38)	312,170	(578.58)	(65,228)	(197.41)

VERTICAL ANALYSIS

As at June 30, 2025

Assets	2025		2024		2023		2022		2021		2020	
Non- Current Assets	Rs. In '000'	%	Rs. In '000'	%	Rs. In '000'	%	Rs. In '000'	%	Rs. In '000'	%	Rs. In '000'	%
	Restated											
Property, plant & equipment	6,240,427	61.77	4,987,986	59.99	5,051,423	64.19	4,985,146	68.36	2,923,789	69.09	2,477,022	68.58
Intangible asset	-	-	-	-	-	-	-	-	-	-	649	0.02
Long term investment	9,223	0.09	4,886	0.06	4,886	0.06	2,375	0.03	2,350	0.06	2,450	0.07
Long term loans	1,434	0.01	1,380	0.02	985	0.01	1,022	0.01	1,136	0.03	1,527	0.04
Long term deposits	9,720	0.10	16,321	0.20	15,263	0.19	13,894	0.19	5,041	0.12	1,816	0.05
Total Non-Current Assets	6,260,804	61.97	5,010,573	60.26	5,072,557	64.45	5,002,437	68.59	2,932,316	69.29	2,483,464	68.75
Current Assets												
Stores, spare & loose tools	90,191	0.89	56,718	0.68	57,182	0.73	50,204	0.69	40,609	0.96	34,544	0.96
Stock-in-trade	1,569,751	15.54	1,360,565	16.36	1,233,760	15.68	1,156,684	15.86	714,281	16.88	398,667	11.04
Trade debt	2,037,416	20.17	1,760,880	21.18	1,398,063	17.76	1,055,353	14.47	512,827	12.12	610,367	16.90
Loans & advances	10,970	0.11	2,530	0.03	5,550	0.07	8,496	0.12	3,500	0.08	11,031	0.31
Deposits, other receivables & prepayments	16,587	0.16	20,489	0.25	17,229	0.22	15,477	0.21	17,786	0.42	14,726	0.41
Taxation-net	102,264	1.01	93,789	1.13	71,468	0.91	-	-	-	-	46,323	1.28
Sales tax refundable	4,131	0.04	-	-	-	-	-	-	4,788	0.11	-	-
Cash & Bank balances	10,160	0.10	9,619	0.12	14,273	0.18	4,176	0.06	6,000	0.14	12,997	0.36
Total Current Assets	3,841,470	38.03	3,304,590	39.74	2,797,525	35.55	2,290,390	31.41	1,299,791	30.71	1,128,655	31.25
Total Asset	10,102,274	100.00	8,315,163	100.00	7,870,082	100.00	7,292,827	100.00	4,232,107	100.00	3,612,119	100.00

Equity & liabilities

Share Capital & reserve

Issued, subscribed & paid-up Capital	208,000	2.06	208,000	2.50	208,000	2.64	208,000	2.85	208,000	4.91	208,000	5.76
Unappropriated Profit	1,410,289	13.96	1,138,970	13.70	916,972	11.65	815,283	11.18	535,375	12.65	218,816	6.06
Surplus on revaluation of property	2,988,516	29.58	2,563,588	30.83	2,584,203	32.84	2,601,724	35.68	1,205,777	28.49	1,224,529	33.90
Unrealised loss on financial assets at fair value	(97)	-	(114)	-	(114)	-	(125)	-	(150)	-	(50)	-
Total Share Capital & reserves	4,606,708	45.60	3,910,444	47.03	3,709,061	47.13	3,624,882	49.70	1,949,002	46.05	1,651,295	45.72

Non- Current liabilities

Loan from holding company	-	-	-	-	-	-	60,000	0.82	80,000	1.89	100,000	2.77
Long term Financing	939,348	9.30	588,686	7.08	648,155	8.24	776,897	10.65	596,282	14.09	442,192	12.24
Long term deposits	8,889	0.09	7,281	0.09	4,636	0.06	3,756	0.05	2,804	0.07	2,280	0.06
Lease liabilities	-	-	-	-	-	-	4,426	0.06	8,321	0.20	9,081	0.25
Deferred income- government grant	9,314	0.09	18,243	0.22	29,923	0.38	35,792	0.49	237	0.01	1,996	0.06
Deferred liability- staff retirement benefits	229,861	2.28	209,834	2.52	182,118	2.31	169,826	2.33	140,173	3.31	111,585	3.09
Deferred taxation -net	429,959	4.26	289,094	3.48	286,409	3.64	299,374	4.11	192,117	4.54	117,790	3.26
Total Non- Current liabilities	1,617,371	16.01	1,113,138	13.39	1,151,241	14.63	1,350,071	18.51	1,019,934	24.10	784,924	21.73

Current liabilities

Trade & other payables	834,869	8.26	944,824	11.36	637,846	8.10	772,402	10.59	563,606	13.32	411,343	11.39
Contract liabilities	1,584	0.02	2,210	0.03	1,802	0.02	850	0.01	871	0.02	7,377	0.20
Accrued mark-up/ Profit	76,439	0.76	130,196	1.57	135,077	1.72	62,560	0.86	24,375	0.58	44,292	1.23
Short term borrowings	2,605,481	25.79	1,919,215	23.08	1,941,357	24.67	1,203,169	16.50	427,015	10.09	649,517	17.98
Current portion of non-current liabilities	263,439	2.61	194,427	2.34	218,124	2.77	246,048	3.37	245,280	5.80	62,242	1.72
Unpaid dividend	355	-	209	-	209	-	209	-	138	-	166	-
Unclaimed dividend	939	0.01	939	0.01	939	0.01	939	0.01	944	0.02	963	0.03
Taxation- net	95,089	0.94	99,561	1.20	74,426	0.95	31,697	0.43	942	0.02	-	-
Total Current liabilities	3,878,195	38.39	3,291,581	39.59	3,009,780	38.24	2,317,874	31.78	1,263,171	29.85	1,175,900	32.55

Total Equity and Liabilities

Total Equity and Liabilities	10,102,274	100.00	8,315,163	100.00	7,870,082	100.00	7,292,827	100.00	4,232,107	100.00	3,612,119	100.00
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For the year ended June 30, 2025

Vertical Analysis of Statement of Profit or Loss

Net sale	8,253,381	100.00	7,964,142	100.00	5,952,262	100.00	4,930,819	100.00	3,620,143	100.00	2,590,719	100.00
Cost of sales	(7,049,598)	(85.41)	(6,744,623)	(84.69)	(5,105,136)	(85.77)	(4,073,459)	(82.61)	(2,875,433)	(79.43)	(2,377,665)	(91.78)
Gross Profit	1,203,783	14.59	1,219,519	15.31	847,126	14.23	857,360	17.39	744,710	20.57	213,054	8.22
Distribution Cost	(106,407)	(1.29)	(101,974)	(1.28)	(80,267)	(1.35)	(49,941)	(1.01)	(36,028)	(1.00)	(27,200)	(1.05)
Administrative Expenses	(192,059)	(2.33)	(181,168)	(2.27)	(158,600)	(2.66)	(129,087)	(2.62)	(101,366)	(2.80)	(80,637)	(3.11)
other income	57,470	0.70	16,010	0.20	16,994	0.29	14,497	0.29	7,315	0.20	2,157	0.08
other expenses	(35,890)	(0.43)	(28,307)	(0.36)	(14,921)	(0.25)	(41,680)	(0.85)	(36,115)	(1.00)	(3,600)	(0.14)
Profit from Operation	926,897	11.23	924,080	11.60	610,332	10.25	651,149	13.21	578,516	15.98	103,774	4.01
Finance cost	(450,927)	(5.46)	(599,716)	(7.53)	(470,187)	(7.90)	(200,309)	(4.06)	(111,883)	(3.09)	(180,655)	(6.97)
Profit before taxation	475,970	5.77	324,364	4.07	140,145	2.35	450,840	9.14	466,633	12.89	(76,881)	(2.97)
Taxation	(195,204)	(2.37)	(110,247)	(1.38)	(54,991)	(0.92)	(158,573)	(3.22)	(154,463)	(4.27)	11,653	0.45
Profit after taxation	280,766	3.40	214,117	2.69	85,154	1.43	292,267	5.93	312,170	8.62	(65,228)	(2.52)

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

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

1. The total number of directors are Eight (08) as per the following:

Directors	Numbers
a) Male	07
b) Female	01

2. The composition of the board is as follows:

S.No	Category	Names
a.	Independent Directors*	Abdul Rehman Qureshi
		Sardar Aminullah Khan
b.	Non-Executive Directors	Javed Saifullah Khan
		Mr. Anwar Saifullah Khan
		Hoor Yousafzai
		Mr. Asif Saifullah Khan
		Rana Muhammad Shafi
c.	Executive Director	Assad Saifullah Khan
d.	Femal Director	Hoor Yousafzai

*Fractional requirement for independent directors has not been rounded up as one and presently the Company has two independent directors. Both the independent directors have requisite competencies, skills, knowledge and experience to discharge and execute their duties competently, therefore, the appointment of a third independent director is not warranted.

3. The directors have confirmed that none of them is serving as a director on more than seven listed companies, including this company;
4. The company has prepared a code of conduct and has ensured that appropriate steps have been taken to disseminate it throughout the company along with its supporting policies and procedures;
5. The Board has developed a vision/mission statement, overall corporate strategy and significant policies of the company. The Board has ensured that complete record of particulars of the significant policies along with their date of approval or updating is maintained by the Company;
6. All the powers of the Board have been duly exercised and decisions on relevant matters have been taken by the Board / shareholders as empowered by the relevant provisions of the Act and these Regulations;
7. The meetings of the Board were presided over by the Chairman and, in his absence, by a director elected by the Board for this purpose. The Board has complied with the requirements of Act and the Regulations with respect to frequency, recording and circulating minutes of meeting of the Board;
8. The Board have a formal policy and transparent procedures for remuneration of directors in accordance with the Act and these Regulations;
9. None of the directors attended Directors' Training Program during the year; Four (4) of the directors are exempt from Director Training Program on the basis of their qualification and experience and remaining four (4) have completed their Directors' Training.
10. The Board has approved appointment of Chief Financial Officer, Company Secretary and Head of Internal Audit, including their remuneration and terms and conditions of employment and complied with relevant requirements of the Regulations;
11. Chief Financial Officer and Chief Executive Officer duly endorsed the financial statements before approval of the Board;

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

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

a	Audit Committee	
	Abdul Rehman Qureshi	Chairman
	Rana Muhammad Shafi	Member
	Sardar Aminullah Khan	Member
b	HR and Remuneration Committee	
	Abdul Rehman Qureshi	Chairman
	Hoor Yousafzai	Member
	Assad Saifullah Khan	Member

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

14. The frequency of meetings of the committee during the year 2024-25 were as per following:

- a) Audit Committee - Four (04) Meetings
- b) Human Resource and Remuneration Committee - One (01) Meeting

15. The Board has set up an effective internal audit function and the persons assigned the responsibilities are considered suitably qualified and experienced for the purpose and are conversant with the policies and procedures of the company.

16. The statutory auditors of the company have confirmed that they have been given a satisfactory rating under the Quality Control Review program of the Institute of Chartered Accountants of Pakistan (ICAP)

and registered with Audit Oversight Board of Pakistan, that they and all their partners are in compliance with International Federation of Accountants (IFAC) guidelines on code of ethics as adopted by the ICAP and that they and the partners of the firm involved in the audit are not a close relative (spouse, parent, dependent and non-dependent children) of the Chief Executive Officer, Chief Financial Officer, Head of Internal Audit, Company Secretary or director of the Company;

17. The statutory auditors or the persons associated with them have not been appointed to provide other services except in accordance with the Act, these regulations or any other regulatory requirement and the auditors have confirmed that they have observed IFAC guidelines in this regard;

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

For and on Behalf of the Board



Javed Saifullah Khan
Chairman

Place: Islamabad

Date: September 30, 2025

INDEPENDENT AUDITORS' REVIEW REPORT ON THE STATEMENT OF COMPLIANCE CONTAINED IN THE LISTED COMPANIES (CODE OF CORPORATE GOVERNANCE) REGULATIONS, 2019

We have reviewed the enclosed Statement of Compliance with the Listed Companies (Code of Corporate Governance) Regulations, 2019 (the Regulations) prepared by the Board of Directors of **KOHAT TEXTILE MILLS 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 systems sufficient to plan the audit and develop an effective audit approach. We are not required to consider whether the Board of Directors' statement on internal control covers all risks and controls or to form an opinion on the effectiveness of such internal controls, the Company's corporate governance procedures and risks.

The Regulations require the Company to place before the Audit Committee, and upon recommendation of the Audit Committee, place before the Board of Directors for their review and approval, its related party transactions. We are only required and have ensured compliance of this requirement to the extent of the approval of the related party transactions by the Board of Directors upon recommendation of the Audit Committee.

Based on our review, nothing has come to our attention which causes us to believe that the Statement of Compliance does not appropriately reflect the Company's compliance, in all material respects, with the requirements contained in the Regulations as applicable to the Company for the year ended June 30, 2025.

*ShineWingHameed Chaudhri
& Co.*

SHINEWING HAMEED CHAUDHRI & CO.,
CHARTERED ACCOUNTANTS

Place: Lahore

Dated: September 30, 2025

UDIN: CR202510195EIFsgGidu

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF KOHAT TEXTILE MILLS LIMITED

Report on the Audit of the Financial Statements

Opinion

We have audited the annexed financial statements of **KOHAT TEXTILE MILLS LIMITED** (the Company), which comprise the statement of financial position as at June 30, 2025, and the statement of profit or loss and other comprehensive income, the statement of changes in equity, the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information, and we state that we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of the audit.

In our opinion and to the best of our information and according to the explanations given to us, the statement of financial position, statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows together with the notes forming part thereof conform with the accounting and reporting standards as applicable in Pakistan and give the information required by the Companies Act, 2017 (XIX of 2017), in the manner so required and respectively give a true and fair view of the state of the Company's affairs as at June 30, 2025 and of the profit and other comprehensive income, the changes in equity and its cash flows for the year then ended.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) as applicable in Pakistan. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants as adopted by the Institute of Chartered Accountants of Pakistan (the Code) and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current year. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF KOHAT TEXTILE MILLS LIMITED

Following are the key audit matters:

S. No.	Key audit matters	How the matter was addressed in our audit
1.	<p>Revaluation of property, plant and equipment (notes 4.9 & 18)</p> <p>Under IAS 16 (Property, plant and equipment), the management carries its freehold land, buildings on freehold land, plant & machinery, diesel generators & fuel reservoirs, gas fired power plant, electric installations, equipment & appliances under revaluation model.</p> <p>Under the said model, if fair value can be measured reliably, an entity may carry all items of property, plant and equipment of a class at a revalued amount, which is the fair value of the items at the date of revaluation less any subsequent accumulated depreciation.</p> <p>As at June 30, 2025 the carrying value of aforementioned fixed assets aggregated Rs.5,291 million. The fair value of these fixed assets were assessed by management based on independent valuation performed by an external property valuation Expert engaged by it as at June 30, 2025.</p> <p>Freehold land has been revalued on the basis of present market value whereas remaining fixed assets have been revalued on the basis of depreciated fair market values. This technique requires significant judgement as to estimating the revalued amount in terms of their quality, structure, layout and locations.</p> <p>We identified valuation of property plant and equipment as a key audit matter due to the significant carrying values and the significant management judgement and estimation involved in determining their values due to factors described above.</p>	<p>Our audit procedures, amongst others, included the following:</p> <ul style="list-style-type: none"> - evaluated the competence, capabilities and objectivity of the independent external property valuation Expert engaged by the management as management Expert for valuation; - obtained understanding of the valuation process and techniques adopted by the valuation Expert to assess the reasonableness of the reports; - obtained the valuation reports of external valuation Expert and tested mathematical accuracy of the reports; and - assessed the adequacy of the related disclosures in the annexed financial statements.
2.	<p>Revenue</p> <p>As described in notes 4.21 and 28, the Company generates revenue from the sale of goods to domestic customers. During the year ended June 30, 2025, the Company generated net revenue of Rs.8.253 billion as compared to Rs.7.964 billion during the previous year.</p> <p>Considering the significance of amounts involved and that the revenue is a key indicator of performance measurement of the Company, we have considered revenue recognition as a key audit matter.</p>	<p>Our audit procedures to assess recognition of revenue, amongst others, included the following:</p> <ul style="list-style-type: none"> - obtained an understanding of the Company's processes and related internal controls for revenue recognition and on a sample basis, tested the effectiveness of those controls, specifically in relation to recognition of revenue and timing thereof; - evaluated the appropriateness of the Company's revenue recognition policies, in accordance with the relevant IFRS; - reviewed, on a sample basis, sale transactions near the reporting date to assess whether transactions were recorded in the relevant accounting year;

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF KOHAT TEXTILE MILLS LIMITED

S. No.	Key audit matters	How the matter was addressed in our audit
		<ul style="list-style-type: none"> - performed substantive analytical procedures including developing an expectation of the current year revenue based on trend analysis information taking into account historical sale and market patterns; - correlated the revenue transactions with movement in receivables and monetary balances and compared with the results from our balance confirmation procedures; - reconciled revenue recorded in the books of account on a sample basis with underlying accounting records including dispatch and delivery documents; and - reviewed and assessed the adequacy of related disclosures made in the financial statements in accordance with the applicable financial reporting standards and the Companies Act, 2017.
3.	<p>Contingencies</p> <p>The Company is subject to material litigations including Gas Infrastructure Development Cess (GIDC), taxation and other matters at different courts which require management to make assessment and judgements with respect to likelihood and impact of such litigations on the financial statements of the Company.</p> <p>The details of contingencies including that relating to GIDC Act, 2015 and the Supreme Court of Pakistan (SCP) Judgment regarding the same along with management's assessment thereon have been disclosed in note 17 to the financial statements.</p> <p>Management has engaged independent legal consultants on these matters.</p> <p>The accounting for and disclosures of contingencies is complex and is a matter of significance in our audit because of the judgements required to determine the level of certainty on these matters.</p> <p>Due to the magnitude of amount involved, inherent uncertainties with respect to the outcome of matters and use of significant management judgement and estimates to assess the same including related financial impacts, we have considered above referred contingencies as one of the key audit matters.</p>	<p>In response to this matter, our audit procedures included:</p> <ul style="list-style-type: none"> - Discussed legal cases with the legal department of the Company to understand the management's view point and obtained management's assessment regarding their implications on the Company's financial statements; - Obtained independent opinion of legal advisors dealing with such cases in the form of confirmations; - Examined legal expense ledgers to assess any litigations or claims, which may result in material misstatement of the financial statements; - Reviewed the documents for legal and tax proceedings maintained by the management, including Judgments passed by the SCP and studied the related provisions of the GIDC Act, 2015; - Evaluated all the legal cases in line with the requirements of IAS 37 (Provisions, contingent liabilities and contingent assets); and - Assessed the disclosures of legal exposures and provisions for completeness and accuracy.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF KOHAT TEXTILE MILLS LIMITED

Information Other than the Financial Statements and Auditors' Report Thereon

Management is responsible for the other information, which comprises the information included in the Annual Report, but does not include the financial statements and our auditors' report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Board of Directors for the Financial Statements

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

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

Board of directors is responsible for overseeing

the Company's financial reporting process.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an 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 financial statements.

As part of an audit in accordance with ISAs as applicable in Pakistan, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF KOHAT TEXTILE MILLS LIMITED

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 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 financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the board of directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the board of directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the board of directors, we determine those matters that were of most significance in the audit of the financial statements of the current year 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:

- a) proper books of account have been kept by the Company as required by the Companies Act, 2017 (XIX of 2017);
- b) the statement of financial position, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows together with the notes thereon have been drawn up in conformity with the Companies Act, 2017 (XIX of 2017) and are in agreement with the books of account and returns;
- c) investments made, expenditure incurred and guarantees extended during the year were for the purpose of the Company's business; and
- d) 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 Nafees ud din.

