PREMIUM
TEXTILE
MILLS

2026

PREMIUM TEXTILE MILLS LIMITED

ENGINEERING TOMORROW

Creating Sustainable Growth Through Innovation, Energy Independence and Global Partnerships

PREMIUM TEXTILE MILLS

ANNUAL REPORT

2026

www.premiumtextile.com

What's Inside This Report

FY2026 · Premium Textile Mills Limited

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RESULTS IN BRIEF

2026

Operating income
3,027,470,001
2,800,259,921 FY2025

(Loss) / Profit after Taxation
856,838,044
55,651,988 FY2025

Total assets
30,412,990,081
29,367,016,575 FY2025

Total equity
8,044,379,510
7,164,033,353 FY2025

Dividend paid (per share)
Rs. 15/- per share (150%)
Rs. 2/- per share (20%) FY2025

VISION

At Premium Textile Mills Ltd, we envisage ourselves as a leading company in the manufacturing of value-added products. Our relentless endeavors are directed to make our customers view Premium as a reliable brand that gets to the future first.

MISSION

Our mission is to manage and operate the company in a manner that allows continued growth and profitability without high risk for investors. We do this by offering quality products to our customers, by constantly striving to improve our product to meet our customers' needs and by trying to keep abreast of the new developments taking place in the textile world.

CULTURE

Our company culture is deeply rooted in our rich history and our passion for excellence in textile manufacturing. We foster an environment that embraces innovation, collaboration, and a commitment to producing high-quality yarns and socks. Our culture is characterized by the following core values:

CORE VALUES

Value our customers & employees

Think outside the box

Embrace & integrate accountability in everything we do

Create a welcoming environment for everybody

Care about generations to come

Strive for growth & learning

BUSINESS CONDUCT & CODE OF ETHICS

At Premium Textile Mills Ltd, we uphold the highest standards of business conduct and ethics. Our Code of Ethics serves as a guiding framework, outlining our commitment to integrity, transparency, and responsible practices. It guides our interactions with customers, employees, partners, and stakeholders, fostering a culture of trust, respect, and accountability.

Build Trust and Credibility - The success of our business is dependent on the trust and confidence we earn from our employees, customers, and shareholders. We gain credibility by adhering to our commitments, displaying honesty and integrity, and reaching company goals solely through honourable conduct. It is easy to say what we must do, but the proof is in our actions. Ultimately, we will be judged on what we do.

Respect for the Individual - Premium Textile Mills Ltd. Is an equal employment/affirmative action employer and is committed to providing a workplace that is free of discrimination of all types from abusive, offensive, or harassing behavior. Any employee who feels harassed or discriminated against should report the incident to his or her manager or to human resources.

Create a Culture of Open and Honest Communication - Premium Textile Mills Ltd. will investigate all reported instances of questionable or unethical behaviour. In every instance where improper behaviour is found to have occurred, the company will take appropriate action. We will not tolerate retaliation against employees who raise genuine ethics concerns in good faith.

Uphold the Law - Premium Textile Mills Ltd.'s commitment to integrity begins with complying with laws, rules, and regulations where we do business.

Proprietary Information - It is important that we respect the proprietary rights of others. We will not acquire or seek to acquire improper means of a competitor's trade secrets or other proprietary or confidential information. We will not engage in unauthorized use, copying, distribution, or alteration of software or other intellectual property.

Selective Disclosure - We will not selectively disclose (whether in one-on-one or small discussions, meetings, presentations, proposals or otherwise) any material non-public information with respect to Premium Textile Mills Ltd, its securities, business operations, plans, financial condition, results of operations or any development plan.

Conflict of Interest - We must avoid any relationship or activity that might impair, or even appear to impair, our ability to make objective and fair decisions when performing our jobs. We must never use Premium Textile Mills Ltd. property or information for personal gain or personally take for ourselves any opportunity that is discovered through our position with Premium Textile Mills Ltd.

Gifts, Gratuities, and Business Courtesies - Premium Textile Mills Ltd. is committed to competing solely on the merit of our products and services. We will neither give nor accept business courtesies that constitute, or could reasonably be perceived as constituting, unfair business inducements that would violate law, regulation, or policies of Premium Textile Mills Ltd or customers, or would cause embarrassment or reflect negatively on Premium Textile Mills Ltd.'s reputation.

Accurate Public Disclosures - We will make certain that all disclosures made in financial reports and public documents are full, fair, accurate, timely, and understandable.

Corporate Recordkeeping - We create, retain, and dispose of our company records as part of our normal course of business in compliance with all Premium Textile Mills Ltd. policies and guidelines, as well as all regulatory and legal requirements.
All corporate records must be true, accurate, and complete, and company data must be promptly and accurately entered into our books in accordance with Premium Textile Mills Ltd.'s and other applicable accounting principles.

Confidential and Proprietary Information - We will not disclose confidential and non-public information without a valid business purpose and proper authorization.

Health and Safety - Premium Textile Mills Ltd. Is dedicated to maintaining a healthy environment. A safety manual has been designed to educate staff on safety in the workplace.

"Our unwavering commitment is to lead by example, upholding the values that define us. We prioritize honesty, transparency, and fairness in everything we do, fostering a culture of trust and respect. Together, we strive to create a business environment where integrity and ethical conduct flourish, ensuring our collective success and making a positive impact on the world around us".

Corporate Information

BOARD OF DIRECTORS

Mr. Muhammad Aslam Parekh	Chairman
Mr. Abdul Kadir Adam	Chief Executive
Mr. Muhammad Yasin Siddik	Executive Director
Mr. Khizar Yusuf Sattar	Independent Director
Mr. Muhammad Sohail Tabba	Independent Director
Ms. Lubna Asif Balagamwala	Non-Executive Director
Mr. Tanzeel Abdul Sattar (NIT Nominee)	Non-Executive Director

COMPANY SECRETARY

Mr. Hammad Ullah Khan

MANAGING DIRECTOR

Mr. Zaid Siddik

TECHNICAL DIRECTOR

Mr. Ashraf Aziz

HEAD OF FINANCE

Mr. Ali Asghar Muhammad Yousuf

CHIEF FINANCIAL OFFICER

Ms. Shenila Parekh

LEGAL ADVISOR

Mr. Farooq Rashid Advocate

AUDITORS

EXTERNAL

Rahman Sarfaraz Rahim
Iqbal Rafiq Chartered Accountants

INTERNAL

BDO Ebrahim & Co

HEAD OF INTERNAL AUDIT

Mr. Muhammad Faizan

REGISTERED AND CORPORATE OFFICE

1st floor, Haji Adam Chambers, Altaf Hussain Road,
New Challi, Karachi.
Phone: 0213 -2400405-8
Email: premhead@premiumtextile.com

MILL

Plot 58,60,61 &76,77,78 Main Super Highway,
Nooriabad, Distt. Dadu (Sindh), Pakistan.
Phone : (025) 4007463-9

BANKERS

Bank Al- Habib limited
Bank Al- Falah limited
Meezan Bank Limited
Habib Bank Limited
Habib Metropolitan Bank
Askari Bank

AUDIT COMMITTEE

Mr. Khizar Yusuf Sattar	Chairman
Mr. Muhammad Sohail Tabba	Member
Ms. Lubna Asif Balagamwala	Member

HUMAN RESOURCE & REMUNERATION COMMITTEE

Mr. Khizar Yusuf Sattar	Chairman
Mr. Muhammad Sohail Tabba	Member
Ms. Lubna Asif Balagamwala	Member

SHARE REGISTRAR

FD Registrar Services (SMC-Pvt) Ltd. 17th floor,
Saima Trade Tower A I.I. Chundrigar Road,
Karachi Phone:0213-2271905-6
fdregistrar@yahoo.com

WEBSITE

www.premiumtextile.com

COMPANY PROFILE

Ever since the inception of Premium Textile Mills Ltd. took place in 1989 the group has successfully diversified into the manufacturing of auto parts and trading. We are a publicly listed company with a strong focus on international markets, exporting premium quality yarn and socks worldwide. Our socks division is a key contributor to the company`s profitability, operating a state-of-the-art manufacturing facility in Nooriabad equipped with advanced machinery and utility systems. As of now we have achieved an annual turnover in excess of Rs. 24+ billion. However, as the flagship company, Premium Textile Mills Ltd remains the major contributor in the brilliant standing of the group.