Shine Wing Hameed Chaudhri & Co.

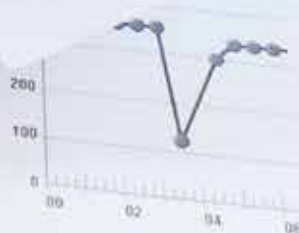
SHINEWING HAMEED CHAUDHRI & CO.,
CHARTERED ACCOUNTANTS

Place: Lahore

Date : September 30, 2025

UDIN: AR202510195z7b1QqGfP

FINANCIAL STATEMENTS



A hand holding a pen is positioned over a table titled "Loan markets". The table has two columns: "No" and "Value". The "No" column contains numbers from 1 to 13. The "Value" column contains various numerical values, some of which are highlighted in grey. The values in the "Value" column are: 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13. The values in the "Value" column are: 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13. The values in the "Value" column are: 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13.


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STATEMENT OF FINANCIAL POSITION

As at June 30, 2025

	Note	2025 Rupees in '000	2024
Equity and Liabilities			
Share Capital and Reserves			
Authorised capital			
22,000,000 ordinary shares of Rs.10 each		220,000	220,000
Issued, subscribed and paid-up capital	5	208,000	208,000
Revenue reserve			
- unappropriated profit		1,410,289	1,138,970
Capital reserve			
- surplus on revaluation of property, plant and equipment	6	2,988,516	2,563,588
Unrealised loss on financial assets at fair value through other comprehensive income		(97)	(114)
Shareholders' equity		4,606,708	3,910,444
Non-current Liabilities			
Long term financing	7	939,348	588,686
Long term deposits	8	8,889	7,281
Deferred income - government grant	9	9,314	18,243
Deferred liability - staff retirement benefits	10	229,861	209,834
Deferred taxation	11	429,959	289,094
		1,617,371	1,113,138
Current Liabilities			
Trade and other payables	12	834,869	944,824
Contract liabilities		1,584	2,210
Accrued mark-up / profit	13	76,439	130,196
Short term borrowings	14	2,605,481	1,919,215
Current portion of non-current liabilities	15	263,439	194,427
Unpaid dividend		355	209
Unclaimed dividend		939	939
Provision for tax levies	16	95,089	99,561
		3,878,195	3,291,581
		5,495,566	4,404,719
Contingencies and Commitments			
	17		
		10,102,274	8,315,163

The annexed notes 1 to 47 form an integral part of these financial statements.



ASSAD SAIFULLAH KHAN
Chief Executive Officer



RANA MUHAMMAD SHAFI
Director




ABID HUSSAIN
Chief Financial Officer

STATEMENT OF FINANCIAL POSITION

As at June 30, 2025

		2025	2024
	Note	Rupees in '000	
Assets			
Non-current Assets			
Property, plant and equipment	18	6,240,427	4,987,986
Long term investments	19	9,223	4,886
Long term loans	20	1,434	1,380
Long term deposits		9,720	16,321
		6,260,804	5,010,573
Current Assets			
Stores, spare parts and loose tools	21	90,191	56,718
Stock-in-trade	22	1,569,751	1,360,565
Trade debts	23	2,037,416	1,760,880
Loans and advances	24	10,970	2,530
Deposits, prepayments and other receivables	25	16,587	20,489
Sales tax refundable		4,131	0
Taxation	26	102,264	93,789
Bank balances	27	10,160	9,619
		3,841,470	3,304,590
		10,102,274	8,315,163

The annexed notes from 1 to 47 form an integral part of these financial statements.



ASSAD SAIFULLAH KHAN
Chief Executive Officer



RANA MUHAMMAD SHAFI
Director




ABID HUSSAIN
Chief Financial Officer

STATEMENT OF PROFIT OR LOSS & OTHER COMPREHENSIVE INCOME

For the Year Ended June 30, 2025

		2025	2024
	Note	Rupees in '000	
Sales - net	28	8,253,381	7,964,142
Cost of sales	29	(7,049,598)	(6,744,623)
Gross profit		1,203,783	1,219,519
Distribution cost	30	(106,407)	(101,974)
Administrative expenses	31	(192,059)	(181,168)
Other income	32	57,470	16,010
Other expenses	33	(35,890)	(28,307)
Profit from operations		926,897	924,080
Finance cost	34	(450,927)	(599,716)
Profit before taxation and minimum tax levies		475,970	324,364
Minimum tax levies	16	(103,189)	(99,561)
Profit before taxation		372,781	224,803
Taxation	35	(92,015)	(10,686)
Profit after taxation		280,766	214,117
Other comprehensive income / (loss)			
Items that will not be reclassified subsequently to statement of profit or loss:			
- gain / (loss) on remeasurement of staff retirement benefit obligation	10.5	16,644	(12,734)
- surplus on revaluation of property, plant and equipment	6.2	498,087	0
- impact of deferred tax	6.2	(57,650)	0
		440,437	0
- unrealised gain on remeasurement of investment at fair value through other comprehensive income	19	17	0
		457,098	(12,734)
Total comprehensive income		737,864	201,383
----- Rupees -----			
Earnings per share - basic and diluted	36	13.50	10.29

The annexed notes 1 to 47 form an integral part of these financial statements.



ASSAD SAIFULLAH KHAN
Chief Executive Officer



RANA MUHAMMAD SHAFI
Director



ABID HUSSAIN
Chief Financial Officer

STATEMENT OF CASH FLOWS

For the Year Ended June 30, 2025

	Note	2025 Rupees in '000	2024
Cash flow from operating activities			
Profit for the year - before taxation and minimum tax levies		475,970	324,364
Adjustments for non-cash and other charges:			
Depreciation on operating fixed assets and right of use assets	18.8 & 31	149,914	148,513
(Gain) / loss on sale of operating fixed assets - net	18.4	(11,463)	248
Staff retirement benefits - gratuity (net)		36,671	14,982
Unclaimed payable balances written-back	32	(72)	(70)
Finance cost		438,331	582,194
Profit before working capital changes		1,089,351	1,070,231
Effect on cash flows due to working capital changes			
(Increase) / decrease in current assets:			
Stores, spare parts and loose tools		(33,473)	464
Stock-in-trade		(209,186)	(126,805)
Trade debts		(276,536)	(362,817)
Loans and advances		(8,440)	3,020
Deposits, prepayments and other receivables		3,902	(3,260)
Sales tax refundable		(4,131)	0
(Decrease) / increase in current liabilities:			
Trade and other payables		(109,883)	307,048
Contract liabilities		(626)	408
		(638,373)	(181,942)
Cash generated from operating activities		450,978	888,289
Taxes paid		(124,936)	(104,748)
Long term loans - net		(54)	(395)
Net cash generated from operating activities		325,988	783,146
Cash flows from investing activities			
Additions to property, plant and equipment		(931,125)	(92,899)
Sale proceeds of operating fixed assets	18.4	38,320	7,575
Long term investments made	19	(4,320)	0
Net cash used in investing activities		(897,125)	(85,324)
Cash flows from financing activities			
Long term financing - obtained	7.13 & 7.14	626,898	125,000
- repaid		(216,153)	(216,299)
Lease liabilities - net		6,601	(4,605)
Long term deposits		1,608	2,645
Short term borrowings - net		686,266	(22,142)
Finance cost paid - net		(492,088)	(587,075)
Dividend paid		(41,454)	0
Net cash generated from / (used in) financing activities		571,678	(702,476)
Net increase / (decrease) in cash and cash equivalents		541	(4,654)
Cash and cash equivalents - at beginning of the year		9,619	14,273
Cash and cash equivalents - at end of the year	27	10,160	9,619

The annexed notes from 1 to 47 form an integral part of these financial statements.



ASSAD SAIFULLAH KHAN
Chief Executive Officer



RANA MUHAMMAD SHAFI
Director



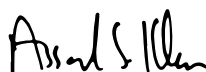
ABID HUSSAIN
Chief Financial Officer

STATEMENT OF CHANGES IN EQUITY

For the Year Ended June 30, 2025

	Share Capital	Revenue reserve Unappropriated profit	Capital reserve Revaluation surplus on property, plant and equipment	Unrealised loss on financial assets at fair value through other comprehensive income	Total
	Rupees in '000				
Balance as at June 30, 2023	208,000	916,972	2,584,203	(114)	3,709,061
Total comprehensive income for the year ended June 30, 2024					
- profit for the year	0	214,117	0	0	214,117
- other comprehensive loss	0	(12,734)	0	0	(12,734)
	0	201,383	0	0	201,383
Surplus on revaluation of property, plant and equipment realised during the year (net of deferred taxation)					
- on account of incremental depreciation	0	16,520	(16,520)	0	0
- upon sale of revalued assets	0	4,095	(4,095)	0	0
Balance as at June 30, 2024	208,000	1,138,970	2,563,588	(114)	3,910,444
Final cash dividend at the rate of Re.1 per share for the year ended June 30, 2024	0	(20,800)	0	0	(20,800)
Total comprehensive income for the year ended June 30, 2025					
- profit for the year	0	280,766	0	0	280,766
- other comprehensive income	0	16,644	440,437	17	457,098
	0	297,410	440,437	17	737,864
Surplus on revaluation of property, plant and equipment realised during the year (net of deferred taxation)					
- on account of incremental depreciation	0	15,509	(15,509)	0	0
Interim cash dividend at the rate of Re.1 per share for the year ended June 30, 2025	0	(20,800)	0	0	(20,800)
Balance as at June 30, 2025	208,000	1,410,289	2,988,516	(97)	4,606,708

The annexed notes 1 to 47 form an integral part of these financial statements.



ASSAD SAIFULLAH KHAN
Chief Executive Officer



RANA MUHAMMAD SHAFI
Director



ABID HUSSAIN
Chief Financial Officer

NOTES TO THE FINANCIAL STATEMENTS

For the Year Ended June 30, 2025

1. LEGAL STATUS AND NATURE OF BUSINESS

Kohat Textile Mills Limited (the Company) is a public limited Company incorporated in Pakistan during the year 1967 and its shares are quoted on Pakistan Stock Exchange. The Company is principally engaged in manufacture and sale of yarn.

1.1 Geographical location and addresses of major business units including mills / plant of the Company are as under:

Kohat

Saifabad

Purpose

Mills / factory

Peshawar

KPTMA house, Tehkal Payan, Jamrud Road

Registered office

Islamabad

4th Floor, Kashmir Commercial Complex,

Head office

Fazal-e-haq road, Blue Area

Karachi

Plot No. 36, New Karachi Cooperative Housing

Marketing & Sales office

Society Near Dolmen Mall Tariq Road

Faisalabad

P-17, Near Allied Bank Ltd, Montgomery Bazar,

Marketing & Sales office

1.2 The Company is a Subsidiary Company of Saif Holdings Limited (the Holding Company), which holds 75.56% (2024: 77.98%) of the Company's issued, subscribed and paid-up capital.

2. BASIS OF PREPARATION

2.1 Statement of compliance

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

- International Financial Reporting Standards (IFRSs) issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017 (the Act);
- Islamic Financial Accounting Standards (IFAS) issued by the Institute of Chartered Accountants of Pakistan as notified under the Act; and
- Provisions of and directives issued under the Act.

Where provisions of and directives issued under the Act differ from the IFRSs, the provisions of and directives issued under the Act have been followed.

2.2 Basis of measurement

These financial statements have been prepared under the historical cost convention except as disclosed in the accounting policy notes.

NOTES TO THE FINANCIAL STATEMENTS

For the Year Ended June 30, 2025

2.3 Functional and presentation currency

These financial statements are presented in Pakistan Rupees, which is the Company's functional and presentation currency. All financial information presented in Pakistan Rupees has been rounded to the nearest thousand unless otherwise specified.

2.4 INITIAL APPLICATION OF STANDARDS, AMENDMENTS OR INTERPRETATIONS TO EXISTING STANDARDS

The following amendments to existing standards have been published that are applicable to the Company's financial statements covering annual periods, beginning on or after the following dates:

2.4.1 Standards, amendments and interpretations to accounting standards that are effective in current year

Certain standards, amendments and interpretations to International Financial Reporting Standards (IFRSs) are effective for accounting period beginning on July 01, 2024 but are considered not to be relevant or to have any significant effect on the Company's operations (although they may affect the accounting for future transactions and events) and are, therefore, not detailed in these financial statements, except for the following:

Amendment to International Accounting Standard (IAS) 1 – Classification of liabilities as current or non-current

Under existing IAS 1 requirements, companies classify a liability as current when they do not have an unconditional right to defer settlement of the liability for at least twelve months after the end of the reporting period. As part of this amendment, the requirement for a right to be unconditional has been removed and instead, the amendment requires that a right to defer settlement must have substance and exist at the end of the reporting period. This right may be subject to a Company complying with conditions (covenants) specified in a loan arrangement. The IASB, after reconsidering certain aspects of the amendment, reconfirmed that only covenants with which a Company must comply on or before the reporting date affect the classification of a liability as current or non-current. Covenants with which the Company must comply after the reporting date (i.e. future covenants) do not affect a liability's classification at that date. However, when non-current liabilities are subject to future covenants, companies will now need to disclose information to help users understand the risk that those liabilities could become repayable within 12 months after the reporting date.

The above amendment did not result in any significant changes to these financial statements.

2.4.2 Standards, amendments and interpretations to existing standards that are not yet effective and have not been early adopted by the Company

There are certain standards, amendments to the accounting standards and interpretations that are mandatory for the Company's accounting periods beginning on or after July 01, 2025 but are considered not to be relevant or to have any significant effect on the Company's operations and are, therefore, not detailed in these financial statements, except for the following:

NOTES TO THE FINANCIAL STATEMENTS

For the Year Ended June 30, 2025

(a) IFRS S1 General Requirements for Disclosure of Sustainability - Related Financial Information and IFRS S2 Climate - Related Disclosures (effective for annual period beginning on July 01, 2025)

These standards include the core framework for the disclosure of material information about sustainability - related risks, opportunities across an entity's value chain and set out the requirements for entities to disclose information about climate - related risks and opportunities.

IFRS S1 requires entities to disclose information about its sustainability - related risks and opportunities that is useful to primary users of general purpose financial reporting in making decisions relating to providing resources to the entity. The standards provide guidance on identifying sustainability - related risks and opportunities, and the relevant disclosures to be made in respect of those sustainability - related risks and opportunities.

IFRS S2 is a thematic standard that builds on the requirements of IFRS S1 and is focused on climate-related disclosures. IFRS S2 requires an entity to identify and disclose climate-related risks and opportunities that could affect the entity's prospects over the short, medium and long term. In addition, IFRS S2 requires entities to consider other industry-based metrics and seven cross-industry metrics when disclosing qualitative and quantitative components on how the entity uses metrics and targets to measure, monitor and manage the identified material climate-related risks and opportunities. The cross-industry metrics include disclosures on greenhouse gas ('GHG') emissions, transition risks, physical risks, climate-related opportunities, capital deployment, internal carbon prices and remuneration.

(b) Amendments to IFRS 9 and IFRS 7 - Classification and Measurement of Financial Instruments (effective for annual period beginning on January 01, 2026)

The amendments:

- clarify the requirements for the timing of recognition and derecognition of some financial assets and liabilities, with a new exception for some financial liabilities settled through an electronic cash transfer system;
- clarify and add further guidance for assessing whether a financial asset meets the solely payments of principal and interest (SPPI) criterion;
- add new disclosures for certain instruments with contractual terms that can change cash flows (such as some instruments with features linked to the achievement of environment, social and governance (ESG) targets); and
- make updates to the disclosures for equity instruments designated at Fair Value through Other Comprehensive Income (FVOCI).

An important clarification brought about in these amendments is that a payment instruction (e.g. a cheque) that is prepared for a future payment will generally not meet the requirements for the financial liability to be discharged and hence derecognised. The previous practice of financial liabilities being derecognised upon issuance of cheques would need to be reconsidered.

(c) Annual improvements to International Financial Reporting Standards – Volume 11 (effective for annual period beginning on January 01, 2026)

Annual improvements are limited to changes that either clarify the wording in an Accounting Standard or correct relatively minor unintended consequences, oversights or conflicts between the requirements in the Accounting Standards. The 2024 amendments are to the following standards:

NOTES TO THE FINANCIAL STATEMENTS

For the Year Ended June 30, 2025

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

(d) IFRS 18 - Presentation and Disclosure in Financial Statements (effective for annual period beginning on January 01, 2027)

This is the new standard on presentation and disclosure in financial statements, with a focus on updates to the statement of profit or loss. The key new concepts introduced in IFRS 18 relate to:

- the structure of the statement of profit or loss;
- required disclosures in the financial statements for certain profit or loss performance measures that are reported outside an entity's financial statements (that is, management-defined performance measures); and
- enhanced principles on aggregation and disaggregation which apply to the primary financial statements and notes in general.

The Company is yet to assess the impact of this Standard and amendments to existing standards on its financial statements.

3. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of financial statements in conformity with approved accounting standards requires management to make judgements, estimates and assumptions that affect the application of policies and the reported amount of assets, liabilities, income and expenses. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The Company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. Judgements, estimates and assumptions made by the management that may have a significant risk of material adjustments to the financial statements in the subsequent years are as follows:

3.1 Property, plant and equipment

The Company reviews appropriateness of the rates of depreciation, useful lives and residual values for calculation of depreciation on an on-going basis. Further, where applicable, an estimate of recoverable amount of asset is made if indicators of impairment are identified. Useful lives, residual values and depreciation method of property, plant and equipment are stated in notes 4.9 and 18.

3.2 Stores & spares and stock-in-trade

The Company estimates the net realisable value of stores & spares and stock-in-trade to assess any diminution in the respective carrying values. Net realisable value is determined with reference to estimated selling price less estimated expenditure to make sale notes 4.13 and 4.14.

NOTES TO THE FINANCIAL STATEMENTS

For the Year Ended June 30, 2025

3.3 Provision for impairment of trade debts

Impairment losses, related to trade and other receivables, are calculated using simplified approach of expected credit loss (ECL) model. Management uses actual credit loss experience over past years for the calculation of ECL. Trade and other receivables are written off when there is no reasonable expectation of recovery - note 4.15.

3.4 Staff retirement benefits - gratuity

The present value of this obligation depends on a number of factors that is determined on actuarial basis using a number of assumptions. Any change in these assumptions will impact carrying amount of this obligation. The present value of the obligation and underlying assumptions are stated in notes 4.4 and 10.

3.5 Income taxes and tax levies

In making the estimates for income taxes and tax levies, the Company takes into account the current income tax law and decisions taken by appellate authorities on certain issues in the past. There may be various matters where the Company's view differs with the view taken by the income tax department at the assessment stage and where the Company considers that its view on items of a material nature is in accordance with the law. The difference between the potential and actual charge of income taxes and tax levies, if any, is disclosed as a contingent liability - notes 4.6 and 17.

4. MATERIAL ACCOUNTING POLICIES

The material accounting policies adopted in the preparation of these financial statements are the same as those applied in the preparation of the financial statements of the Company for the year ended June 30, 2024.

4.1 Borrowings and borrowing cost

These are recognised initially at fair value, net of transaction costs and are subsequently measured at amortised cost using the effective interest rate method. Difference between proceeds (net of transaction costs) and the redemption value is recognised in the profit or loss over the period of the borrowings as interest expense.

Borrowing costs are recognised as an expense in the period in which these are incurred except to the extent of borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset. Such borrowing costs, if any, are capitalised as part of the cost of that asset.

4.2 Leases

The Company leases vehicles and office buildings. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions.

Leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the Company. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to the statement of profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The right-of-use asset is depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis.