Premium Textiles started its operations with 12,230 spindles serving only the local market in the initial years. It is now annually producing approximately 33.151 million kilograms (based on 20/1) with 88,552 spindles. We have also acquired 354 sock-knitting machines up to June 30, 2026, with an installed production capacity of 3.2 million dozens pairs of socks per year. Currently, the company is operating in both local and international horizons that have brought the company to a reckoned position in a competitive industry. With a commitment to invest every year in BMR, Premium Textiles is geared towards acquiring the latest technology to provide better value for money to our customers in the form of Premium yarn. The Company is also operating a 20 MW solar energy system to reduce its reliance on gas-fired generators and mitigate its environmental impact. To further reduce our carbon footprint, we have acquired two wind turbines, each with a capacity of 7.5 MW, both of which has recently become operational.

Having served customers in the Americas, Europe, Middle East, Central Asia and Far East we have the requisite experience and feel of the customers around the world. Acquisition of latest technology coupled with stringent quality control measures have given us an edge that reflects in our quality and the portfolio of satisfied customers. Our standards of business ethics and the human capital form the assets that are revered not only throughout the organization but also in the industry.

SPINNING

- Est. 1989
- Producing 98,795 kgs Yarn/day
- 93,471 Spindles & Rotors (87,863 Ring Frames, 3,400 Rotors AC9s 192 MVS)

SOCKS

- Est. 2022
- Producing 9,027 dozens pairs/day
- 354 Lonati Sbys Knitting Machines

ABOUT PREMIUM

From the fibers we spin to the socks we create, we strive to be the vital link that weaves quality, innovation, and everyday essentials into the fabric of people's lives.

PKR 24+ billion in sales revenue in fiscal year 2026

All financial amounts are presented in PKR
For the fiscal year beginning 07/01/25 and ending 06/30/2026.

TRANSFORMATION TIMELINE 1989–2026

YEAR	MILESTONE	IMPACT
1989	Incorporated with 12,230 spindles in Noori Abad, Sindh	Foundation of Pakistan's textile future
2000s	Capacity scaled to 81,660 spindles. International exports begin	North America, Europe, Middle East customers onboarded
2020	Revenue crosses Rs. 8.8 billion. Captive power expanded	Financial platform established for transformation
2022	208 Lonati knitting machines commissioned. Socks division born	Premium enters high-margin finished goods
2023	Solar Phase I: 5.2 MW. GRS-certified Margasa recycling plant live	Energy independence and circular economy begins
2024	12.8 MW solar. WWF partnership: 8,023 acres regenerative cotton	Sustainability leadership established
2025	20 MW solar. Rs. 29B revenue. 363 machines. Dividend declared	Return to profitability. World-class brands onboarded
2026	7.5x2 MW wind turbines. 90% renewable target. Socks expansion	Energy sovereignty + global brand platform

TECHNOLOGICAL IMPROVEMENTS

Premium textile mills have always excelled in innovation and have explored technological advancement in order to produce best quality yarn as well as socks. The level of automation is also increasing to have less down time and maximize output with quality; we are continuously buying machinery that have more advanced automation concepts. This ensures maximum output, better quality and reduced labor force.

OUR TECHNOLOGY PILLARS

- AI Based Production Scheduling
- Demand Forecasting
- Quality Prediction
- Machine Failure Prediction
- Energy Optimization
- Vision-Based Defect Detection
- Executive Dashboards

ADVANCED MANUFACTURING & AUTOMATION

Technological improvements include procurement of latest machinery from renowned and notable foreign suppliers. It is ensured that these suppliers have excelled in manufacturing the finest quality of Plant and Machinery for Balancing, Modernization and Replacement (BMR) purposes and obtaining new innovative technology. It is also ensured that they can also provide modifications, spare parts, technical consulting, machine upgrades, and after sales service along with new machinery. This is in line with our objective to enhance textile exports, tackle global challenges, and ensure that the company meets international standards as we mostly cater to export markets.

Presently, our machinery consists of major technological pillars which include AI based production scheduling, demand forecasting, quality prediction, machine failure prediction, energy optimization, vision-based defect detection and executive dashboards.

We have paperless manufacturing using tablets, digital SOPs, QR codes, electronic approvals and digital records. We also have automated reports, approvals, purchasing workflows and notifications

Our major focus is on smart energy management which includes department wise monitoring of electricity, steam, compressed air, gas and water to reduce energy costs.