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

NOTES TO THE FINANCIAL STATEMENTS

For the Year Ended June 30, 2025

4.3 Government grants

The benefit of a government loan at a below-market rate of interest is treated as a government grant. The loan is recognised and measured in accordance with IFRS 9 (Financial instruments). The benefit of the below-market rate of interest is measured as the difference between the initial carrying value of the loan determined in accordance with IFRS 9 and the proceeds received. The benefit is accounted for in accordance with IAS 20 (Accounting for government grants and disclosure of government assistance). The entity considers the conditions and obligations that have been, or must be, met when identifying the costs for which the benefit of the loan is intended to compensate.

4.4 Staff retirement benefits (gratuity)

The Company operates an un-funded retirement gratuity scheme for its eligible employees. Provision for gratuity is made annually to cover obligation under the scheme in accordance with the actuarial recommendations. Latest actuarial valuation was conducted on June 30, 2025 on the basis of the projected unit credit method by an independent Actuary.

The liability recognised in the statement of financial position in respect of retirement gratuity scheme is the present value of defined benefit obligation at the end of reporting period. The amount arising as a result of remeasurements are recognised in the statement of financial position immediately, with a charge or credit to other comprehensive income in the periods in which these occur.

4.5 Trade and other payables

Liabilities for trade and other payables are carried at their amortised cost, which approximates fair value of the consideration to be paid in future for goods and services received, whether or not billed to the Company.

4.6 Tax levies and taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the statement of profit or loss, except to the extent that it relates to items recognised in statement of other comprehensive income or directly in equity. In this case, the tax is also recognised in statement of other comprehensive income or directly in equity, respectively.

(a) Current year

Provisions for current taxation and tax levies are based on taxable income and gross amount of revenue or other basis respectively at the enacted or substantively enacted rates of taxation after taking into account available tax credits and rebates, if any. The charge for current tax and tax levies includes adjustments, where necessary, relating to prior years, which arise from assessments framed / finalised during the year.

(b) Deferred

The Company accounts for deferred taxation using the statement of financial position liability method on temporary differences arising between the tax base of assets and liabilities and their carrying amounts in the financial statements. Deferred tax liability is recognised for taxable temporary differences and deferred tax asset is recognised to the extent that it is probable that taxable profits will be available against which the deductible temporary differences, unused tax losses and tax credits can be utilised. Deferred tax is charged or credited to the statement of profit or loss except for deferred tax arising on surplus on revaluation of property, plant and equipment, which is charged to revaluation surplus.

NOTES TO THE FINANCIAL STATEMENTS

For the Year Ended June 30, 2025

Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date.

Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

(c) Levies

Minimum taxes, that exceed the normal tax liability as well as tax deducted at source under the provisions of the Income Tax Ordinance, 2001 (the Ordinance), are not within the scope of IAS 12 (Income taxes) instead these taxes fall under the provisions of IFRIC 21 (Levies) and IAS 37 (Provisions, contingent liabilities and contingent assets).

Consequently, a liability for these levies is recognised in accordance with IFRIC 21 when the event specified in the Ordinance that triggers the obligation occurs. Therefore, excess minimum taxes and final taxes are recognised as liabilities when they become due, ensuring compliance with the recognition and measurement principles outlined in IAS 37.

4.7 Dividend distributions

Dividend distributions to the Company's shareholders are recognised in the period in which these are approved.

4.8 Financial liabilities

Classification and subsequent measurement

Financial liabilities are classified and measured at amortised cost or 'at fair value through profit or loss' (FVTPL). A financial liability is classified at FVTPL if it is classified as held for trading, it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in the statement of profit or loss.

Other financial liabilities are subsequently measured at amortised cost using the effective interest rate method. Interest expense and foreign exchange gains and losses are recognised in the statement of profit or loss. Any gain or loss on derecognition is also recognised in the statement of profit or loss.

Derecognition

Financial liabilities are derecognised when the contractual obligations are discharged or cancelled or have expired or when the financial liability's cash flows have been substantially modified.

4.9 Property, plant and equipment

Operating fixed assets, other than fire extinguishing equipment, furniture & fixtures, vehicles and live stock, are stated at fair value, based on valuations carried-out with sufficient regularity by external independent Valuers less subsequent depreciation. Any accumulated depreciation at the date of revaluation is eliminated against the gross carrying amount of asset and the net amount is restated to the revalued amount of asset. Fire extinguishing equipment, furniture & fixtures, vehicles and live stock are stated at historical cost less accumulated depreciation. Cost of some items of plant and machinery consists of historical cost and exchange fluctuation effects on foreign currency loans capitalised during prior years. Borrowing costs are also capitalised for the period up to the date of commencement of commercial production of the respective plant and machinery, acquired out of the proceeds

NOTES TO THE FINANCIAL STATEMENTS

For the Year Ended June 30, 2025

of such borrowings. Historical cost includes expenditure that is directly attributable to the acquisition of items. Capital work-in-progress is stated at cost.

The revaluation is measured on individual asset; if an asset's carrying amount is increased as a result of revaluation, the surplus is recognised in statement of other comprehensive income and accumulated in equity under the heading of revaluation surplus on property, plant and equipment. However, the surplus is recognised in statement of profit or loss to the extent that it reverses revaluation decrease of the same asset previously recognised in statement of profit or loss. If an asset's carrying amount is decreased as a result of revaluation, the deficit on revaluation of asset is recognised in statement of profit or loss. However, the decrease is recognised in statement of other comprehensive income to the extent of any credit balance existing in the revaluation surplus in respect of that asset.

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

Depreciation is taken to statement of profit or loss applying reducing balance method, except for overhauling of gas fired power plant, so as to write-off the depreciable amount of an asset over its remaining useful life. Depreciation on overhauling of gas fired power plant is charged to the statement of profit or loss using straight line method. The assets' residual values and useful lives are reviewed at each financial year-end and adjusted if impact on depreciation is significant. Rates of depreciation are stated in note 18.1.

Depreciation on additions to operating fixed assets is charged from the month in which an asset is acquired or capitalised while no depreciation is charged for the month in which the asset is disposed-off.

Gain / loss on disposal of property, plant and equipment, if any, is taken to statement of profit or loss.

4.10 Right-of-use assets

Right-of-use assets are initially measured based on the initial amount of the lease liabilities adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentive received. The right-of-use assets are depreciated over the lease term on the expected pattern of consumption of future economic benefits. The carrying amount of the right-of-use asset is reduced by impairment losses, if any. At transition, the Company recognised right of use assets equal to the present value of lease payments.

4.11 Intangible assets - computer software

Computer software is stated at cost less accumulated amortisation. Software cost is only capitalised when it is probable that future economic benefits attributable to the software will flow to the Company and the same is amortised applying the straight-line method.

NOTES TO THE FINANCIAL STATEMENTS

For the Year Ended June 30, 2025

4.12 Financial assets

Initial measurement

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

- fair value through other comprehensive income (FVTOCI);
- fair value through profit or loss (FVTPL); and
- measured at amortised cost.

A financial asset is initially measured at fair value plus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition.

Subsequent Measurement

- **Equity instruments at FVTOCI**

These assets are subsequently measured at fair value. Dividends are recognised as income in the statement of profit or loss. Other net gains and losses are recognised in statement of other comprehensive income and are never reclassified to the statement of profit or loss.

- **Debt instruments at FVTOCI**

These assets are subsequently measured at fair value. Interest / mark-up income calculated using the effective interest rate method, foreign exchange gains and losses and impairment are recognised in the statement of profit or loss. Other net gains and losses are recognised in statement of other comprehensive income. On derecognition, gains and losses accumulated in statement of other comprehensive income are reclassified to the statement of profit or loss.

- **Debt instruments at FVTPL**

These assets are subsequently measured at fair value. Net gains and losses, including any interest / mark-up or dividend income, are recognised in the statement of profit or loss.

- **Financial assets measured at amortised cost**

These assets are subsequently measured at amortised cost using the effective interest rate method. The amortised cost is reduced by impairment losses. Interest / mark-up income, foreign exchange gains and losses and impairment are recognised in the statement of profit or loss.

Derecognition

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Company has transferred substantially all risks and rewards of ownership.

4.13 Stores, spare parts and loose tools

Stores, spare parts and loose tools are stated at cost. The cost of inventory is based on moving average cost. Items in transit are stated at cost accumulated up to the statement of financial position date. The Company reviews the carrying amount of stores, spare parts and loose tools on a regular basis and provision is made for identified obsolete and slow moving items.

NOTES TO THE FINANCIAL STATEMENTS

For the Year Ended June 30, 2025

4.14 Stock-in-trade

Basis of valuation are as follows:

Particulars

Mode of valuation

Raw materials:

- | | |
|-----------------|--|
| At mills | - At lower of moving average cost and market value. |
| In transit | - At cost accumulated to the statement of financial position date. |
| Work-in-process | - At manufacturing cost. |
| Finished goods | - At lower of cost and net realisable value. |
| Waste | - At contracted rates. |

- Cost in relation to work-in-process and finished goods consists of prime cost and appropriate production overheads. Prime cost is allocated on the basis of moving average cost.
- Provision for obsolete and slow moving stock-in-trade is determined based on the management's assessment regarding their future usability.
- Net realisable value signifies the selling price in the ordinary course of business less cost of completion and cost necessary to be incurred to effect such sale.

4.15 Trade debts and other receivables

These are classified at amortised cost and are initially recognised and measured at fair value of consideration receivable. The Company uses simplified approach for measuring the expected credit losses for all trade and other receivables including contract assets based on lifetime expected credit losses. The Company has estimated the credit losses using a provision matrix where trade receivables are grouped based on different customer attributes along with historical, current and forward looking assumptions. Debts considered irrecoverable are written off.

4.16 Cash and cash equivalents

Cash and cash equivalents are carried in the statement of financial position at cost. For the purpose of statement of cash flow, cash and cash equivalents comprise of cash-in-hand and balances with banks.

4.17 Provisions

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

4.18 Foreign currency translations

Transactions in foreign currencies are accounted for in Pak Rupees at the exchange rates prevailing on the date of transactions. Assets and liabilities in foreign currencies are translated into Pak Rupees at the exchange rates prevailing on the reporting date except where forward exchange rates are booked, which are translated at the contracted rates. Exchange differences, if any, are taken to statement of profit or loss.

NOTES TO THE FINANCIAL STATEMENTS

For the Year Ended June 30, 2025

4.19 Impairment

(a) Financial assets

The Company assesses on a forward looking basis for the expected credit loss (ECL) associated with its financial assets. The impairment methodology applied depends on whether there has been a significant increase in credit risk. Further, the Company follows simplified approach for measuring ECL which uses a lifetime expected loss allowance for all trade and other receivables. Management uses actual credit loss experience over past years for calculation of ECL.

For debt instruments measured as FVTOCI, the Company applies the low credit risk simplification. At every reporting date, the Company evaluates whether the debt instrument is considered to have low credit risk using all reasonable and supportable information that is available without undue cost or effort. In making that evaluation, the Company reassesses the internal credit rating of the debt instrument. In addition, the Company considers that there has been a significant increase in credit risk when contractual payments are more than 30 days past due.

For bank balances, the Company applies a simplified approach in calculating ECLs based on lifetime expected credit losses. The Company reviews internal and external information available for each bank balance to assess expected credit loss and the likelihood to receive the outstanding contractual amount. The expected credit losses are recognised in the statement of profit or loss.

The Company considers a financial asset in default when contractual payments past due for a reasonable period of time. 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. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

(b) Non-financial assets

The carrying amounts of the Company's non-financial assets are reviewed at each reporting date to identify circumstances indicating occurrence of impairment loss or reversal of provisions for impairment losses. If any indications exist, the recoverable amounts of such assets are estimated and impairment losses or reversals of impairment losses are recognised in the statement of profit or loss. Reversal of impairment loss is restricted to the original cost of the asset.

4.20 Off-setting of financial assets and liabilities

Financial assets and liabilities are off-set and the net amount is reported in the financial statements only when there is a legally enforceable right to set-off the recognised amounts and the Company intends either to settle on a net basis or to realise the assets and to settle the liabilities simultaneously.

4.21 Revenue recognition

Revenue is recognised when the performance obligation associated to the contract is satisfied and is measured at the fair value of consideration received or receivable on the following basis:

- revenue from local sale of goods is recognised at the point of time when the customer obtains control of the goods, which is generally at the time of delivery / dispatch of goods to customers;

NOTES TO THE FINANCIAL STATEMENTS

For the Year Ended June 30, 2025

- revenue from the export sale of goods is recognised at the point in time when the customer obtains control over the goods dependent on the relevant incoterms of shipment. Generally, it is on the date of bill of lading or at the time of delivery of goods to the destination port;
- dividend income from investments is recognised when the Company's right to receive dividend is established; and
- return on bank deposits / interest income is recognised using applicable effective interest rate. Income is accrued as and when the right to receive the income is established.

4.22 Segment reporting

Segment information is presented on the same basis as that used for internal reporting purposes by the Chief Operating Decision Maker, who is responsible for allocating resources and assessing performance of the operating segments. On the basis of its internal reporting structure, the Company considers itself to be a single reportable segment; however, certain information about the Company's products, as required by the approved accounting standards, is presented in note 43 to these financial statements.

5. ISSUED, SUBSCRIBED AND PAID-UP CAPITAL

2025	2024		2025	2024
--- No. of shares ---			--- Rupees in '000 ---	
14,525,400	14,525,400	ordinary shares of Rs.10 each fully paid in cash	145,254	145,254
6,274,600	6,274,600	ordinary shares of Rs.10 each issued as fully paid-up by conversion of loans and debentures	62,746	62,746
<u>20,800,000</u>	<u>20,800,000</u>		<u>208,000</u>	<u>208,000</u>

5.1 Saif Holdings Ltd. (the Holding Company) held 15,717,178 and 16,220,010 ordinary shares of the Company as at June 30, 2025 and June 30, 2024.

5.2 Voting rights, board selection, right of first refusal and block voting are in proportion to the shareholding.

6. SURPLUS ON REVALUATION OF PROPERTY, PLANT AND EQUIPMENT - Net

6.1 The Company had revalued its freehold land, buildings on freehold land, plant & machinery, diesel generators & fuel reservoir, gas fired power plant, electric installations and equipment and appliances during the financial years 1984, 1995, 2004, 2005, 2008, 2012, 2016, 2019 and 2022. These fixed assets were revalued by Independent Valuers on the basis of market value / depreciated market values.

6.2 The latest revaluation exercise has been carried-out by M/s. Hamid Mukhtar & Co. (Pvt.) Ltd. (Independent Valuers and Consultants) as at June 30, 2025 to replace the carrying amounts of these assets with the market value / depreciated market values. The net appraisal surplus arisen on latest revaluation exercise has been credited to this account.

NOTES TO THE FINANCIAL STATEMENTS

For the Year Ended June 30, 2025

		2025	2024
	Note	Rupees in '000	
Opening balance		2,681,822	2,710,856
Add: surplus arisen on revaluation carried-out at the year end	18.2	498,087	0
Less: transferred to unappropriated profit:			
- on account of incremental depreciation for the year		(21,844)	(23,267)
- upon sale of revalued assets		0	(5,767)
		3,158,065	2,681,822
Less: deferred tax on:			
- opening balance of surplus		118,234	126,653
- surplus arisen on revaluation carried -out at the year end		57,650	0
- incremental depreciation for the year		(6,335)	(6,747)
- sale of revalued assets		0	(1,672)
		169,549	118,234
Closing balance		2,988,516	2,563,588
7. LONG TERM FINANCING - Secured			
The Bank of Khyber (BoK)			
Demand finance - I	7.1	0	38,657
Demand finance - II	7.2	10,568	17,614
Energy finance	7.3	33,846	39,487
National Bank of Pakistan (NBP)			
Demand finance	7.4	49,588	99,588
Meezan Bank Ltd. (MBL)			
Diminishing musharakah - I	7.5	9,690	13,699
Diminishing musharakah - II	7.6	37,500	43,056
Bank Alfalah Islamic Ltd. (BAFL)			
Islamic temporary economic refinance facility (ITERF)	7.7	62,630	79,705
Diminishing musharakah	7.8	37,179	42,308
Dubai Islamic Bank Pakistan Ltd. (DIB)			
Diminishing musharakah - ITERF	7.9	132,666	168,345
Soneri Bank Ltd. (SBL)			
Term finance	7.10	10,000	30,000
Askari Bank Ltd. (ABL)			
Diminishing musharakah - ITERF	7.11	58,293	73,968
Pak Oman Investment Company Ltd.			
Term finance	7.12	125,000	125,000
Saudi Pak Industrial and Agricultural Investment Co. Ltd. (Saudi Pak)			
Term finance - I	7.13	300,000	0
Term finance - II	7.14	326,898	0
		1,193,858	771,427
Less: current portion grouped under current liabilities		254,510	182,741
		939,348	588,686

NOTES TO THE FINANCIAL STATEMENTS

For the Year Ended June 30, 2025

- 7.1** The Company, during the financial year ended June 30, 2018, had arranged a demand finance facility of Rs.300 million from BoK. BoK, against the said facility, had disbursed in aggregate Rs.262.486 million. This finance facility was repayable in 20 equal quarterly instalments commenced from March, 2019. This finance facility carried mark-up at the rate of 6 months KIBOR + 110 basis points per annum payable semi annually; effective mark-up rate charged, during the current financial year was 21.23% (2024: mark-up rates ranged from 22.58% to 24.07%) per annum. This finance facility was secured against first pari passu charge over present and future fixed assets of the Company for Rs.400 million. The Company, during the current financial year, has fully repaid the outstanding balance of this finance facility.
- 7.2** The Company, during the financial year ended June 30, 2021, had arranged a demand finance facility of Rs.37.500 million from BoK. BoK, against the said facility, had disbursed Rs.35.227 million. This finance facility is repayable in 10 equal semi-annual instalments commenced from December, 2021. This finance facility carries mark-up at the rate of 6-months KIBOR + 110 basis points per annum payable quarterly; effective mark-up rate charged, during the current financial year, ranged from 13.21% to 21.23% (2024: 22.58% to 24.07%) per annum. This finance facility is secured against first pari passu charge over present and future fixed assets of the Company for Rs.400 million.
- 7.3** The Company, during the financial year ended June 30, 2021, had arranged a long term finance facility amounting Rs.55 million from BoK to finance the purchase of 650 KW Solar Grid on Run Off basis under Category-II of SBP Financing Scheme for Renewable Energy. This finance facility is repayable in 39 equal quarterly instalments commenced from December, 2021. This finance facility carries mark-up at SBP rate plus 2% (i.e. 4%) per annum. This finance facility is secured against first pari passu charge over fixed assets of the Company.
- 7.4** The Company, during the financial year ended June 30, 2020, had arranged a demand finance facility of Rs.250 million from NBP. NBP, against the said facility, had disbursed Rs.249.588 million. This finance facility is repayable in 20 equal quarterly instalments commenced from September, 2021. This finance facility carries mark-up at the rate of 6-months KIBOR + 110 basis points per annum payable quarterly; effective mark-up rates charged, during the current financial year, ranged from 13.24% to 21.34% (2024: 22.56% to 24.01%) per annum. This finance facility is secured against first pari passu charge over present and future fixed assets of the Company for Rs.333.333 million.
- 7.5** The Company, during the financial year ended June 30, 2021, had arranged a long term finance facility amounting Rs.27 million from MBL to finance the purchase of 320 KW Solar Grid on Run Off basis under Category-II of SBP Financing Scheme for Renewable Energy. This finance facility is repayable in 80 equal monthly instalments commenced from April, 2021. This finance facility carries mark-up at SBP rate plus 3% per annum payable monthly; effective mark-up rate charged, during the current financial year, was 6% (2024: 6%) per annum. This finance facility is secured against registration of ranking charge over fixed assets of the Company.
- 7.6** The Company, during the financial year ended June 30, 2022, had arranged a long term finance facility amounting Rs.50 million from MBL to finance the purchase of Solar Grid on Run off basis under Category-II of SBP Financing Scheme for Renewable Energy. This finance facility is repayable in 36 equal monthly instalments commenced from June, 2023. This finance facility carries mark-up at SBP rate plus 2% per annum payable monthly; effective mark-up rate charged during the current financial year was 5% (2024: 5%) per annum. This

NOTES TO THE FINANCIAL STATEMENTS

For the Year Ended June 30, 2025

finance facility is secured against registration of ranking charge over fixed assets of the Company.