DYEHOUSE INNOVATION

Premium textile Mills Dyehouse innovations handle complex processing like tri-blends using smart dyeing profiles and are easily able to handle critical dyeing like special wool (Alpaca wool+Acrylic+Nylon) with blends in order to prepare renewed premium products in the international market. Premium Textile Mills has achieved the ability to process complex dyeing smartly with market horizons not only restricted to China. The dyeing capacity is 11 tons per day for fiber output and yarn packaged dyeing is 8.7 tons per day. It is further intended to increase its dyeing capacity along with Knitting to fulfill the needs of the market. Additionally Premium diversified its operations via development of parallel dyeing sources in specific cases in order to have smooth supplies.

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HIGH-PERFORMANCE PRODUCTION

We have RX-300 with a high speed and lowest energy expense leading to maximum viability. All types of yarns can be produced with high rate of production and lowest labor cost. We therefore produce a diverse range of fibers such as US Cotton, Organic cotton, recycled yarn, mélange, speckled yarn, acrylic etc. The new machines ensure seamless operations, integrated processes and high efficiency.

> **AI technologies** are being leveraged to enhance data analytics, automate processes and support smarter decision-making, driving quality, efficiency and **sustainable growth.**

SMART SPINNING TECHNOLOGIES

Auto Coro have been acquired with fully automated rotor spinning machine processes for spinning even the shortest recycled fibers. It has set new bench marks in energy efficiency, productivity and operational autonomy. Recycling fibers through Auto Coro is a cost-effective alternative to virgin fibers enabling us to reduce costs and save natural resources to benefit us in the future.

We have adopted Industry 4.0 solutions – importing machinery that integrates automation, predictive maintenance and data acquisition. These innovations enable cost cuts and faster adaptation to industry demands, aligning with global requirements like just in time production and sustainable sourcing.

ADVANCED SOCKS MANUFACTURING

We have purchased Socks Knitting machines which combine high productivity with supreme quality. These machines provide enhanced comfort and durability compared to conventional systems. Also these machineries have revolutionized textile production and design leading to a more ecofriendly and more efficient processes. We also reduce our carbon footprint by relying on renewable energy resources.

DIGITAL TRANSFORMATION

Premium Textile is undergoing a digital transformation where SAP/S4 Hana is live and running in parallel with the legacy system to ensure smooth business continuity. End to end processes are being integrated through S/4 Hana while AI technologies are being introduced for data analytics, production, atomization and decision-making support. Also, Scada systems are being implemented for both industrial automation and solar energy monitoring enabling real time visibility and control of production and energy performance. The company is also advancing smart factory initiatives to improve efficiency and data driven operations across all units.

SUSTAINABLE TECHNOLOGY & FUTURE ROADMAP

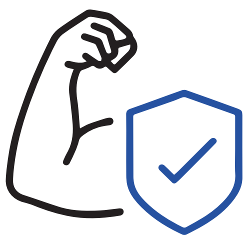
Premium Textile Mills sustainable approach of doing business always comes first in all technical advancement in our processing & operations. Our ultimate aim is to have strong supply chain in context with the technical advancement of after sales service & technical support and readily available machine spares covering our preventive maintenance with minimal downtime. This approach ensures smooth operations with maximize efficiency and full utilizations of resources. Automation ensures to have less wastage following lean manufacturing and has direct impact on cost of product viable to the customers purchasing with competitive rates. This gives win-win situation for our customers and to Premium Textile Mills in securing its future business strategy and place in market as a key aggressive player.

Overall, we are in the process of developing a technological road map covering AI, MES, IIoT, Scada, predictive maintenance, smart utilities, sustainability, and digital manufacturing. This positions the organization for long term operational excellence and global competitiveness

STRENGTHS ,WEAKNESSES ,OPPORTUNITIES AND THREAT ANALYSIS (SWOT)

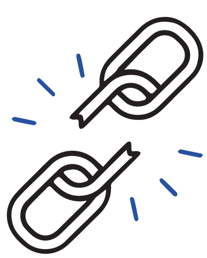
STRENGTHS:

1. Wide range of customers – loyal customer base
2. Consists of two segments –spinning and socks
3. Indirect exports through local customers
4. Constant investment in BMR.
5. Certification of various types obtained from agencies
6. Investment in new technology every three years
7. Captive power plant in the form of gas generators, solar energy & wind energy.
9. Emphasis for recycled yarn to save the environment



WEAKNESSES:

1. A leveraged company. Dependance on long term finance for BMR and short-term finance for running day to day affairs of the company.
2. Severe competition in both spinning and socks.
3. Dependance on cotton crop production. Prices not completely elastic because of local crop conditions
4. Direct exports limited to few customers.
5. High costs due to inflationary pressure on Fuel & Energy.
6. Labor intensive company



OPPORTUNITIES:

1. Expansion possibilities in socks operations.
2. Wind power generation due to suitable location in Nooriabad
3. Possibility of hiring staff on basis of specific experience and achievements
4. Marketing strategy for exploring export market for socks in various regions worldwide.
5. Notable and famous brands for socks Exports
6. Skilled management team with proven track record

THREATS:

1. Increase in fuel costs.
2. Imposition of new taxes and duties
3. Technological investments dependent on loans
4. Increased competition for socks business
5. Political uncertainty
6. Uncertain economic conditions of the country
7. Fluctuation in Kibor rates
8. Increase in foreign exchange rates
9. Unpredictable policies of the Govt

ENVIRONMENTAL, SOCIAL, & GOVERNANCE (ESG)

Environmental Stewardship

We have strived to minimize environmental impact by adopting new technology which is designed to be environmentally friendly and helps in promoting waste reduction and recycling.

1. **Renewable Energy**:
   In order to reduce our dependence on gas consumption for running gas generators we have obtained solar energy systems to the tune of 20 MW. A 7 MW Single Axes Full Tracking Solar Park has been integrated to enhance renewable energy generation and wind turbines have been installed this year of about 7.5 MW each to reduce carbon emissions and thereby comply with environmentally friendly solutions. Our reliance on green energy will therefore be around 90%.

2. **Organic Cotton Partnership:**
   We have partnered with WWF Pakistan to launch an organic cotton project of 8700 acres for 5 years producing 2200 metric tons of lint cotton. This collaboration is in progress and aims of enhance soil, health, increase biodiversity and improve water management, thereby ensuring sustainable and ecofriendly agricultural practices.

3. **Water Consumption:**
   Textile dyeing industry uses chemicals which are harmful to the environment and therefore the water discharged has to be treated or disposed of in a manner that it avoids environmental contamination. We have installed an Effluent Treatment Plant ETP that treats 750m3/day of water. Also, this screening helps achieve preservation of environment.

4. **Sustainable Materials:**
   In our continuous pursuit of sustainability, we have embraced innovative yarn which include:

   - **Luna Yarn**

   Luna Yarn is a textile revolution featuring silverbac Antimicrobial Technology. Silverbac is designed to prevent leaching, reducing the potential harm to the environment and marine life. It is used for apparel, bedding and upholstery.

   - **Regenerated Yarn:**

   In order to produce recycled yarn, we have a GRS certified Margasa recycling plant with a capacity of 1000 kg/hour. We have fully automated German made open end rotors. Textile recycling industry annually direct only about 15-30% of the total post-consumer annual textile waste. We intend of process 95% of the waste without the production of any new hazardous waste or harmful by products

   - **Tri blend yarn**

   Is made in viscose, wool, and polyester. It is a triple blend which provides both softness, durability and beauty. This production of this yarn lands cheaper than cotton with no compromise in quality. It is also best suited to the environment.

5. **Innovative Technologies:**
   Premium always eager to find the sustainable approach to innovate, following the lean manufacturing (less waste generation).

   Our initiative to installing of Control weighting system ensures chemical management with minimum waste generation following the industrial 4.0 concept with reporting & record.

   Additionally, it helps in reducing the chemical impact on the effluent into the environment and improves overall ETP load data that ensures conservation of our echo system.

   Energy Master (Utilities Control Software) is another milestone that fulfills and provide hands on control on energy and its usage amicably ensures sustainability.

   The Nautilus online monitoring system tracks every machine in real time. AI-driven quality control and Energy Master utilities software reduces waste, improves consistency, and enables ESG reporting to the exacting standards global brand partners require.