- 7.7** The Company, during the financial year ended June 30, 2021, had obtained an Islamic temporary economic refinance facility (ITERF) of Rs.100 million from BAFL. BAFL has fully disbursed the said finance facility in two tranches of different amounts. The principal balance is repayable in 25 quarterly instalments commenced from March, 2023. This finance facility carries mark-up at SBP rate plus 3% per annum payable quarterly; effective mark-up rate charged during the current financial year was 4% (2024: 4%) per annum. This finance facility is secured against first pari passu charge on entire fixed assets of the Company for Rs.133.334 million.
- 7.8** The Company, during the financial year ended June 30, 2023, had arranged a long term finance facility of Rs.50 million from BAFL to finance the purchase of solar power panels under category-II of SBP financing scheme for renewable energy. This finance facility is repayable in 40 equal monthly instalments commenced from January, 2023. This finance facility carries mark-up at SBP rate plus 1% per annum payable quarterly; effective mark-up rates charged during the current financial year was 4% (2024: 4%) per annum. This finance facility is secured against first pari passu registered charge on entire fixed assets of Company with 25% margin amounting to Rs.66.667 million.
- 7.9** The Company, during the financial year ended June 30, 2021, has obtained a diminishing musharakah (ITERF) facility of Rs.200 million from DIB. DIB has fully disbursed the said amount in nine tranches of different amounts. The principal balance is repayable in 20 equal quarterly instalments commenced from September, 2023. This finance facility carries mark-up at SBP rate plus 4% per annum payable quarterly; effective mark-up rates charged during the current financial year was 5% (2024: 5%) per annum. This finance facility is secured against first pari passu charge of Rs.267 million over present and future fixed and current assets of the Company.
- 7.10** The Company, during the financial year ended June 30, 2022, has obtained a term finance facility of Rs.80 million from SBL to finance construction of staff colony and Mosque at mill premises. The principal balance is repayable in 16 equal quarterly instalments commenced from January, 2022. This finance facility carries mark-up at the rate of 3-months KIBOR + 100 basis points per annum payable quarterly; effective mark-up rates charged during the current financial year ranged from 13.14% to 21.24% (2024: 22.46% to 23.91%) per annum. This finance facility is secured against first pari passu charge of Rs.106.667 million over present and future fixed assets of the Company.
- 7.11** The Company, during the financial year ended June 30, 2022, has obtained a diminishing musharakah (ITERF) facility of Rs.100 million from ABL to finance BMR and upgradation of operational facilities. The principal balance is repayable in 20 equal quarterly instalments commenced from November, 2023. This finance facility carries mark-up at SBP rate plus 4% per annum payable quarterly; effective mark-up rates charged during the current financial year was 3.50% (2024: 3.50%) per annum. This finance facility is secured against first pari passu charge of Rs.160 million over present and future fixed assets of the Company.
- 7.12** The Company, during the preceding financial year ended June 30, 2024, has arranged a term finance (TF) facility of Rs.125 million from Pak Oman Investment Company Ltd. to finance

NOTES TO THE FINANCIAL STATEMENTS

For the Year Ended June 30, 2025

installation of 1 MW Solar Power System at plant site of the Company in Kohat. The principal balance is repayable in 16 equal quarterly instalments commencing September, 2025. This finance facility carries mark-up at the rate of KIBOR plus 1.5% per annum payable quarterly; effective mark-up rate charged during the current financial year ranged from 12.63% to 21.76% (2024:21.76%) per annum. This finance facility is secured against first pari passu charge on all present and future fixed assets (including land and building) of the Company with 25% margin and post dated cheques for instalment payments.

7.13 The Company, during the current financial year, has arranged a term finance facility of Rs. 300 million from Saudi Pak to finance installation of 3 MW Solar Power Project at plant site of the Company in Kohat. The principal balance is repayable in 20 equal quarterly instalments commencing October, 2025. This finance facility carries mark-up at the rate of 3-months KIBOR plus 1.5% per annum payable quarterly; effective mark-up rates charged during the current financial year ranged from 13.38% to 21.61% per annum. This finance facility is secured against first pari passu / joint pari passu charge over fixed assets of the Company with 25% margin and demand promissory notes.

7.14 The Company, during the current financial year, has arranged a term finance facility of Rs. 400 million from Saudi Pak to finance BMR and CAPEX of existing plant. The principal balance is repayable in 20 equal quarterly instalments commencing November, 2026. This finance facility carries mark-up at the rate of 3 months KIBOR plus 1.6% per annum payable quarterly; effective mark-up rate charged during the current financial year was 12.96% per annum. This finance facility is secured against first pari passu / joint pari passu charge on present and future fixed assets (including land and building) of the Company with 25% margin and demand promissory notes.

8. LONG TERM DEPOSITS

These deposits have been received in accordance with the Company's Car Incentive Scheme and against these deposits vehicles have been provided to the employees. These are adjustable after specified periods by transfer of title of vehicles to the respective employees.

9. DEFERRED INCOME - GOVERNMENT GRANT

	Note	2025 ---- Rupees in '000 ----	2024
Government grant against temporary economic refinance facility	9.1	18,243	29,929
Less: current portion grouped under current liabilities		8,929	11,686
		<u>9,314</u>	<u>18,243</u>

9.1 This relates to the difference between the fair value and actual proceed of temporary economic refinance facility loans obtained under SBP's refinance scheme. It is being amortised over the period of ten years from the date of loan disbursement with an amount equal to the difference between the finance cost charged that would have been charged to statement of profit or loss at market rate and the interest paid as per the scheme.

9.2 The Company has adhered to the terms of grants. During the year, an amount of Rs.11,686 thousand (2024: Rs.14,023 thousand) has been recognised in the statement of profit or loss.

NOTES TO THE FINANCIAL STATEMENTS

For the Year Ended June 30, 2025

10. DEFERRED LIABILITY - STAFF RETIREMENT BENEFITS (Gratuity)

10.1 Projected unit credit method, as allowed under IAS 19 (Employee benefits), has been used for actuarial valuation based on the following significant assumptions:

	2025	2024
- discount rate	11.75%	14.75%
- expected rate of increase in salary	10.75%	13.75%
- mortality rates	SLIC	SLIC
	2001-2005	2001-2005
	Setback 1 year	
- withdrawal rates	Age-based	Age-based
- retirement assumption	Age 60	Age 60
- average expected remaining working life of employees	9 years	9 years

10.2 Amount recognised in the statement of financial position

	2025	2024
	--- Rupees in '000 ---	
Net liability at beginning of the year	209,834	182,118
Charge to statement of profit or loss	72,502	62,257
Remeasurement recognised in statement of other comprehensive income	(16,644)	12,734
Payments made during the year	(37,103)	(47,275)
Transfer of gratuity benefit of an employee from Saif Holdings Ltd.	1,272	0
Net liability at the end of the year	229,861	209,834

10.3 Movement in the present value of defined benefit obligation is as follows:

Balance at beginning of the year	209,834	182,118
Current service cost	44,288	36,504
Interest cost	28,214	25,753
Benefits paid	(37,103)	(47,275)
Remeasurement of obligation	(16,644)	12,734
Balance at end of the year	228,589	209,834
Transfer of gratuity benefit of an employee from Saif Holdings Ltd.	1,272	0
	229,861	209,834

10.4 Charge to statement of profit or loss:

Current service cost	44,288	36,504
Interest cost	28,214	25,753
	72,502	62,257

10.5 Remeasurements recognised in statement of other comprehensive income

Experience adjustment	(16,644)	12,734
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NOTES TO THE FINANCIAL STATEMENTS

For the Year Ended June 30, 2025

10.6 Sensitivity analysis for actuarial assumptions

The sensitivity of the defined benefit obligation to changes in principal assumptions is detailed below:

	Change in assumption	Increase in assumptions	Decrease in assumptions
Discount rate	1%	<u>210,006</u>	<u>250,980</u>
Increase in salaries	1%	<u>251,248</u>	<u>209,380</u>

The sensitivity analysis is based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and change in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of defined benefit obligation calculated with the projected unit credit method at the end of reporting period) has been applied as when calculating the gratuity liability recognised within the statement of financial position.

The methods and types of assumptions used in preparing the sensitivity analysis have not changed compared to the previous period.

10.7 Comparison of present value of defined benefit obligation and experience adjustment on obligation for five years is as follows:

	2025	2024	2023	2022	2021
	----- Rupees in '000 -----				
Present value of defined benefit obligation	<u>228,589</u>	<u>209,834</u>	<u>182,118</u>	<u>169,826</u>	<u>140,173</u>
Experience adjustment on obligation	<u>(16,644)</u>	<u>12,734</u>	<u>986</u>	<u>14,663</u>	<u>14,363</u>

10.8 Based on the Actuary's advice, the expected charge for the year ending June 30, 2026 amounts to Rs.70.673 million.

NOTES TO THE FINANCIAL STATEMENTS

For the Year Ended June 30, 2025

11. DEFERRED TAXATION - net	Note	2025 --- Rupees in '000 ---	2024
This is comprised of the following :			
Taxable temporary differences arising in respect of:			
- accelerated tax depreciation allowances		382,335	310,894
- surplus on revaluation of property, plant and equipment	6	169,549	118,234
		551,884	429,128
Deductible temporary differences arising in respect of:			
- minimum tax recoverable against normal tax charge in future years		(110,517)	(128,626)
- alternative corporate tax recoverable against normal tax charge in future years		(11,408)	(11,408)
		(121,925)	(140,034)
		429,959	289,094
12. TRADE AND OTHER PAYABLES			
Creditors		156,518	123,083
Due to an Associated Company (Saif Power Ltd.)		0	2,709
Bills payable	12.1	303,939	551,459
Sales tax payable		0	47,195
Accrued expenses		317,198	174,703
Security deposits	12.2	3,000	3,000
Workers' (profit) participation fund	12.3	24,089	16,485
Workers' welfare fund	12.4	22,026	16,226
Others	12.5	8,099	9,964
		834,869	944,824
12.1 These are secured against import documents.			
12.2 These represent interest free security deposits received from the Company's transport contractor. The amount received has been utilised for the purpose of business in accordance with the written agreement with the contractor.			
12.3 Workers' (profit) participation fund			
Opening balance		16,485	7,037
Paid during the year		(17,459)	(7,504)
Allocation for the year		24,089	16,485
Interest accrued		974	467
Closing balance		24,089	16,485

NOTES TO THE FINANCIAL STATEMENTS

For the Year Ended June 30, 2025

12.4 Workers' welfare fund

	Note	2025 --- Rupees in '000 ---	2024
Opening balance		16,226	10,892
Charge for the year		5,800	5,334
Closing balance		22,026	16,226

12.5 These represent withholding income and sales tax.

13. ACCRUED MARK-UP / PROFIT

Mark-up / profit accrued on:

- long term financing		16,508	15,608
- short term borrowings		59,931	114,588
		76,439	130,196

14. SHORT TERM BORROWINGS

Short term finance facilities available from various commercial banks aggregate to Rs.2,850 million (2024: Rs.2,200 million). These facilities, during the current financial year, carried mark-up / profit at the rates ranging from 12.09% to 22.67% (2024: 18.11% to 25.71%) per annum payable on quarterly basis. Facilities available for opening letters of credit / guarantee from various commercial banks aggregate to Rs.1,658.600 million (2024: Rs.1,559 million) of which the amounts aggregating Rs.753.755 million (2024: Rs.571.175 million) remained un-utilised at the reporting date. The aggregate facilities are secured against pledge of raw materials & finished goods, charge on fixed and current assets of the Company, lien on documents of title to imported goods. These facilities are expiring on various dates by January, 2026.

Also refer contents of note 32.1.

15. CURRENT PORTION OF NON-CURRENT LIABILITIES

Long term financing	7	254,510	182,741
Government grant	9	8,929	11,686
		263,439	194,427

NOTES TO THE FINANCIAL STATEMENTS

For the Year Ended June 30, 2025

16. PROVISION FOR TAX LEVIES - Net		2025	2024
	Note	--- Rupees in '000 ---	
Balance at beginning of the year		99,561	74,426
Add: provision made during the year	16.1	103,189	99,561
Less: adjustment made against completed assessment		(107,661)	(74,426)
		<u>95,089</u>	<u>99,561</u>

16.1 No numeric tax rate reconciliation has been given in these financial statements as provisions made for the current and preceding financial years represent minimum tax payable under section 113 of the Income Tax Ordinance, 2001.

17. CONTINGENCIES AND COMMITMENTS

17.1 Contingencies

17.1.1 Guarantees aggregating Rs.146.353 million (2024: Rs.132.481 million) have been issued by the banks of the Company to Sui Northern Gas Pipeline Ltd. (SNGPL), Peshawar Electric Supply Company and Excise and Taxation Department, Karachi. These guarantees are secured against pari passu charge over the Company's fixed and current assets and are expiring on various dates by April 01, 2028.

17.1.2 Gas Infrastructure Development Cess ("GIDC") was initially imposed as a levy on gas consumers in the year 2011 vide GIDC Act, 2011. The said Act was challenged before the Peshawar High Court ("PHC") that declared the levy of GIDC unconstitutional. The Government challenged the PHC's judgment before the Supreme Court of Pakistan ("SCP"). The SCP upheld the PHC's judgment declaring GIDC a fee and not a tax that could not be introduced through money bill. Soon after the said judgment, GIDC Ordinance, 2014 was promulgated through which GIDC was again imposed. The Ordinance was also given retrospective effect from December 15, 2011. While the Ordinance was still in the field, the Government sought a review of the SCP's judgment, which was also dismissed by the SCP.

In May, 2015, the Government had passed the GIDC Act, 2015 whereby GIDC was again imposed on gas consumers. The Company had filed a writ petition before the PHC and challenged the validity of the GIDC Act, 2015. The PHC dismissed the writ petition of the Company vide its judgment dated May 31, 2017 and declared the GIDC Act, 2015 to be intra vires the Constitution. The Company had preferred an appeal to the SCP against the said judgment of PHC. The SCP, vide its detailed judgment dated August 13, 2020, had declared the GIDC Act, 2015 as valid and constitutional. The SCP in its said judgment stated that the Cess under GIDC Act, 2015 is applicable only to those consumers of natural gas which on account of their industrial or commercial dealings had passed on GIDC burden to their end customers / clients.

Subsequently, the Company has filed a review petition against the said judgment of the SCP for waiver of the full amount of GIDC Cess on the ground that the Company, being spinning unit and producing raw materials for weaving sector, has not passed on the burden of GIDC to its customers. The SCP has dismissed the afore-mentioned review petition vide its judgment dated November 02, 2020; however, SCP has mentioned in its said judgment that the companies claiming any relief under the GIDC Act, 2015 may approach the right forum. In case of an adverse decision, the contingent liability aggregates to Rs.97.630 million, calculated on the basis of applicable rate for industry from June, 2015 to October,

2018 because from October, 2018 the gas tariff is inclusive of all charges including GIDC and therefore GIDC is not applicable afterwards.

It is pertinent to mention that SNGPL, as per the SCP's judgment dated August 13, 2020, has raised GIDC demand amounting Rs.13.330 million in the month of August, 2020 and total quantum of 24 instalments aggregated Rs.319.934 million.

In February, 2021, the Company had filed a writ petition No. 872-P/2021 before the PHC claiming non-applicability of GIDC Act, 2015 and had sought relief against the recovery of GIDC Instalment Bills. The PHC, vide its judgment dated June 15, 2022, had dismissed the writ petition on the ground of non-maintainability. Afterwards, the Company had filed another writ petition No. 2459-P/2022 challenging recovery of GIDC on various grounds. The PHC had passed an interim order dated July 07, 2022 and thereby restrained SNGPL from cutting off the gas supply and recovering GIDC from the Company.

The management maintains that since the Company has not passed on the burden of GIDC to its consumers, it is not liable to pay GIDC as it clearly falls within the ambit of the exemption in line with section 8(2) of the GIDC Act, 2015.

SNGPL, following the Court's order, corrects gas bill of each month by removing the GIDC amount and requests payment for the net bill amount only i.e., excluding GIDC.

Additionally, para 42(iv) of the SCP's judgment dated August 13, 2020 categorically stated that:

The Federal government shall take all steps to commence work on the laying of the North South pipeline within six months and on TAPI pipeline as soon as its laying in Afghanistan reaches the stage where the work of laying pipeline on Pakistan soil can conveniently start and on IP pipeline as soon as the sanctions on Iran are no more an impediment in its laying. In case no work is carried out on North-South pipeline within the prescribed time and for laying any of the two other major pipelines (IP and TAPI) though the political conditions become conducive, the purpose of levying Cess shall be deemed to have been frustrated and the GIDC Act, 2015 would become permanently in-operational and considered dead for all intents and purposes.

Since the work on IP (Iran-Pakistan Pipeline Project) and TAPI (Turkmenistan-Afghanistan-Pakistan-India) gas pipelines did not commence within six months as ordered by the SCP; therefore, the provisions of GIDC Act, 2015 regarding recovery and applicability of GIDC are no longer applicable and enforceable.

17.1.3 The OGRA, while citing the judgment of the SCP dated May 10, 2019 in civil appeal in number 159-L to 2014-L of 2018 titled Sui Northern Gas Pipelines Ltd, Vs Bulleh Shah Packaging (Pvt.) Ltd., has passed the judgment that the consumers who are having supply of natural gas for industrial use and having in-house electricity generation facility for self-consumption fall in the category of industrial consumers and are subject to the corresponding tariff. The OGRA also directed SNGPL to adjust the excess amount paid. Excess amount paid by the Company amounting to Rs.46.698 million, which is expected to be adjusted by SNGPL in future gas bills. The Company has not accounted for this amount as receivable in its financial statements.

17.1.4 The Company has challenged SRO # 584(I)/2017 by filing a writ petition dated May 15, 2018, before the PHC, challenging the levy of further tax @ 1% on textile goods usable as industrial inputs if supplied to unregistered person under section 3(A) of the Sales Tax Act, 1990. The PHC has granted stay and against the charging of further tax the Respondents

have been asked to submit their comments. The petition before the PHC is pending adjudication. However, in a similar case, Lahore High Court has decided the matter in favour of industry vide its judgment dated December 11, 2018.

17.1.5 The Company has filed a writ petition before the PHC wherein vires of section 5A of the Income Tax Ordinance, 2001 (Tax on undistributed profits) have been questioned. The issue revolves around imposition of tax at the rate of 5% on the accounting profit before tax where a Company does not distribute cash dividend at least 20% of its after tax profits within the period of six months from the end of the relevant tax year. Financial impact of the said tax would be around Rs.46 million. The writ petition is pending adjudication.

17.1.6 A civil petition for leave to appeal was filed against the impugned order dated March 08, 2022 passed by the PHC in W.P No. 62549 / 2019. The issue revolves around interpretation and implication of section 65(B) of the Income Tax Ordinance, 2001 viz., tax credit from investment. The subject civil petition is pending before the SCP.

17.1.7 A constitutional petition was filed before the Islamabad High Court challenging the vires of section 4C of the Income Tax Ordinance, 2001. The subject petition was decided through a consolidated order dated April 18, 2023 in favour of the petitioner. Against the order of single Judge, the Department has filed an intra court appeal, which is pending adjudication.

17.2 Commitments

17.2.1 Commitments against irrevocable letters of credit outstanding at the year-end were for Rs.455.303 million (2024: Rs.303.939 million).

17.2.2 The Company has entered into Ijarah arrangements for ten (2024: twelve) vehicles with First Habib Modaraba. Aggregate commitments for rentals under Ijarah arrangements as at the reporting dates are as follows:

	Note	2025 --- Rupees in '000 ---	2024
Not later than one year		11,000	20,711
Later than one year but not later than five years		12,532	34,507
		23,532	55,218

18. PROPERTY, PLANT AND EQUIPMENT

Operating fixed assets - tangible	18.1	5,808,261	4,937,654
Capital work-in-progress - plant & machinery		342,112	0
Stores and spares held for capital expenditure		90,054	50,332
		6,240,427	4,987,986

For the Year Ended June 30, 2025

[illegible]

Ruppes in '000 -

Balance as at July 01, 2023	2,294,595	537,517	93,671	75,636	23,694	2,078,899	5,969	224,753	250,251	66,530	2,299	17,860	32,988	1	5,704,385
Additions / transfer during the year	0	17,125	0	298	0	70,230	0	0	9,101	503	0	20	9,474	0	106,751
Disposals during the year	0	0	0	0	0	(32,463)	0	0	0	0	0	0	(2,513)	(1)	(34,977)
Balance as at June 30, 2024	2,294,595	554,642	93,671	75,636	23,694	2,116,666	5,969	224,753	259,352	67,033	2,299	17,900	39,949	0	5,776,159

DEPRECIATION

Balance as at July 01, 2024Balance as at June 30, 2025Depreciation rate (%)

NOTES TO THE FINANCIAL STATEMENTS

For the Year Ended June 30, 2025

18.2 Revaluation surplus on each class of assets, as a result of latest revaluation as detailed in note 6.2, has been determined as follows:

Particulars	Owned										
	Freehold land	Buildings on freehold land			Plant & machinery	Diesel generators & fuel reservoir	Gas fired power plant	Electric installations	Equipment & appliances	Total	
		Factory	Non - factory	Residential							
				officers							workers
----- Rupees in '000 -----											
Cost / revaluation as at June 30, 2025	2,294,595	590,310	93,671	75,954	25,178	2,187,574	5,969	259,505	634,105	70,440	6,237,301
Accumulated depreciation to June 30, 2025	0	77,158	25,012	36,178	16,539	578,348	4,093	118,144	53,520	37,256	946,248
Book value before revaluation adjustments as at June 30, 2025	2,294,595	513,152	68,659	39,776	8,639	1,609,226	1,876	141,361	580,585	33,184	5,291,053
Revalued amounts	2,593,890	622,136	58,948	105,427	29,532	1,556,741	2,100	161,531	623,049	35,786	5,789,140
Revaluation surplus / (loss)	299,295	108,984	(9,711)	65,651	20,893	(52,485)	224	20,170	42,464	2,602	498,087

----- Rupees in '000 -----

NOTES TO THE FINANCIAL STATEMENTS

For the Year Ended June 30, 2025

- 18.3** During the financial year ended June 30, 2025, borrowing cost was charged at the rates ranging from 12.96% to 21.76% per annum. Amounts aggregating Rs.2.296 million and Rs.33.046 million were included in the cost of plant & machinery and electric installations respectively.

18.4 Disposals of operating fixed assets

Asset Description	Cost / Revaluation	Accumulated Depreciation	Net Book Value	Sale Proceeds	Gain / (loss)	Mode of disposal	Particulars of buyer
----- Rupees in '000 -----							
Particulars of operating fixed assets disposed-off during the year having book value of Rs. 500,000 or more:							
Vehicle							
Honda city	3,000	0	3,000	3,600	600	Company policy	Ms. Samra Kashif.
Audi E-Tron	23,160	0	23,160	34,000	10,840	- do -	Mr. Saheer Afridi.
Toyota Altis	2,734	2,037	697	720	23	- do -	Mr. Abdul Khaliq.
Total - 2025	28,894	2,037	26,857	38,320	11,463		
Total - 2024	34,977	27,154	7,823	7,575	(248)		

- 18.5** Freehold land of the Company and buildings thereon are located at Saifabad, Kohat with an area of 193,145 square yards.

- 18.6** Had the operating fixed assets been recognised under the cost model, the carrying amounts of each revalued class of operating fixed assets would have been as follows:

	2025	2024
	--- Rupees in '000 ---	
Freehold land	20,475	20,475
Buildings on freehold land:		
- Factory	349,710	330,890
- Non-factory	13,672	14,392
- Residential		
- Officers	16,134	16,652
- Workers	21,769	21,107
Plant & machinery	1,495,823	1,501,773
Diesel generators & fuel reservoirs	365	395
Gas fired power plant	125,648	94,079
Electric installations	565,204	210,247
Equipment & appliances	22,278	21,176
	2,631,078	2,231,186

- 18.7** Based on the latest revaluation exercise carried-out on June 30, 2025, forced sale value of the Company's revalued assets was Rs.4,512.352 million.

18.8 Depreciation for the year has been apportioned as under:

Cost of sales	145,527	138,409
Administrative expenses	4,387	5,989
	149,914	144,398

18.9 Intangible assets

Computer software, having cost of Rs.3.532 million which has been fully amortised at the rate of 20% per annum, is still in use of the Company.

NOTES TO THE FINANCIAL STATEMENTS

For the Year Ended June 30, 2025

19. LONG TERM INVESTMENT

Debt Instruments - at FVTOCI

Note

2025

2024

--- Rupees in '000 ---

Habib Bank Ltd.

25 Term finance certificates of Rs.100,000 each

19.1

2,500

2,500

Adjustment arising from re-measurement to fair value

(100)

(117)

2,400

2,383

Soneri Bank Ltd.

25 Term finance certificates of Rs.100,000 each

19.2

2,500

2,500

Adjustment arising from re-measurement to fair value

3

3

2,503

2,503

Habib Bank Ltd.

Advance for 48 Term finance certificates 2

4,320

0

9,223

4,886

19.1 These carry profit at the rate of 3 months KIBOR + 1.60%. Effective profit rates earned, during the current financial year, ranged from 13.63% to 21.84% (2024: 22.97% to 24.20%) per annum.

19.2 These carry profit at the rate of 6 months KIBOR + 1.70%. Effective profit rates earned during the current financial year, ranged from 13.95% to 21.81% (2024: 23.13% to 23.83%) per annum.

20. LONG TERM LOANS - Secured

Loans to employees

20.1

2,030

1,967

Less: current portion grouped under current assets

596

587

1,434

1,380

20.1 Loans provided to employees are interest-free and have been advanced for various purposes and are secured against employees' gratuity benefits. Some of the loans provided to employees are recoverable in lump sum at the time of retirement by way of adjustment against gratuity benefits of the respective employees.

21. STORES, SPARE PARTS AND LOOSE TOOLS

Stores

39,718

16,884

Spare parts

50,453

39,774

Loose tools

20

60

90,191

56,718

22. STOCK-IN-TRADE

Raw materials:

- at mills

974,120

806,123

- in-transit

129,905

88,764

1,104,025

894,887

Work-in-process

68,641

59,382

Finished goods

397,085

406,296

1,569,751

1,360,565

NOTES TO THE FINANCIAL STATEMENTS

For the Year Ended June 30, 2025

22.1 Raw materials and finished goods inventories are pledged with commercial banks as security for short term finance facilities (note 14).

23. TRADE DEBTS

All the trade debts of the Company have been considered good as no balance was overdue as at June 30, 2025; accordingly, no allowance for expected credit loss is required at the reporting date.

24. LOANS AND ADVANCES

	Note	2025 --- Rupees in '000 ---	2024
Current portion of long term loans	20	596	587
Advances - considered good			
- employees		2,651	1,358
- suppliers		7,723	585
		<u>10,970</u>	<u>2,530</u>

25. DEPOSITS, PREPAYMENTS AND OTHER RECEIVABLES

Security deposits		4,600	8,880
Claims for mark-up subsidy	25.1	10,831	10,831
Short term prepayments		167	167
Other receivables		989	611
		<u>16,587</u>	<u>20,489</u>

25.1 These represent mark-up subsidy claims booked under the Government's "Technology Up-gradation Support Order 2010". These claims have been duly verified by the banks of the Company.

26. TAXATION - Net

Balance of advance tax			
at beginning of the year		93,789	71,468
Add: income tax deducted / paid during the year		124,936	104,748
		<u>218,725</u>	<u>176,216</u>
Less: provision made for			
- current year	35	(8,701)	(8,001)
- prior year		(99)	0
		<u>(8,800)</u>	<u>(8,001)</u>
		<u>209,925</u>	<u>168,215</u>
Less : adjustment made against completed assessment		(107,661)	(74,426)
Balance of advance tax at end of the year		<u>102,264</u>	<u>93,789</u>

NOTES TO THE FINANCIAL STATEMENTS

For the Year Ended June 30, 2025

- 26.1** Income tax assessments of the Company have been finalised by the Income Tax Department or deemed to be assessed under section 120 of the Income Tax Ordinance, 2001 up to Tax Year 2024.

27. BANK BALANCES

	Note	2025 --- Rupees in '000 ---	2024
Cash at banks on:			
- current accounts		9,938	9,618
- dividend account		222	1
		10,160	9,619

28. SALES - Net

Own manufactured goods:

- yarn	9,432,032	9,186,511
- waste	52,063	66,886

Trading activities:

- raw materials	254,895	183,025
-----------------	---------	---------

	9,738,990	9,436,422
Less: sales tax	1,485,609	1,472,280
	8,253,381	7,964,142

- 28.1** All the contracts were with the local customers under one performance obligation and the revenue has been recognised at the point in time when the goods have been transferred to the customers.

29. COST OF SALES

Raw materials consumed	29.1	4,751,666	4,919,598
Packing materials consumed		164,424	153,211
Salaries, wages and benefits	29.2	730,920	613,519
Power and fuel		1,091,545	834,041
Repair and maintenance		127,478	106,243
Depreciation	18.8	145,527	138,409
Insurance		17,973	20,143
Vehicles' running and maintenance		10,775	9,745
Traveling and conveyance		1,953	2,079
Guest house and entertainment		1,781	1,341
Textile cess		45	54
Others		5,559	5,175
		7,049,646	6,803,558
Adjustment of work-in-process			
Opening		59,382	75,783
Closing		(68,641)	(59,382)
		(9,259)	16,401
Cost of goods manufactured		7,040,387	6,819,959
Adjustment of finished goods			
Opening stock		406,296	330,960
Closing stock		(397,085)	(406,296)
		9,211	(75,336)
		7,049,598	6,744,623

NOTES TO THE FINANCIAL STATEMENTS

For the Year Ended June 30, 2025

	Note	2025 --- Rupees in '000 ---	2024
29.1 Raw materials consumed			
Opening stock		894,887	827,017
Add:			
Purchases		4,743,150	4,825,207
Cost of raw materials sold		210,742	159,171
Insurance		6,912	3,090
		4,960,804	4,987,468
		5,855,691	5,814,485
Less: closing stock		1,104,025	894,887
		4,751,666	4,919,598
29.2	These include Rs.63.077 million (2024: Rs.54.164 million) in respect of staff retirement benefits - gratuity.		
30. DISTRIBUTION COST			
Freight and forwarding		73,454	68,852
Travelling and conveyance		2,360	2,373
Salaries and benefits	30.1	18,061	17,628
Rent, rates and utilities		1,367	1,077
Communication		63	65
Insurance		2,222	1,988
Commission		8,880	9,991
		106,407	101,974
30.1	These include Rs.0.725 million (2024: Rs.0.622 million) in respect of staff retirement benefits - gratuity.		

NOTES TO THE FINANCIAL STATEMENTS

For the Year Ended June 30, 2025

31. ADMINISTRATIVE EXPENSES

		2025	2024
	Note	--- Rupees in '000 ---	
Directors' remuneration and fees		27,183	26,806
Salaries and benefits	31.1	83,920	65,550
Travelling and conveyance		3,333	3,616
Rent, rates and taxes		8,930	5,163
Ijarah rentals		17,211	24,798
Entertainment		3,240	2,712
Communication		2,471	2,320
Printing and stationery		1,420	1,133
Utilities		6,100	5,630
Insurance		12,695	13,394
Vehicles' running and maintenance		8,867	10,274
Repair and maintenance		1,172	2,389
Advertisement		215	160
Subscription		6,088	4,099
Newspapers and periodicals		52	31
Depreciation related to operating fixed assets	18.8	4,387	5,989
Depreciation related to right of use assets		0	4,115
Auditors' remuneration	31.2	1,648	1,762
Legal and professional (other than Auditors)		2,476	625
Others		651	602
		192,059	181,168

31.1 These include Rs.8.700 million (2024: Rs.7.471 million) in respect of staff retirement benefits - gratuity.

31.2 Auditors' remuneration

Statutory audit	1,200	1,100
Half yearly review	147	150
Certification charges	230	377
Consultancy services and others	0	120
Out-of-pocket expenses	0	15
Short provision for the preceding year	71	0
	1,648	1,762

31.3 The Company, during the current financial year, has shared administrative expenses aggregating Rs.15.196 million (2024: Rs.5.038 million) with Saif Textile Mills Ltd, Rs.2.450 million (2024: Rs.nil) with Saif Holdings Ltd. and Rs.16.897 million (2024: Rs.nil) with Saif Power Ltd. (Related parties) on account of proportionate expenses of the combined offices at Karachi and Lahore. These expenses have been booked in the respective heads of account.

NOTES TO THE FINANCIAL STATEMENTS

For the Year Ended June 30, 2025

	Note	2025 --- Rupees in '000 ---	2024
32. OTHER INCOME			
Sale of scrap		1,720	737
Unclaimed payable balances written-back		72	70
Profit earned on term finance certificates		871	1,180
Yield earned on treasury bills - net	32.1	31,658	0
Amortisation of government grant	9.2	11,686	14,023
Gain on sale of operating fixed assets	18.4	11,463	0
		57,470	16,010

- 32.1** The Company, during the year, has obtained a short term finance facility of Rs.14.994 billion from a commercial bank for investment in treasury bills. The finance facility was fully secured against lien over treasury bills valuing Rs.14.994 billion, The maturity date of these treasury bills was February 28, 2025.

For better presentation, the cost of treasury bills has been offset against the balance of this finance facility.

Mark-up expense on short term finance facility for the year aggregating Rs.349.660 million has been adjusted against the yield earned on treasury bills aggregating Rs.381.318 million and differential of Rs.31.658 million has been grouped in other income.

33. OTHER EXPENSES

Workers' (profit) participation fund	12.3	24,089	16,485
Workers' welfare fund	12.4	5,800	5,334
Loss on sale of operating fixed assets	18.4	0	248
Donations	33.1	6,000	6,240
		35,889	28,307

- 33.1** These include Rs.6 million (2024: Rs.6 million) and Rs. Nil (2024: Rs.0.240 million) donated to Akbar Kare (a section 42 Company) and Wadaan Foundation for Sustainable Development (Technical and Training Institute) respectively. Following directors of the Company are interested in these donations.

Akbar Kare

- Hoor Yousafzai
- Rana Muhammad Shafi

Wadaan Foundation for Sustainable Development:

- Osman Saifullah Khan
- Rana Muhammad Shafi

34. FINANCE COST - Net

Mark-up / profit on long term financing		88,035	93,936
Mark-up / profit on short term borrowings		349,322	487,471
Interest on lease finances		0	320
Interest on workers' (profit) participation fund	12.3	974	467
Bank and other charges		12,596	17,522
		450,927	599,716

NOTES TO THE FINANCIAL STATEMENTS

For the Year Ended June 30, 2025

35. TAXATION

		2025	2024
	Note	--- Rupees in '000 ---	
Current			
- for the year	35.1	8,701	8,001
- for prior year		99	0
		8,800	8,001
Deferred - origination and reversal of temporary differences	11	83,215	2,685
		92,015	10,686

35.1 This represents tax due under section 4C (Super tax on high earnings persons) of the Income Tax Ordinance, 2001.

36. EARNINGS PER SHARE

36.1 Basic earnings per share

Profit after taxation attributable to
ordinary shareholders

280,766

214,117

--- No. of shares ---

Weighted average number of shares
outstanding during the year

20,800,000

20,800,000

--- Rupees ---

Earnings per share

13.50

10.29

36.2 Diluted earnings per share

A diluted earnings per share has not been presented as the Company does not have any convertible instruments in issue as at June 30, 2025 and June 30, 2024, which would have any effect on the earnings per share if the option to convert is exercised.

37. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

37.1 Financial Risk Factors

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

- market risk
- credit risk; and
- liquidity risk.

The Company's Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Board is also responsible for developing and monitoring the Company's risk management policies.

NOTES TO THE FINANCIAL STATEMENTS

For the Year Ended June 30, 2025

The Company's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Company's financial performance. Risk management is carried out by a treasury department under policies approved by the Board of Directors. The treasury department identifies, evaluates and hedges financial risks. The Board provides written principles for overall risk management, as well as written policies covering specific areas, such as currency risk, interest rate risk, credit risk, use of derivative and non-derivative financial instruments and investment of excess liquidity.

37.1.1 Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will effect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return. Market risk comprises of three types of risks: currency risk, interest rate risk and price risk.

(a) Currency risk

Foreign currency risk arises mainly where receivables and payables exist due to transactions entered into in foreign currencies. The Company is exposed to currency risk on import of raw materials, plant & machinery and stores & spares denominated in U.S. Dollar. The Company's exposure to foreign currency risk for U.S. Dollar, CHF and Euro has been disclosed in note 17.2.1.

The following significant exchange rates have been applied:

	Average rate		Reporting rate	
	2025	2024	2025	2024
U.S. \$ to Rupee	279.88	282.60	284.10	278.80
CHF ₣ to Rupee	323.60	n/a	323.60	n/a
Euro € to Rupee	304.95	n/a	304.95	n/a

The sensitivity analysis prepared is not necessarily indicative of the effects on profit for the year and liabilities of the Company.

(b) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of change in market interest rates. At the reporting date, the interest rate profile of the Company's interest bearing financial instruments is as follows:

	2025	2024	2025	2024
	Effective rate		Carrying amount	
	%	%	--- Rupees in '000 ---	
Financial liabilities				
Variable rate instruments				
Long term financing	3.50 to 21.76	3.50 to 24.07	1,193,858	771,427
Short term borrowings	12.09 to 22.67	18.11 to 25.71	2,605,481	1,919,215

NOTES TO THE FINANCIAL STATEMENTS

For the Year Ended June 30, 2025

Fair value sensitivity analysis for fixed rate instruments

The Company does not account for any fixed rate financial assets and liabilities at fair value through profit or loss. Therefore, a change in interest rate at the reporting date would not affect the statement of profit or loss of the Company.

Cash flow sensitivity analysis for variable rate instruments

At June 30, 2025, if interest rate on variable rate financial liabilities had been 1% higher / lower with all other variables held constant, profit after taxation for the year would have been lower / higher by Rs.37.993 million (2024: Rs.26.906 million) mainly as a result of higher / lower interest expense on variable rate financial liabilities.

(c) Price risk

Price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate as a result 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 instruments or its issuer or factors affecting all similar financial instruments traded in the market. The Company is not exposed to any significant price risk.

37.1.2 Credit risk exposure and concentration of credit risk

Credit risk represents the risk of a loss to the Company if the counter party fails to discharge its obligation and cause the other party to incur a financial loss. The Company attempts to control credit risk by monitoring credit exposures, limiting transactions with specific counterparties and continually assessing the credit worthiness of counterparties.

Concentrations of credit risk arise when a number of counterparties are engaged in similar business activities or have similar economic features that would cause their abilities to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. Concentrations of credit risk indicate the relative sensitivity of the Company's performance to developments affecting a particular industry.