Accreditations and Industry Alliances

SOCIAL RESPONSIBILITY

Through our robust social responsibility initiatives, we strive to empower lives, nurture communities, and foster sustainable development:

1. **Enhancing Healthcare Access:**
   Comprehensive health insurance coverage is provided in the form of hospitalization insurance which covers maternity benefits as well. A doctor has been employed at the factory to provide medical advice and treatments to the workers on site and their families. Smoking, alcohol and drugs are prohibited in the workplace. Preventive actions are taken to avoid any injuries and illnesses in the workplace.

2. **Sustainable Farming and Employment Creation: ReGen Kapaas**

   Aims of the Initiative:
   The purpose of this initiative is to promote regenerative agriculture farming practices in Sindh province through a strategic partnership between Premium Textile Mills and WWF.

   Key Performance Measures:
   Farmer: 1021
   Cotton Area: 8,700 Acres
   Land: Pacca Chang Sindh Province

3. **Fair Trade and Ethical Sourcing:**
   We are committed to support fair trade and ethical sourcing by ensuring that fair prices are paid to farmers and workers in our supply chain. Fair trade is to provide farmers with alternate trading routes to secure higher and more stable incomes. It is meant to improve their living and working conditions boosting their productivity and income.

4. **Technical Training and Skill Development:**
   Vocational training is given to workers to improve their skills for preparing them for using new technological changes implemented by way of installing new and improved machinery for producing innovative yarn. Recent graduates who are Engineers and MBAs are employed for temporary internship at our company for equipping them with necessary skills for paving the way for long term employment.

5. **Women empowerment:**
   We take pride in employing quite a few numbers of women in our company at the head office. Women empowerment involves creating of an environment and provide suitable positions in the company that require them to take important strategic decisions for the company's benefit. We have also devised strategies to help them grow and progress with our support for elevated positions in the organization.

GOVERNANCE AND ETHICS

Under the ESG framework, our company demonstrates a strong commitment to governance and ethics.
We have implemented several measures to ensure responsible and transparent practices

1. **Codes of Conduct and Ethics:**
   We uphold the highest standards of business conduct and ethics. We also have an employee handbook that indicates the rules and regulations of employment and outlines the expected standards for employees emphasizing integrity, honesty and compliance.

2. **Shareholder Engagement:**
   Our company values shareholder engagement and conducts annual general meetings and corporate briefing session for apprising the shareholders about the status of the company in terms of profitability, compliance and governance and voice their concerns on performance and governance practices.

3. **Diversity and Inclusion:**
   In an effort for this organization to run its business effectively and responsibly we strive to ensure that people from various races and backgrounds are socially accepted and integrated into the company"s environment. Also, leadership roles and key strategic positions are given to women to shape our organization's business. Employees from all departments whether in senior or junior positions are all encouraged to voice their concerns about their problems to the HR department for matters affecting them in the company.

4. **Gender Pay Gap** (as on June 30 2026)

   Following is gender pay gap calculated for the year ended June 30, 2026.

   (i) Mean Gender Pay Gap: -373.67

   (ii) Median Gender Pay Gap: -225.52

   At the Head Office, the mean pay for men is 9.37% higher than for women, while the median pay for women is 16.06% higher than for men. Considering all locations (Head Office + Factory), the mean pay for women is 373.67% higher than for men, and the median pay for women is 225.52% higher than for men.

OUR COMMITMENT TO SUSTAINABLE DEVELOPMENT (GOALS)

As part of our commitment we are actively contributing to multiple global goals through innovation, community engagement, and environmental responsibility. Below is a summary of our key initiatives aligned with each goal:

LIFE BELOW WATER

- Obtaining another ETP for water treatment
- Re using treated water for chiller, boiler and cooling tower
- Preserving natural resources by recycling waste
- Water Intensity – 30% reduction

CLIMATE ACTION

- Miyawaki forest under process
- Reduction in greenhouse gas emission in dyeing plant
- Transition to Renewable Energy (wind power 7.5x2) Solar also obtained 20 MW