Credit risk primarily arises from long term deposits, trade debts, security deposits and balances with banks. To manage exposure to credit risk in respect of trade debts, management performs credit reviews taking into account the customer's financial position, past experience and other relevant factors. Where considered necessary, advance payments are obtained from certain parties. The management has set a maximum credit period of 30 days to reduce the credit risk. Credit risk on bank balances is limited as the counter parties are banks with reasonably high credit ratings.

Exposure to credit risk

The maximum exposure to credit risk as at June 30, 2025 along with comparative is tabulated below:

	2025	2024
	--- Rupees in '000 ---	
Long term deposits	9,720	16,321
Trade debts	2,037,416	1,760,880
Security deposits and other receivables	5,589	9,491
Bank balances	10,160	9,619
	<u>2,062,885</u>	<u>1,796,311</u>

NOTES TO THE FINANCIAL STATEMENTS

For the Year Ended June 30, 2025

All the trade debts at the statement of financial position date represent domestic parties. The aging of trade debts at the statement of financial position date was as follows:

	2025	2024
	--- Rupees in '000 ---	
Not yet due	1,084,956	1,401,514
Past due - more than 30 days	952,460	359,366
	<u>2,037,416</u>	<u>1,760,880</u>

To manage exposure to credit risk in respect of trade debts, management performs credit reviews taking into account the customer's financial position, past experience and other factors. An impairment analysis is performed at each reporting date using a provision matrix to measure expected credit losses. The provision rates are based on days past due for the Company various customer segments with similar loss patterns (i.e. by geographical region, product type and customer type). The calculation reflects the probability-weighted outcome, the time value of money and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions.

37.1.3 Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach for managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The table below analyses the Company's financial liabilities into relevant maturity groupings based on the remaining period at the reporting date to contractual maturity dates. The amounts disclosed in the table are the contractual undiscounted cash flows:

	Carrying amount	Contractual cash flows	Less than 1 year	Between 1 to 5 years	5 years and above
----- Rupees in '000 -----					
As at June 30, 2025					
Long term financing	1,193,858	1,528,668	332,955	1,191,442	4,271
Long term deposits	8,889	8,889	0	8,889	0
Trade and other payables	788,754	788,754	788,754	0	0
Accrued mark-up / profit	76,439	76,439	76,439	0	0
Short term borrowings	2,605,481	2,787,708	2,787,708	0	0
Unpaid dividend	355	355	355	0	0
Unclaimed dividend	939	939	939	0	0
	<u>4,674,715</u>	<u>5,191,752</u>	<u>3,987,150</u>	<u>1,200,331</u>	<u>4,271</u>

NOTES TO THE FINANCIAL STATEMENTS

For the Year Ended June 30, 2025

	Carrying amount	Contractual cash flows	Less than 1 year	Between 1 to 5 years	5 years and above
----- Rupees in '000 -----					
As at June 30, 2024					
Long term financing	771,427	959,679	254,887	625,090	79,702
Long term deposits	7,281	7,281	0	7,281	0
Trade and other payables	864,918	864,918	864,918	0	0
Accrued mark-up / profit	130,196	130,196	130,196	0	0
Short term borrowings	1,919,215	2,106,099	2,106,099	0	0
Unpaid dividend	209	209	209	0	0
Unclaimed dividend	939	939	939	0	0
	<u>3,694,185</u>	<u>4,069,321</u>	<u>3,357,248</u>	<u>632,371</u>	<u>79,702</u>

The contractual cash flows relating to the above financial liabilities have been determined on the basis of interest / mark-up rates effective at the respective year-ends. The rates of interest / mark-up have been disclosed in the respective notes to these financial statements.

37.2 Fair value measurement of financial instruments

Fair value is the price that would be received upon sale of an asset or paid upon transfer of 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 operation or to undertake a transaction on adverse terms.

Valuation techniques used to determine fair values

Level 1: The fair value of financial instruments traded in active markets is based on quoted market prices at the reporting date. A market is regarded as active 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. These instruments are included in Level 1.

Level 2: The fair value of financial instruments that are not traded in an active market is determined by using valuation techniques. These valuation techniques maximise the use of observable market data where it is available and rely as little as possible on entity-specific estimates. If all significant inputs required to measure the fair value of an instrument are observable, the instrument is included in Level 2.

Level 3: If one or more of the significant input are not based on observable market data, the instrument is included in Level 3.

At June 30, 2025, investment in debt instruments have been measured at fair value using year-end quoted price. Fair value of these investments falls within level 1 of fair value hierarchy as mentioned above.

Except for the above, the carrying values of all financial assets and liabilities reflected in the financial statements approximate to their fair values.

For the Year Ended June 30, 2025

Financial assets
as per statement of
financial position

Financial liabilities as per statement of financial position

**Financial liabilities
measured at amortised
cost**

2025	2024
--- Rupees in '000 ---	
1,193,858	771,427
8,889	7,281
788,754	864,918
76,439	130,196
2,605,481	1,919,215
355	209
939	939
4,674,715	3,694,185

NOTES TO THE FINANCIAL STATEMENTS

For the Year Ended June 30, 2025

38. RECONCILIATION OF MOVEMENTS OF LIABILITIES TO CASH FLOWS ARISING FROM FINANCING ACTIVITIES

	Liabilities				
	Long term financing	Lease liabilities	Short term borrowings	Accrued mark-up and interest	Dividend
	----- Rupees in '000 -----				
Balance as at July 01, 2024	771,427	0	1,919,215	130,196	1,148
Changes from financing activities					
Finances obtained	626,898	0	686,266	0	0
Finances repaid	(216,153)	0	0	0	0
Transferred to deferred income	11,686	0	0	0	0
Finance cost paid	0	0	0	(492,088)	0
Dividends paid	0	0	0	0	(41,454)
Total changes from financing cash flows	1,193,858	0	2,605,481	(361,892)	(40,306)
Other Changes					
Appropriation of dividends	0	0	0	0	41,600
Mark-up / Interest expense	0	0	0	438,331	0
Balance as at June 30, 2025	1,193,858	0	2,605,481	76,439	1,294
Balance as at July 01, 2023	848,703	3,547	1,941,357	135,077	1,148
Changes from financing activities					
Finances obtained	125,000	0	0	0	0
Finances repaid	(216,299)	0	(22,142)	0	0
Transferred to deferred income	14,023	0	0	0	0
Modification	0	762	0	0	0
Repayment of finance lease liabilities	0	(4,629)	0	0	0
Finance cost paid	0	0	0	(587,075)	0
Total changes from financing cash flows	771,427	(320)	1,919,215	(451,998)	1,148
Other Changes					
Mark-up / Interest expense	0	320	0	582,194	0
Balance as at June 30, 2024	771,427	0	1,919,215	130,196	1,148

NOTES TO THE FINANCIAL STATEMENTS

For the Year Ended June 30, 2025

39. CAPITAL RISK MANAGEMENT

The Company's prime objective when managing capital is to safeguard its ability to continue as a going concern so that it can continue to provide returns for shareholders, benefits for other stakeholders and to maintain a strong capital base to support the sustained development of its business.

The Company manages its capital structure by monitoring return on net assets and makes adjustments to it in the light of changes in economic conditions. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividend paid to shareholders and / or issue new shares.

Consistent with others in the industry, the Company monitors capital on the basis of the gearing ratio. It is calculated as net debt divided by total capital. Net debt is calculated as total borrowings (long term finances and short term borrowings as shown in the statement of financial position) less bank balances. Total equity includes all capital and reserves of the Company that are managed as capital. Total capital is calculated as equity as shown in the statement of financial position plus net debt.

	2025	2024
	--- Rupees in '000 ---	
Total borrowings	3,799,339	2,690,642
Less: cash at banks	10,160	9,619
Net debt	3,789,179	2,681,023
Total equity	4,606,708	3,910,444
Total capital	8,395,887	6,591,467
Gearing ratio	45%	41%

40. TRANSACTIONS WITH RELATED PARTIES

Related parties comprise of the Holding Company, Associated Companies, Directors and key management personnel. The Company in the normal course of business carries out transactions with various related parties. Detail of related parties (with whom the Company has transacted) along with relationship and transactions with related parties, other than those which have been disclosed elsewhere in these financial statements, are as follows:

40.1 Name and nature of relationship

Holding and Associated Companies

Saif Holdings Ltd. (the Holding Company holds 75.56% shares of the Company)

Saif Textile Mills Ltd. (an Associated Company due to common directorship)

Sky Electric (Pvt.) Ltd. (an Associated Company due to common directorship)

Key management personnel

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the entity. The Company considers its Chief Executive, Directors and all team members of its management team to be its key management personnel.

NOTES TO THE FINANCIAL STATEMENTS

For the Year Ended June 30, 2025

40.2 Significant transactions with the related parties	2025	2024
	--- Rupees in '000 ---	
i) The Holding Company		
- Dividends paid	32,440	0
ii) Associated Companies		
Sale of goods, store items and services	206,272	151,179
Purchase of raw materials	34,998	0
Purchase of assets	350,858	16,061
Donations	6,000	6,240
iii) Related Party		
Gas purchase	758,579	467,469
iv) Key management personnel		
Salary and other employment benefits	55,843	41,916

41. REMUNERATION OF CHIEF EXECUTIVE AND EXECUTIVES

	Chief Executive		Executives	
	2025	2024	2025	2024
	----- Rupees in '000 -----			
Managerial remuneration	26,463	26,146	74,714	58,033
Medical expenses reimbursed	0	0	1,482	543
	26,463	26,146	76,196	58,576
Number of persons	1	1	12	9

41.1 In addition to the above, meeting fees amounting Rs.720 thousand (2024: Rs.660 thousand) were paid to eight (2024: eight) directors during the current financial year.

41.2 The Chief Executive and some of the executives are also provided with Company's maintained cars in accordance with their terms of employment.

42. CAPACITY AND PRODUCTION	2025	2024
No. of spindles installed (in '000)	45	45
Average no. of spindles shifts worked (in '000)	47,456	47,752
No. of days worked	365	366
No. of shifts worked	1,095	1,098
Average count	31.53	31.33
Actual production (in '000)	Kgs 9,650	9,751

It is difficult to describe precisely the production capacity in textile spinning industry since it fluctuates widely depending on various factors, such as count of yarn spun, spindles speed, twist per inch and raw materials used, etc. It also varies according to the pattern of production adopted in a particular year.

NOTES TO THE FINANCIAL STATEMENTS

For the Year Ended June 30, 2025

43. OPERATING SEGMENT

These financial statements have been prepared on the basis of single reportable segment.

43.1 Yarn sales represent 96.85% (2024: 97.35%) of the total sales of the Company.

43.2 Whole of the Company's sales relate to customers in Pakistan.

43.3 All non-current assets of the Company as at June 30, 2025 are located in Pakistan.

43.4 None of the Company's customers sales exceeded 10% of total sales of the Company.

44. NUMBER OF EMPLOYEES

	2025	2024
Total number of employees as at June 30,	972	1,070
Average number of employees during the year	1,013	1,058

45. DISCLOSURE REQUIREMENTS FOR ALL SHARES ISLAMIC INDEX

Following information has been disclosed as required under Paragraph 10 of item VI and item VII of Part I of the 4th Schedule to the Companies Act, 2017 relating to "All Shares Islamic Index".

	2025		2024	
	Carried under		Carried under	
	Non - Sharia arrangements	Sharia arrangements	Non - Sharia arrangements	Sharia arrangements
	----- Rupees in '000 -----			
Long term financing	855,900	337,958	350,346	421,081
Short term borrowings	1,255,980	1,349,501	819,249	1,099,966
Bank balances	6,550	3,610	8,107	1,512
Mark-up	245,622	227,076	299,051	282,676

The Company has banking relationship with Islamic windows of conventional banking system as well as Shariah compliant banks only.


46. CORRESPONDING FIGURES

Corresponding figures have been re-arranged and re-classified, wherever necessary, for the purposes of comparison; however, no significant re-classifications / re-statements have been made in these financial statements.

47. GENERAL

47.1 The Board of Directors of the Company, in their meeting held on September 30, 2025, has proposed a final cash dividend of 10% (2024: 10%) amounting to Rs. 20.800 million (2024: Rs. 20.800 million) for the year ended June 30, 2025, for approval of the members at the Annual General Meeting to be held on October 24, 2025.

47.2 These financial statements were authorised for issue on September 30, 2025 by the Board of Directors of the Company.



ASSAD SAIFULLAH KHAN
Chief Executive Officer



RANA MUHAMMAD SHAFI
Director



ABID HUSSAIN
Chief Financial Officer

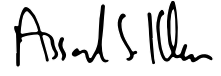
اظہار تشکر

ڈائریکٹرز کمپنی کے اراکین، مالیاتی اداروں اور صارفین کے تعاون کے لیے ان کے مشکور ہیں۔ ڈائریکٹرز کمپنی کے ملازمین کی مسلسل خدمات، وفاداری اور کوششوں کے لیے خراج تحسین پیش کرنا چاہیں گے۔ ہم آنے والے دنوں میں اسی تعاون اور لگن کے منتظر ہیں۔

بورڈ کے لیے اور اس کی جانب سے



رانا محمد شفٰی
ڈائریکٹر



اسد اللہ خان
چیف ایگزیکٹو آفیسر

جگہ : اسلام آباد
تاریخ 30، ستمبر 2025

متعلقہ فریقوں کے ساتھ لین دین:

سال کے دوران متعلقہ فریقوں کے ساتھ تمام لین دین ایک حد تک کیے گئے تھے اور انہیں بورڈ آف کمیٹی اور بورڈ کے سامنے جائزہ اور منظوری کے لیے پیش کیا گیا تھا۔ یہ لین دین کوڈ آف کارپوریٹ گورننس اینڈ کمپنیز ایکٹ، 2017 کے ضابطوں کے مطابق مالیاتی گوشواروں میں کیے گئے تھے اور ان کا انکشاف کیا گیا ہے۔

کسٹمر فوکسنگ :

کمپنی کا خیال ہے کہ اس کے قابل قدر صارفین اس کی کاروباری کامیابی کی بنیاد ہیں۔ کمپنی کی پالیسیاں مکمل طور پر صارفین پر مرکوز ہیں۔ مارکیٹ اور صارفین کے ساتھ مسلسل رابطے نے ہمیشہ آپ کی کمپنی کو اس قابل بنایا ہے کہ وہ صارفین کو پسند کو برقرار رکھنے کے لیے بہترین موزوں پروڈکٹس اور سروس لیول پیش کرنے کی ضروریات کو بہتر طریقے سے سمجھ سکے۔

مقامی کمیونٹی کے لیے ملازمت کی تخلیق:

آپ کی کمپنی نے اپنی فیکٹری کے احاطے میں اور اس کے ارد گرد ہنر مند اور غیر ہنر مند مقامی افراد کے لیے سینکڑوں ملازمتیں متعارف کرائی ہیں۔ روزگار پیدا کرنے سے نہ صرف مقامی آبادی کی قوت خرید میں بہتری آتی ہے بلکہ انہیں اپنے معیار زندگی کو بہتر بنانے کا ایک مناسب موقع بھی ملتا ہے۔

صنفی تنخواہ کا فرق:

آپ کی کمپنی ایک مساوی مواقع آجر ہے اور کمپنی میں صنفی تنخواہ میں کوئی امتیاز نہیں ہے۔

- (I) صنفی تنخواہ کے فرق کا اوسط 12.19% ہے
(II) صنفی تنخواہ کے فرق کا اوسط (20.22%) ہے۔

شینر ہولڈنگ کا اصول و ضوابط:

کمپنیز ایکٹ 2017 کے مطابق 30 جون 2025 تک کمپنی کے شینر ہولڈنگز کا پیٹرن منسلک ہے۔

مواصلات :

کمپنی شینر ہولڈرز کے ساتھ رابطے کی اہمیت پر توجہ مرکوز کرتی ہے۔ سالانہ، ششماہی اور سہ ماہی رپورٹس ان کو کمپنیز ایکٹ 2017 میں بیان کردہ وقت کے اندر تقسیم کی جاتی ہیں۔ سرگرمیاں اس کی ویب سائٹ

پر بروقت بنیادوں پر اپ ڈیٹ کی جاتی ہیں - www.kohattextile.com

بعد کے واقعات:

(تذکرہ شدہ ڈیویڈنڈ نوٹ) مالی سال کے اختتام اور 30 جون 2025 تک 10% کیش ڈیویڈنڈ کے اعلان کے علاوہ

اس رپورٹ کی تاریخ کے درمیان کوئی مالیاتی واقعہ یا تبدیلی واقع نہیں ہوئی ہے جس کا کمپنی کی مالیاتی پوزیشن پر کوئی منفی اثر پڑا ہے۔

- ڈیویڈنڈ کی سفارش پر تصدیق کی ضرورت ہے۔

آڈیٹرز:

بورڈ نے سفارش کی ہے، جیسا کہ آڈٹ کمیٹی نے تجویز کیا ہے، میسرز شاننگ حمید چوہدری اینڈ کمپنی چارٹرڈ اکاؤنٹنٹس کی تقرری، ریٹائر ہونے والے آڈیٹرز جو اہل ہیں، نے خود کو آئندہ سال کے لیے دوبارہ تقرری کے لیے پیش کیا ہے، جو کہ آئندہ سالانہ جنرل میٹنگ میں اراکین کی منظوری سے مشروط ہے۔

سنجیدہ خدشات کے ساتھ، آگے آنے اور ان خدشات پر صاف گوئی کی حوصلہ افزائی کرتی ہے۔ ان خدشات میں درج ذیل شامل ہو سکتے ہیں لیکن صرف انہیں ان تک محدود نہیں ہیں۔

مالی بدعنوانی یا ناانصافی یا دھوکہ دہی

قانونی ذمہ داری کی تعمیل کرنے میں ناکامی۔

کمپنی کے اندر یا باہر خفیہ معلومات کا افشاء

کمپنی کی مالی حالت کی مکمل اور منصفانہ رپورٹنگ سے انحراف

صحت اور حفاظت یا ماحول کے لیے خطرات

غیر قانونی سول اور مجرمانہ سرگرمی

نامناسب طرز عمل یا غیر اخلاقی سلوک

تمام رپورٹنگ کو خفیہ طریقے سے سنبھالا جائے گا۔ اس بات کو یقینی بنایا جائے گا کہ مسئلہ اٹھانے والا شخص، اگر گمنام نہ ہو، ہر حال میں اس معاملے کو اٹھانے پر نشانہ نہ بنایا جائے یا جرمانہ نہ کیا جائے۔ رازداری کو ہر ممکن حد تک برقرار رکھا جائے گا۔ تاہم، اگر مسئلہ اٹھانے والے شخص نے غلط بیانی/بد نیتی سے کام کیا ہے، تو اس شخص کے خلاف تادیبی کارروائی کی جائے گی۔

رسک مینجمنٹ:

کمپنی کی رسک مینجمنٹ پالیسی میں شامل ہے کہ کسی بھی اندرونی اور بیرونی، متوقع اور غیر متوقع خطرات کو روکنے اور ان کے خلاف تدابیر کرنے کے لیے کنٹرول ماحول کا مسلسل جائزہ لینا ہے۔ کمپنی کی اصل مالی ذمہ داریوں میں طویل مدتی مالیات، تجارت اور دیگر قابل ادائیگی اور مختصر مدت کے قرضے شامل ہیں۔ ان مالی ذمہ داریوں کا بنیادی مقصد توازن، جدید کاری، تبدیلی اور کمپنی کے آپریشنز میں سرمائے کے اخراجات کی مالی اعانت ہے۔

اندرونی کنٹرول:

کمپنی کے پاس آپریشن کے سائز اور کاروبار کی نوعیت کے مطابق داخلی کنٹرول کے مناسب طریقہ کار ہیں۔ یہ کنٹرول کمپنی کے مالی اور غیر مالی وسائل کے موثر استعمال اور تحفظ کو یقینی بناتے ہیں۔ باقاعدہ اندرونی آڈٹ اور چیک اس بات کو یقینی بناتے ہیں کہ ذمہ داریوں کو مؤثر طریقے سے انجام دیا جائے۔ بورڈ آف ڈائریکٹرز کی آڈٹ کمیٹی اندرونی کنٹرول کے نظام کی مناسبت اور ناظر کا جائزہ لیتی ہے اور وقتاً فوقتاً ان کو مضبوط بنانے کے لیے بہتری کی تجویز دیتی ہے۔

کارپوریٹ بریفنگ سیشن:

ہاؤس، تہکال پیمان، جمروڈ روڈ، پشاور KPTMA 19 نومبر 2024 کو (CBS) کمپنی نے اپنا سالانہ کارپوریٹ بریفنگ سیشن منعقد کیا۔ ہم سی بی ایس کو اسٹیک ہولڈرز اور ممکنہ سرمایہ کاروں کے ساتھ بات چیت کرنے کا ایک موقع سمجھتے ہیں، جس کے تحت کمپنی مقامی اور غیر ملکی سرمایہ کاروں کو ملک کے کاروباری ماحول اور اقتصادی اشاریوں کے بارے میں آگاہ کرنے، اس کی مالی کارکردگی، مسابقتی ماحول کی وضاحت کرنے کا موقع فراہم کرتی ہے جس میں کمپنی سرمایہ کاری کے فیصلے، درپیش چیلنجز کے ساتھ ساتھ کاروباری نقطہ نظر پر کام کرتی ہے۔

مواقع کے حوالے سے اپنی ذمہ داری کو تسلیم کرتا ہے۔ ہم نے کمیونٹی کی ترقی اور اپنی افرادی قوت کو بہتر بنانے کے لیے اپنی ترجیحی بنیاد پر کوشش کی ہے۔ سالانہ شجرکاری مہم نے گزشتہ 3 سالوں میں اجتماعی طور پر 5200 سے زیادہ درخت لگائے ہیں۔ اس کے نتیجے میں کاربن کے اخراج کو کم کر کے مثبت ماحولیاتی اثرات مرتب ہوئے ہیں۔

کے تقاضے ' پائیداری سے متعلق مالی معلومات کے انکشاف کے لیے عمومی تقاضے ' اور IFRS S1 کمپنی "موسم سے متعلق انکشافات کے تقاضوں" کو بھی سمجھتی ہے۔

ہمارا اجدادگانہ انداز ، مساوات، اور شمولیت (DE&I) کا نقطہ نظر ٹیم کے ہر رکن کا احترام کرنے اور ترقی کے کام کے لیے سازگار ، منصفانہ اور معاون ماحول کو یقینی بنانے کے لیے ہمارے عزم کو واضح کرتا ہے۔

ایک قابل فخر مساوی مواقع فراہم کرنے والے مالکان کے طور پر، ہم ایک ایسا ماحول بناتے ہیں جہاں تمام ملازمین محسوس کرتے ہیں کہ وہ سیکھ سکتے ہیں، اپنا حصہ ڈال سکتے ہیں اور ترقی کر سکتے ہیں۔

ریٹائرمنٹ بینیفٹ فنڈ :

کمپنی اپنے مستقل ملازمین کے لیے نان فنڈڈ گریجویٹ سکیم شروع کی ہے۔ تازہ ترین ایکچوریل ویلیویشن 30 جون 2025 کو کی گئی۔

صحت، حفاظت اور ماحول:

ہم نہ صرف اپنے مخلص ملازمین بلکہ اپنی فیکٹری کے احاطے کے آس پاس کے لوگوں کی صحت اور حفاظت کے حوالے سے ممکنہ بہترین معیار کو برقرار رکھنا اپنی ذمہ داری سمجھتے ہیں۔ ملازمین کو لائف انشورنس اور میڈیکل انشورنس فراہم کی جاتی ہے۔ کسی بھی چوٹ کی صورت میں فیکٹری میں مناسب ابتدائی طبی امداد فراہم کی جاتی ہے۔

ہمارے فیکٹری کے احاطے کے سامنے ایک وقف سوشل سیکورٹی ڈسپنسری بھی واقع ہے

اور صحت ، تحفظ اور ماحولیاتی معیار کے مطابق اپنی پیداواری سہولت کی تعمیل کو بھی یقینی بناتے ہیں۔ ISO ہم

ہماری پیداواری سہولت کسی نقصان دہ مواد کا اخراج نہیں کرتی ہے۔ تاہم، ہمارے پاس فضلہ ضائع کرنے کی سختی سے تعمیل کی جاتی ہے۔ فیکٹری اور رہائشی کالونیوں میں بھی فائر ڈرل کی باقاعدہ مشقیں اور موسمی بیماریوں سے بچاؤ کے اسپرے کیے جاتے ہیں۔ کمپنی کی کلین اینڈ گرین انرجی پالیسی کے حصے کے طور پر، 5.1 میگاواٹ کا سولر پاور پراجیکٹ کام کر رہا ہے۔

انفارمیشن ٹیکنالوجی :

ایک کلیدی جزو کے طور پر کام کر رہا ہے اور اپنے ملازمین کے استعمال (ITD) انفارمیشن ٹیکنالوجی ڈویژن کے لیے کمپیوٹنگ اور مواصلاتی خدمات، سہولیات اور انفراسٹرکچر کی ایک وسیع رینج فراہم کرتا ہے۔ آئی ٹی ڈی کمپنی کی کاروباری ضروریات کے مطابق ہے، اس بات کو یقینی بناتا ہے کہ فراہم کردہ حل کاروبار کی ضروریات کے مطابق ہوں۔ ہمارے ورژن میں فیصلہ سازی کو مضبوط بنانا، بہتر تجزیات اور ڈیش بورڈز کی صلاحیت کا استعمال شامل ہے اور ایک حکمت عملی کے طور پر دیگر جدید ترین ایپلی کیشنز پر توجہ مرکوز رہے گی، کاغذ کے استعمال کو کم کرے گا اور جدید ترین ٹیکنالوجی کو تعینات کر کے صارفین تک اپنی رسائی کو بڑھا دے گا

پالیسی برائے صاف گوئی

کمپنی کھلے پن، ایمانداری اور جوابدہی کے اعلیٰ ترین معیارات کے لیے پرعزم ہے۔ اپنی وابستگی کے مطابق، کمپنی ملازمین اور/یا فریق ثالث (سپلائرز، صارفین، ڈیلرز، وغیرہ) کو کمپنی کے کام کے کسی بھی پہلو کے بارے میں

- سود کے لین دین کے تصادم کا مناسب مالی حل اگر کوئی ہو۔
- احتساب اور ذمہ داری۔
- اچھے اور موثر عوامی تعلقات۔
- تمام اسٹیک ہولڈرز کی توقعات سے بڑھ کر بہترین کے کلچر کو فروغ دینا۔
- مسلسل ترقی کے لیے گاہک کی اتسکین ۔
- ملازمین کو تخلیقی اور جدت لانے کی ترغیب دیں۔
- تمام اسٹیک ہولڈرز کا احترام۔
- قابل اعتماد اور قابل بھروسہ سپلائر،

حصص یافتگان، ملازمین اور حکومت کو فائدہ پہنچانے کے لیے منافع میں اضافہ۔

ریکارڈ کی حفاظت:

کمپنی اپنے مالیاتی ریکارڈوں کو ذخیرہ کرنے اور محفوظ رکھنے پر بہت زور دیتی ہے۔ الیکٹرانک دستاویزات تک رسائی ایک جامع پاس ورڈ سے محفوظ اجازت کے نظام کے نفاذ کے ذریعے محفوظ کی گئی ہے۔ ریموٹ ڈیزاسٹر ریکوری سائنس کو بیک اپ سرور اور ڈیٹا کو برقرار رکھنے کے لیے مناسب طریقے سے ترتیب دیا گیا ہے اگر ہمارے پرائمری سرور کو کوئی مسئلہ درپیش ہو۔

نظم و نسق برائے انسانی سرمایہ کاری:

سال کے دوران، اپنے صارفین کے لیے خدمات کو بہتر بنانے اور ہماری انتظامیہ کی بہتر کارکردگی کے لیے، ملازمین کی کارکردگی اور احتساب کے عمل کو بہتر بنانے کے لیے کوششیں کی گئیں، کمپنی ملازمین کی مثبت طرز عمل کو فروغ دینے اور اسے برقرار رکھنے اور ٹیلنٹ کو اپنی طرف متوجہ کرنے، اور ترقی دینے کے لیے پرجوش ہے۔ انسانی سرمایہ کی حکمت عملی کے حصے کے طور پر، کمپنی روزگار کے مساوی مواقع فراہم کرنے کی حوصلہ افزائی کرتی ہے۔ جب کہ ہم مروجہ لیبر قوانین کی تعمیل کو یقینی بناتے ہیں، ہم صنعتی تعلقات میں بہترین طریقے اپناتے ہیں اور سب کے لیے کام کے لیے ایک نتیجہ خیز اور مثبت ماحول کو یقینی بناتے ہیں۔ اپنے مسابقتی مفاد کو برقرار رکھنے کے لیے، کمپنی ایک متنوع اور انتہائی مسابقتی ٹیلنٹ پول تیار کرنے کے لیے اپنے لوگوں میں سرمایہ کاری جاری رکھے گی، جو کاروبار کے مستقبل کے چیلنجوں کو سنبھالنے کی پوری صلاحیت رکھتا ہے۔

کاروباری، سماجی ذمہ داری:

کمپنی مجموعی کاروباری ماحول کے تناظر میں سماجی، ماحولیاتی اور اخلاقی معاملات پر غور کرتی ہے۔ کمپنی تمام اسٹیک ہولڈرز، خاص طور پر اس کمیونٹی کے بہترین مفاد میں کام کرنے کے لیے پرعزم ہے۔ سماجی طور پر ذمہ دار ہونے کے ناطے، کمپنی نے سوشل سیکورٹی ڈسپنسری کے لیے مفت زمین اور اسکول کو مفت عمارت فراہم کی ہے۔ کمپنی نے مختلف مقامی تنظیموں کی ٹیموں اور شمالی علاقوں کے درمیان کھیلوں کی سرگرمیوں کا اہتمام کیا۔ کمپنی ملازمین کے بچوں کے تعلیمی اخراجات کو پورا کرنے کے لیے کم تنخواہ والے ملازمین کو مالی مدد فراہم کرتی ہے۔ کمپنی ملازمین کے لیے فری میڈیکل کیمپ کا انتظام کرتی ہے۔ ہر سال قرعہ اندازی کے ذریعے ملازمین کو حج ادا کرنے کے لیے بھیجا جاتا ہے۔ ہم اپنی ٹیم کے اراکین کو بھی حوصلہ دیتے ہیں کہ وہ ایسی سرگرمیوں میں بڑھ چڑھ کر حصہ لینے کے لیے اپنا وقت وقف کریں۔

کمپنی کو کارپوریٹ فلانٹھروپی ایوارڈ سے بھی نوازا گیا۔

پائیداری (سسٹینیبلٹی):

پر زور دینے کے ساتھ ساتھ ماحولیاتی خطرات اور (ESG) بورڈ ماحولیاتی، سماجی، اور حکمرانی کے اصولوں

قابل توجہ بنیادی نکات درج ذیل ہیں

- ا۔ کمپنی کے وژن اور مشن کے ساتھ کارپوریٹ اہداف اور مقاصد کی ہم آہنگی
 - ب۔ پائیدار آپریشن کے لیے حکمت عملی کی تشکیل؛
 - ج۔ بورڈ کی خودمختاری؛ اور۔
 - د۔ متعلقہ شرائط میں مقرر کردہ اپنی ذمہ داریوں کو نبھانے کے سلسلے میں بورڈ کی کمیٹیوں کی کارکردگی کا جائزہ
- بورڈ کی مجموعی کارکردگی تسلی بخش رہی۔

سی ای او کی کارکردگی کا جائزہ

سی ای او کی کارکردگی کی جانچ پڑتال رسمی طور پر جائزہ سسٹم کے ذریعے کی جاتی ہے جو شماریاتی اور معیاری اقدار پر مبنی ہوتا ہے۔ اس میں کاروبار کی کارکردگی، منافع کے حوالے سے مقاصد کی تکمیل، تنظیم سازی، جانیشینی کی منصوبہ بندی اور مجموعی کامیابی اور قابل اطلاق قانونی تقاضوں کی تکمیل شامل ہے۔

ڈائریکٹر کی تربیت:

کمپنی کے ڈائریکٹرز اپنے فرائض کی انجام دہی کے لیے مناسب تربیت یافتہ ہیں، اور کمپنیز ایکٹ 2017 اور پی۔ ایس ایکس بک کے ضوابط کے تحت اپنے اختیارات اور ذمہ داریوں سے آگاہ ہیں۔

ڈائریکٹرز کا معاوضہ:

بورڈ ممبران کے معاوضے کی منظوری بورڈ خود کرتا ہے۔ تاہم، کوڈ آف کارپوریٹ گورننس کے مطابق، اس بات کو یقینی بنایا جاتا ہے کہ کوئی بھی ڈائریکٹر اپنے معاوضے کا فیصلہ کرنے میں حصہ نہ لے۔ کمپنی میٹنگ میں شرکت کی فیس کے علاوہ نان ایگزیکٹو ڈائریکٹرز کو معاوضہ ادا نہیں کرتی ہے۔ 2024-25 میں ڈائریکٹرز اور سی ای او کے معاوضے کے بارے میں معلومات کے لیے، براہ کرم مالیاتی سٹیٹمنٹ کے نوٹس 41 کا حوالہ دیں۔

اخلاقیات اور کاروباری اطوار کا بیان:

کاروباری اخلاقیات اور بنیادی اقدار کا بیان وہ فریم ورک فراہم کرتا ہے جس پر کمپنی اپنا کاروبار کرتی ہے۔ بورڈ آف ڈائریکٹرز اور کمپنی کے ملازمین کاروباری اخلاقیات کی اعلیٰ ترین اقدار کے مطابق ہمارے کاروبار کو چلانے کے لیے بہترین شہرت کے حامل ہیں۔ درج ذیل اصول کاروباری اخلاقیات اور کمپنی کی بنیادی اقدار کو تشکیل دیتے ہیں۔

- تنظیم کے اندر یا باہر بات چیت کرتے وقت دیانتداری، انصاف پسندی اور اخلاقی رویے کا مظاہرہ کریں۔
- ایک اچھے کارپوریٹ شہری کے طور پر تمام قوانین اور ضوابط کی تعمیل۔
- کاروبار کو ایسے ماحول میں چلانے کا عزم جو مستحکم اور پائیدار ہو۔
- کاروباری لین دین میں اعتماد، اعتبار اور شفافیت کے اصولوں پر یقین۔
- ملازمین کو مساوی مواقع فراہم کریں۔
- شیئر ہولڈرز کے مفاد کی حفاظت کریں۔
- اپنے لوگوں، پڑوسیوں، گاہکوں اور مہمانوں کی حفاظت کے لیے صحت اور حفاظت کے ماحول کو یقینی بنائیں۔

- کاروباری چیلنجوں کی حوصلہ افزائی کریں۔

- ہیومن ریسورسز میں سرمایہ کاری۔

ڈائریکٹرز رپورٹ برائے شیئر ہولڈر

بورڈ آف ڈائریکٹرز بمع بورڈ کے اجلاسوں میں حاضری:

سال کے دوران بورڈ آف ڈائریکٹرز کے چار اجلاس، بورڈ آف ڈائریکٹرز کے چار اجلاس اور ایچ آر اینڈ ریمونریشن (انسانی وسائل و معاوضہ) کمیٹی کا ایک اجلاس منعقد ہوا۔ ڈائریکٹرز کی حاضری حسب ذیل ہے

نمبر شمار	ڈائریکٹر	درجہ بندی	کمیٹیاں		حاضری		
			بورڈ آف ڈائریکٹرز	ایچ آر اینڈ ریمونریشن کمیٹی	بورڈ آف ڈائریکٹرز	ایچ آر اینڈ ریمونریشن کمیٹی	ایچ آر اینڈ ریمونریشن کمیٹی
1	جاوید سیف اللہ خان	نان ایگزیکٹو ڈائریکٹر	-	-	4/4	-	-
2	انور سیف اللہ خان	نان ایگزیکٹو ڈائریکٹر	-	-	-	-	-
3	اسد سیف اللہ خان	ایگزیکٹو ڈائریکٹر	-	✓	4/4	-	1/1
4	حور یوسف زئی	نان ایگزیکٹو ڈائریکٹر	-	✓	2/4	-	1/1
5	آصف سیف اللہ خان	نان ایگزیکٹو ڈائریکٹر	-	-	4/4	-	-
6	سردار امین اللہ خان	انڈیپنڈنٹ ڈائریکٹر	✓	-	3/4	1/4	-
7	عبد الرحمان قریشی	انڈیپنڈنٹ ڈائریکٹر	✓	✓	4/4	4/4	-
8	رانا محمد شفیع	نان ایگزیکٹو ڈائریکٹر	✓	-	4/4	3/4	-

فروری 2025 میں، عثمان سیف اللہ خان نے بورڈ آف ڈائریکٹرز سے استعفیٰ دے دیا، اور اس کے بعد انور سیف اللہ خان کو مقررہ وقت پر اس اسامی کو پر کرنے کے لیے مقرر کیا گیا۔
ان ڈائریکٹرز کو غیر حاضری کی چھٹی دی گئی جو مذکورہ اجلاسوں میں شرکت سے قاصر تھے۔

ضابطہ اخلاق:

کارپوریٹ گورننس کے ضابطہ اخلاق کے مطابق، کمپنی نے کوڈ آف کنڈکٹ تیار کیا ہے اور پوری کمپنی میں اس کو بھیج / تقسیم کر دیا گیا ہے۔

بورڈ آف ڈائریکٹرز کی کارکردگی کا جائزہ:

بورڈ آف ڈائریکٹرز انتہائی پیشہ ور افراد پر مشتمل ہوتا ہے۔ تمام ممبران معقول قابلیت، اعلیٰ صلاحیت اور متنوع تجربہ کے مالک ہیں۔ مزید برآں، ان کے پاس کاروباری عمل اور اسٹریٹجک وژن کا وسیع علم ہے۔

بورڈ کے نگرانی کے کردار اور اس کی تاثیر کا جائزہ ایک مسلسل عمل ہے، جس کا تخمینہ بورڈ خود کرتا ہے۔ بورڈ نے اپنی کارکردگی کے ساتھ ساتھ ہر رکن کی انفرادی کارکردگی کا جائزہ لینے کے لیے ایک انتہائی منظم طریقہ کار اپنایا ہے۔ جامع سولنامے کوڈ آف کارپوریٹ گورننس اور بہترین بین الاقوامی قوانین کے مطابق تیار کیے گئے ہیں۔

بنیادی تبدیلیاں اور ذمہ داریاں:

کمپنی کی مالی حالت پر اثر ڈالنے والی کوئی بڑی تبدیلی یا نیا معاہدہ اس مالی سال کے اختتام اور اس رپورٹ کی تاریخ کے درمیان نہیں ہوا۔ صرف وہی باتیں شامل ہیں جو مالی بیانات یا اس رپورٹ میں بیان کی گئی ہیں۔

جدیدکاری اور توسیع:

آپ کی کمپنی تیزی سے بدلتی ہوئی ٹیکنالوجی کے مطابق اپنی پیداواری لائن کو جدید بنانے اور وسعت دینے کے لیے پُر عزم ہے۔

بورڈ کی تشکیل

30 جون 2025 تک بورڈ آف ڈائریکٹرز پر مشتمل ہے؛

ڈائریکٹرز	تعداد	کمپوزیشن	تعداد
مرد	7	خود مختار ڈائریکٹرز	2
		دیگر نان ایگزیکٹو ڈائریکٹرز	4
		ایگزیکٹو ڈائریکٹرز	1
خواتین	1	خاتون ڈائریکٹرز	1

ہیومن ریسورسز اینڈ ریمونریشن کمیٹی (انسانی وسائل اور معاوضہ کمیٹی):

انسانی وسائل اور معاوضہ کمیٹی کا اجلاس ملازمین کے معاوضوں سے متعلق تلافی اور ترقیاتی پالیسیوں کا جائزہ لینے کے معاوضوں سے (Key Management) اور ان کی سفارش کرنے، اور ایگزیکٹو ڈائریکٹر اور کلیدی انتظامیہ متعلق تمام امور کی منظوری دینے کے لیے منعقد کیا جاتا ہے۔

کمیٹی کے ارکان درج ذیل ہیں:

- 1- عبدالرحمن قریشی (چیئرمین)
- 2- بیرسٹر اسد سیف اللہ خان
- 3- حور یوسفزئی

بورڈ آڈٹ کمیٹی

بورڈ آڈٹ کمیٹی بنیادی طور پر مالیاتی معلومات، اندرونی کنٹرول کے نظام، نظم و نسق برائے خطرات اور آڈٹ کے عمل کا جائزہ لینے اور رپورٹ کرنے میں بورڈ کی مدد کرتی ہے۔ کمیٹی مکمل طور پر اپنے امور چلانے میں خود مختار ہے۔ کمیٹی ہر سہ ماہی کے بعد اجلاس منعقد کرتی ہے۔ ہر اجلاس کے بعد، کمیٹی کا چیئرمین بورڈ کو رپورٹ پیش کرتا ہے۔

کمیٹی کے ارکان درج ذیل ہیں:

- 1- عبدالرحمن قریشی (چیئرمین)
- 2- بیرسٹر اسد سیف اللہ خان
- 3- حور یوسفزئی

ڈائریکٹر رپورٹ برائے شیئر ہولڈر

ہم تصدیق کرتے ہیں کہ:

- ا۔ مالیاتی گوشواروں کے ساتھ دیے گئے نوٹس کو کمپنیز ایکٹ 2017 اور پاکستان میں لاگو ہونے والے بین الاقوامی مالیاتی رپورٹنگ معیار کے مطابق تیار کیا گیا ہے، یہ مالیاتی گوشوارے اس کی کاروباری نتائج، اس کے نقدی کے بہاؤ اور ایکویٹی میں ہونے والی تبدیلیوں کو شفافیت کے ساتھ پیش کرتے ہیں۔
- ب۔ کمپنی میں حسابات کی تفصیلات کے لیے مناسب انداز میں کتابیں تیار کی گئی ہیں۔
- ج۔ مالیاتی گوشواروں کی تیاری میں مناسب حساباتی پالیسیوں کا مسلسل اطلاق کیا گیا ہے اور حساباتی تخمینے اور دانشمندانہ فیصلوں پر مبنی ہیں۔
- د۔ اندرونی گرفت کے نظام کو نوازن اعتبار کے لحاظ سے بہت مضبوطی اور موثر انداز میں نافذ العمل ہے اور اس کی مسلسل نگرانی کی جاتی ہے۔
- ر۔ مالیاتی گوشواروں کی تیاری میں بین الاقوامی مالیاتی رپورٹنگ کے معیار، جیسا کہ پاکستان میں لاگو ہوتا ہے، کو مد نظر رکھا گیا ہے۔ اس میں کسی بھی قسم کی پہلو کو مناسب طور پر انکشاف اور وضاحت کی گئی ہے۔
- ز۔ ٹیکسوں، ڈیوٹیوں، لیویز اور چارجز کی ادائیگی کے سلسلے میں تمام واجبات مکمل طور پر فراہم کی گئی ہیں اور مقررہ وقت پر ادا کر دی جائیں گی یا جہاں ان دعوے بطور قرضہ تسلیم نہیں کیا گیا، انہیں مالیاتی گوشواروں کے نوٹس میں اتفاقی واجبات کے طور پر ظاہر کیا گیا ہے۔
- س۔ کمپنی کی بڑھی ہوئی کاروباری صلاحیت کے تسلسل میں کسی قسم کا کوئی شک و شبہ نہیں ہے۔
- ش۔ اداراتی نظم و ضبط کے بہترین طور طریقوں سے کمپنی کو کوئی بھی مادی امر نہیں چھوڑا گیا۔
- ص۔ ہمارے پاس ایک آٹھ کمیٹیوں (انسانی وسائل و معاوضہ) کی کمیٹی ہے۔ جس کے اراکین بورڈ آف ڈائریکٹرز سے ہیں اور دونوں کمیٹیوں کا ایک خود مختار ڈائریکٹر ہوتا ہے۔
- ط۔ انٹرنل کنٹرول کی نگرانی ایک مسلسل عمل ہے جس کا مقصد کنٹرولز کو مضبوطی اور نظام میں مزید بہتری ہے۔
- ظ۔ کمپنی کا گزشتہ چھ سالوں کا اہم اپریشن (کاروباری امور چلانے) اور اعداد و شمار درج ذیل دیے گئے ہیں۔

اختتامی سال						جون 30
2020	2021	2022	2023	2024	2025	
2,477,022	2,923,789	4,985,146	5,051,423	4,987,986	6,240,427	جائیداد، پلانٹ اور سازو سامان (روپے ہزاروں میں)
1,651,295	1,949,002	3,624,882	3,709,061	3,910,444	4,606,708	خالص مالیت (روپے ہزاروں میں)
2,590,719	3,620,143	4,930,819	5,952,262	7,964,142	8,253,381	فروخت (روپے ہزاروں میں)
213,054	744,710	857,360	847,126	1,219,519	1,203,783	خام منافع (روپے ہزاروں میں)
103,774	578,516	651,149	610,332	924,080	926,897	کاروباری امور سے منافع (روپے ہزاروں میں)
(76,881)	466,633	450,840	140,145	324,364	475,970	ٹیکس کی ادائیگی سے پہلے کا منافع / خسارہ (روپے ہزاروں میں)
(3.14)	15.01	14.05	4.09	10.29	13.5	آمدنی / خسارہ فی حصص (روپے)
35,280	38,460	44,508	44,508	44,508	44,508	اسپنڈلز کی تعداد (نمبرز)

سرٹیفیکیشنز:

کی طرف سے تصدیق شدہ ہے ISO: کمپنی درج ذیل میں:-

- ا - 9001:2015 (کوالٹی مینجمنٹ سسٹم)
- ب - 45001:2018 (پیشہ ورانہ صحت اور حفاظتی اقدامات کا نظام)
- پ - 14001:2015 (ماحولیاتی نظم و نسق کا نظام)
- ت - 26000:2010 (کارپوریٹ سماجی ذمہ داری کے نظم و نسق کا نظام)
- ٹ - 50001:2018 (توانائی کے انتظام کا نظام)

مزید برآں کمپنی مندرجہ ذیل میں بھی تصدیق شدہ ہے:

- ا - عالمی ری سائیکلڈ سٹینڈرڈ (GRS)
- ب - ری سائیکل کلیم سٹینڈرڈ (RCS)
- پ - بہتر کاتن انیشی ایٹو (BCI)
- ت - اوکو ٹیکس سٹینڈرڈ 100

کریڈٹ ریٹنگ سرٹیفیکیشن:

پاکستان کریڈٹ ریٹنگ ایجنسی (PACRA) نے کمپنی کی کریڈٹ ریٹنگ کو "A" کے ساتھ قرار دیا۔

قرض کی ادائیگی:

کمپنی رقم کے بھاؤ کی ایک مؤثر حکمت عملی اپناتی ہے جس کے تحت رقم کی وصولی اور خرچ کرنے کی نگرانی ذمہ داری سے کی جاتی ہے۔ مؤثر مالیاتی انتظام نے کمپنی کو اپنے مالی وعدوں کو پورا کرنے کے قابل بنایا ہے۔

مستقبل کا نقطہ نظر / لانچ عمل:

پاکستان کی معیشت کا منظر نامہ بتدریج بہتر ہو رہا ہے، کیونکہ مہنگائی میں کمی، مالیاتی پالیسی میں نرمی اور حکومت کے "اڑان پاکستان" پروگرام کے تحت اصلاحاتی اقدامات کاروباروں کے لیے زیادہ معاون ماحول پیدا کر رہے ہیں۔ یہ مثبت پیش رفت صنعتی سرگرمی کو فروغ دینے اور سرمایہ کاروں کے اعتماد کو مضبوط کرنے کی توقع ہے، تاہم بلند قرض کی سطح، بیرونی شعبے کے دباؤ اور توانائی کے مسائل جیسے چیلنجز مسلسل پالیسی توجہ کے متقاضی رہیں گے۔

ٹیکسٹائل شعبے کے لیے، مقامی اور برآمدی دونوں منڈیوں میں مستحکم طلب، کم فنانسنگ لاگت اور حکومتی اقدامات ترقی کے لیے مضبوط بنیاد فراہم کرتے ہیں۔ مستقل پالیسی تعاون، قابل بھروسہ توانائی کی فراہمی اور ویلیو ایڈیڈ مصنوعات کی طرف مسلسل رجحان کے ساتھ، ٹیکسٹائل صنعت پائیدار ترقی دینے اور آنے والے سال میں پاکستان کی برآمدات اور معاشی ترقی میں نمایاں کردار ادا کرنے کے لیے بہتر طور پر مستعد ہے۔

سولر انرجی پراجیکٹ کامیابی کے ساتھ فعال ہو گیا، جس سے کل نصب (3MWp) سال کے دوران کمپنی کا نیا 3 میگاواٹ پاور سولر صلاحیت 5.1 میگاواٹ پاور تک بڑھ گئی۔ یہ صلاحیت اب فیکٹری کی توانائی کی ضروریات کو مکمل طور پر پورا کرنے کے لیے کافی ہے، جو پائیداری اور لاگت کی بچت کو یقینی بناتی ہے۔ مزید برآں، کارکردگی اور مسابقت کو بہتر بنانے کے لیے پلان کے تحت حاصل کی گئی نئی مشینری بیلنس شیٹ کی تاریخ کے (BMR) کمپنی کے بیلنسنگ، ماڈرنائزیشن اور ری پلیسمنٹ بعد کمیشننگ مرحلے میں ہے۔ یہ اسٹریٹجک سرمایہ کاری طویل المدتی بنیادوں پر آمدنی میں اضافہ، آپریٹنگ اخراجات میں کمی اور مجموعی منافع بخشی کو مزید مضبوط بنانے کی توقع ہے۔

چینر مین کا جائزہ:

"چینر مین کا جائزہ، سالانہ رپورٹ میں شامل کیا گیا ہے جس میں بورڈ آف ڈائریکٹرز کی مجموعی کارکردگی کے ساتھ ساتھ بورڈ ممبران اور اس کی کمیٹیوں کی کارکردگی اور درپیش چیلنجز سے نمٹنے میں ان کے مؤثر کردار کی مختصر وضاحت کی گئی ہے۔ ڈائریکٹرز نے چینر مین کے جائزے کے مندرجات کی توثیق کر دی ہے۔

اداراتی نظام و ضبط اور مالیاتی رپورٹنگ فریم ورک:

کمپنی کے ڈائریکٹرز اپنی ذمہ داریوں سے پوری طرح واقف ہیں، جیسا کہ سیکورٹیز اینڈ ایکسچینج کمیشن آف پاکستان کے جاری کردہ کوڈ آف کارپوریٹ گورننس میں بیان کیا گیا ہے، اور وہ پاکستان اسٹاک ایکسچینج کے جاری کردہ اصول و ضوابط کا حصہ ہیں۔

ڈائریکٹرز رپورٹ برائے شیئر ہولڈر

محترم ممبران،

کوہاٹ ٹیکسٹائل ملز لمیٹڈ کے ڈائریکٹرز 30 جون 2025 کو ختم ہونے والے سال کے لیے آڈٹ شدہ مالیاتی گوشواروں پر آڈیٹر کی رپورٹ کے ساتھ 59 ویں سالانہ رپورٹ پیش کرنے پر خوشی محسوس کرتے ہیں۔

اس رپورٹ کو کمپنیز ایکٹ 2017 کی دفعہ 227 اور لسٹڈ کمپنیز (کارپوریٹ گورننس کوڈ) ریگولیشنز 2019 کے مطابق تیار کیا گیا ہے اور یہ کمپنی کے 59 ویں سالانہ عام اجلاس میں، جو 24 اکتوبر 2025 کو منعقد ہوگا، شیئر ہولڈرز کو پیش کی جائے گی۔

مالیاتی جائزہ:

کمپنی کی بنیادی کاروباری سرگرمی دھاگے کی تیاری اور فروخت ہے۔

سال کے دوران، فروخت 8.0 بلین روپے سے بڑھ کر 8.3 بلین روپے تک پہنچ گئی، جو کہ سال بہ سال 4 فیصد اضافہ کو ظاہر کرتا ہے، جس کی بنیادی وجہ قیمتوں میں اضافہ تھا۔ گیس کے ٹیرف میں بے مثال اضافے کے باوجود، کمپنی نے کامیابی سے اپنی منافع بخش کارکردگی کو برقرار رکھا، اور 476 ملین روپے کا ٹیکس سے قبل منافع حاصل کیا، جو 47 فیصد کی مضبوط نمو کی نمائندگی کرتا ہے۔ منافع میں یہ بہتری مالیاتی اخراجات میں کمی سے مزید تقویت ملی۔ کمپنی نے تمام بینکوں کے ساتھ اپنے قرض کی ادائیگی کی ذمہ داریوں میں باقاعدگی برقرار رکھی، جبکہ اس کا پلانٹ پورے سال مکمل صلاحیت کے ساتھ کام کرتا رہا۔

آمدنی فی حصص:

30 جون 2025 کو ختم ہونے والے سال میں فی حصص آمدنی 13.50 روپے (2024: 10.29 روپے) رہی۔

منافع منقسمہ:

ڈائریکٹرز نے 10% (2024: 10%) پر فائنل کیش ڈیویڈنڈ تجویز کیا ہے، جو کہ 1/- (10%) عبوری کیش ڈیویڈنڈ کے علاوہ ہے جو پہلے ہی سال کے دوران ادا کر چکے ہیں۔

اس کے مطابق، منافع کی تقسیم درج ذیل ہوگی:

2024	2025	
Rs. '000		
214,117	280,766	تقسیم کے لیے دستیاب منافع
		تقسیم:
-	20,800	عارضی نقد منافع 10% (2024: نل)
20,800	20,800	حتمی نقد منافع 10% (2024: 10%)
20,800	41,600	
193,317	239,166	غیر مختص شدہ منافع آئندہ کے لیے منتقل

ہولڈنگ کمپنی:

سیف ہولڈنگز لمیٹڈ، جو پاکستان میں تشکیل دی گئی، کوہاٹ ٹیکسٹائل ملز لمیٹڈ کی 75.56 فیصد حصے کے ساتھ ملکیتی کمپنی ہے

KOHAT TEXTILE MILLS LIMITED

BALLOT PAPER FOR VOTING THROUGH POST

For the Special business at the Annual General Meeting to be held on **Friday, October 24, 2025 at 11:00 a.m.** at its registered office, **APTMA House, Tehkal Payan, Jamrud Road, Peshawar**, as well as through electronic means.

Designated email address of the Chairman at which the duly filled in ballot paper may be sent:

ca.ktml@saifgroup.com

Name of shareholder/joint shareholders	
Registered Address	
Folio /CDC Participant / Investor ID with sub-account No.	
Number of shares held	
CNIC / Passport No. (in case of foreigner) (copy to be attached)	
Additional Information and enclosures (In case of representative of body corporate, corporation and Federal Government.)	
Name of Authorized Signatory	
CNIC / Passport No. (in case of foreigner) of Authorized Signatory (copy to be attached)	

I/we hereby exercise my/our vote in respect of the following resolutions through postal ballot by conveying my/our assent or dissent to the following resolutions by placing tick (✓) mark in the appropriate box below:

S. No.	Agenda / Description of Resolutions	I/we assent to the Resolution(s) (FOR)	I/we dissent to the Resolution(s) (AGAINST)
1.	<p>Agenda item no. 5</p> <p>To ratify and approve transactions entered into by the Company with related parties in its ordinary course of business by passing the following special resolution: -</p> <p>“RESOLVED THAT the Company be and is hereby authorized to share common expenses with its associated companies including M/s. Saif Textile Mills Limited. The common expenses may include but not limited to office rents, administrative salaries, utility expenses, repair and maintenance and other miscellaneous expenses etc. (collectively the “Administrative Expenses”), in respect of its joint offices.</p> <p>RESOLVED FURTHER THAT the transactions entered into by the Company in its ordinary course of business with the related parties during the year ended June 30, 2025 as disclosed in notes to the Financial Statements are hereby ratified and approved.</p> <p>ALSO RESOLVED THAT the Chief Executive of the Company be and is hereby authorized to execute/ approve all the transactions to be carried out in its ordinary course of business with Related Parties during the ensuing year ending June 30, 2026 and in this connection the Chief Executive be and is hereby also authorized to take any and all necessary actions and to sign execute any and all such documents/indentures as may be required in this regard on behalf of the Company.”</p>		

NOTES:

1. Duly filled postal ballot should be sent to the Chairman of **Kohat Textile Mills Limited** at **4th Floor, Kashmir Commercial Complex, Fazal-e-Haq Road, Blue Area, Islamabad, Pakistan.** or (Email: ca.ktml@saifgroup.com)
2. Copy of CNIC/ Passport No. (in case of foreigner) should be enclosed with the postal ballot form.
3. Postal ballot forms should reach the Chairman within business hours by or before October 23, 2025. Any postal ballot received after this date, will not be considered for voting.
4. Signature on postal ballot should match with signature on CNIC/ Passport No. (in case of foreigner).
5. Incomplete, unsigned, incorrect, defaced, torn, mutilated, over written ballot paper will be rejected.
6. This postal Ballot paper is also available for download from the website of Kohat Textile Mills Limited at www.kohattextile.com. Members may download the Ballot paper from the website or use an original/photocopy published in newspapers.

Signature of shareholder(s)/ Proxy Holder(s)/Authorized Signatory
(in case of corporate entity, please affix company stamp)

Place: _____

Date: _____

FORM OF PROXY

I/we.....of.....being a member of Kohat Textile Mills Limited hereby appoint Mr./Ms..... offailing whom Mr./Ms..... ofas my proxy to attend act for me, and on my behalf, at the Annual General Meeting of the Company to be held on Friday, 24 October, 2025 at 11:00 a.m. and any adjournment there of.
Dated thisday of2025.

Revenue
Stamp
Rs..50/-

Specimen Signature of Proxy

Folio No.....

Participant I.D No.....

Sub Account No.

Signature of Shareholder

Specimen Signature of Alternate Proxy

Folio No.....

Folio No.....

Participant I.D No.....

Participant I.D No.....

Sub Account No.....

Sub Account No.....

Note:

- i) If a member is unable to attend the Meeting, he/she may appoint another member as his/her proxy and send this form to Kohat Textile Mills Limited, APTMA House, Tehkal Payan, Jamrud Road, Peshawar to reach not less than 48 hours before the time appointed for holding the meeting.
- ii) Attested copies of CNIC or the Passport of the beneficial owners and the Proxy shall be furnished with the Proxy form.
- iii) The Proxy shall produce his original CNIC or original Passport at the time of the meeting.
- iv) In case of corporate entity, the Board of Directors' Resolution / Power of Attorney with specimen signature shall be submitted(unless it has been Provided earlier) along with Proxy Form to the Company.

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Scan QR code to access
financial reports online



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