INDUSTRY INNOVATIONS AND INFRASTRUCTURE

- Socks Design & Sampling (Lonati Shima Seiki ORION + APEX Fiz)
- IE3 / IE4 Motor Upgrade production Motors.
- Autonomous Spinning Lines (Self adjusting ring frames)
- Bio-based fiber processing
- Advanced 3D knit architectures
- Industry 5 machines, Collaborative Sustainability & Mass Customisation

LIFE ON LAND

- Desertification to be avoided at all costs
- Reduction of land filled waste
- Reversal of land degradation because of arid and dry conditions

GENDER EQUALITY

- Hiring of women in all departments in the head office
- Ensure equal opportunities for all employees
- Providing leadership roles to women

DECENT WORK AND ECONOMIC GROWTH

- Employment of local residents. Also provide decent accommodation to those live in far off areas.
- Employment of individuals with disability
- Collaboration with the Citizen Foundation (TCF) to provide education and training
- Parks and Green spaces for workers and their families.
- Zero lost time injury rate.

RENEWABLE AND CLEAN ENERGY

- Grid Electricity to Near Zero
- Erection of 2 wind turbines of 7.5 MW
- Energy efficient motors IE 3 & IE 4
- Solar batteries to be obtained

RESPONSIBLE CONSUMPTION & PRODUCTION

- Diverse range of fibers suited to the environment
- Specialized fiber blends from pre consumer waste
- New technology to be adopted for this purpose
- Improve in house recycling program
- Recycled yarn – 95% waste target: 95% of input waste to be converted to usable fiber.

PARTNERSHIPS TO ACHIEVE THE GOALS

- Partnership with WWF for regenerative agricultural farming practices in Sindh
- Employment of 1021 farmers with 8023 acres of cotton area
- Benefits of Green Kapaas will be obtained (Organic cotton – 5-year plan)
- Reduction of chemical inputs by 60%

IT IMPLEMENTATIONS

- SCADA systems for industrial automation & solar energy monitoring
- AI-Driven Transformation
- Machine Learning Integration
- SAP S/4HANA Migration
- SAP B1/HANA Stability
- Next-Gen Network Infrastructure
- Smart Machine Automation

CORPORATE SOCIAL RESPONSIBILITY

Premium Textile is proactively excelling its role in enhancing the life of a common person in diversified ways and adding value in improving living standards, which overall includes social betterment via adding value to the system in place and environment for a better future ahead.

> *Corporate social responsibility is dependent on the companies' profits, worker performance, social demands, and ethical values. There is a moral responsibility towards their social development to reduce poverty and provide basic health care needs.*

MAJOR CSR INITIATIVES & PROJECTS

1. Safety and Security

The company maintains safe working conditions to protect the health and wellbeing of employees and the public at large. Our focus is to improve safety in all areas in functions assigned to the workers in the factory. Further, safety equipment's including fire extinguishers have been installed to prevent related emergencies.

2. Medical Checkups

A medical doctor exists in the factory premises for providing medical services to the employees. They conduct their routine examination and provide advice for the general health and well being of the workers and their families

3. Tree plantation

To fulfill environmental responsibilities trees are planted annually in and around the factory premises to provide open spaces and parks in the mill's vicinity for workers and their families.

4. Training

Training is provided to workers to provide technical education to enhance job skills. Various short term skill development programs are made available to workers to enhance them technical abilities while ensuring safety and security for the employees.

5. Spousal Employment

Workers families such as spouse of the employees have also been provided work opportunities In the factory in the sorting of raw materials such as picking waste etc. The company has provided employment to women in order to promote their economic independence and improving their standard of living.

6. Blood Donation Camp

A Blood donation camp was organized by the Indus Hospital at the factory premises. This noble initiative aimed to promote a culture of compassion and community care.

7. Cardiac Screening Camp

A Cardiac screening camp was held at the factory premises. The initiative aimed to provide health and awareness through on-site medical screening. Cardiac screening consisted of checking blood pressure, sugar and cholesterol test and providing consultation for cardiac treatment.

8. Renewable Energy

Efficient management of energy resources is considered the prime responsibility of the company. In order to conserve energy and reduce our dependence on gas generators we have obtained solar energy of 19.8 MW and wind turbines to the tune of 15 MW to reduce carbon emissions and promoting green energy to promote environmental protection.

9. Regenerative Agricultural farming

We have partnered with WWF Pakistan to promote Regenerative Agricultural Farming. This project covers a project in Pacca Chang in Sindh to produce 6000 tons of seed cotton and 2,200 metric tons of Lint cotton annually. It will provide employment to over 1000 farmers.

10. Education

In line with the UN s sustainable goals we had established an educational facility in partnership with the Citizens Foundation (TCF) to provide formal education opportunities to underprivileged students.

9. Water Treatment

An Effluent Treatment Plant (ETP) with a capacity of 750 cubic meters/ day has been installed to screen waste water emitted from the dyeing house. This treated water is reused for various purposes. This avoids environmental contamination.

10. Breast cancer awareness session

At the head office a breast cancer awareness session was held by the Shaukat Khanum Memorial Hospital team. This was to educate the female staff about the probability of this disease and early detection.

STAKE HOLDERS ENGAGEMENTS

> *The term stakeholders refer to any individual or group that either positively or negatively 2+impacts, or is impacted by the decisions of Premium Textile Mills Limited.*

The need for engagement with stakeholders:

Stake holders' engagement refers to the process by which a company communicates or interacts with stakeholders in order to achieve a desired outcome and enhance accountability.

The success or failure of any policy starts and ends with stake holders' failure to engage cost, time, money and reputation and leads to a great idea going nowhere.

Employees:

Stakeholders' engagements lead to positive social interaction, respect, trust and opportunities to contribute to positive development. Stakeholders' engagements are to change the mindset in the company so that employees believe in the importance of stakeholder input. They are recognized regularly for their contribution in building the company with solid foundation because of the valuable trust placed by the employee in the company.

Owners:

Stakeholders' engagements suggest that the present economic environment has brought owners and management closer and generated in most cases better cooperation by joining the company for improved performance. Owners look for better market penetration and improved revenue. They expect moderate increase in costs necessitated by volume increases. Management is fixed to achieve these goals for the company.

Shareholders:

Engaging with them is central to improving accountability about the organization as well leads to transparent communication. They are looking for honest authentic action of management. The Annual General meeting and Corporate Briefing Session is conducted every year to achieve these objectives.

Suppliers:

Management understands the importance of nurturing a stakeholder relationship with the suppliers by maintaining open communication with them to set up projects of success right from the beginning. Deploying the right strategies to manage supplier expectations and maximize supplier participation in presentations is arguably just as important. The objective is to get procurement as early as possible and making the supplier an advocate in supplier communications is necessary for continued success.

Creditors:

Creditors stakeholder engagement includes sharing information about the company's credit worthiness, transparency and risk mitigation. Suppliers who provide goods on credit require information about credit period, payment terms and any major changes that could affect their ability to be repaid.

Government:

Laws and regulations passed by the government, including setting policies for the textile sector, enforcing rules and regulations all affect the economic value of our company. Representation, Accountability, Transparency of information bring reassurance to the government that all laws and regulations enacted are being followed. The APTMA plays an important role in negotiating with the Government the effect of laws, regulations and policy changes affecting the textile sector as well as incentives and subsidies allowed to them.

Brokers:

Stakeholders' engagements are necessary because broker expectation is based on a mutually beneficial partnership. Expectation of broker marketing will be based on factors such as their commitment to the company's products, effective sales and marketing performance and quality services to customers. Brokers expect management to support their marketing efforts with product and market information and training, marketing support and a commitment to help them develop their business.

Customers:

By generating stakeholder engagement policy for customers, sustainable business is possible which is innovative and has beneficial public image that could open new markets.

Banks:

The company relies on good relations with the banks for the smooth operation of the business. The banks affect the cash flow of the business. They expect continuous communication with our management for assurance that they will be paid back in time so that they extend their financial support for the business when needed. Supplying the bank with regularly information such as managements accounts, financial forecasts, and credit rating will increase the trust and confidence placed by them on the company.

Stake holders engagement techniques:

Formal Assemblies	**Annual General Meetings (AGM) and Corporate Briefing Sessions conducted systematically each financial year**
Interactive Forums	**Technical Presentations, Seminars, targeted Industrial Workshops, and public Product Exhibitions**
Data & Feedback Loops	**Structured Stakeholder Questionnaires, comprehensive corporate Surveys, and analytical insight tracking**
Digital Channels	**Real-time engagement via professional social media (LinkedIn, Youtube, Facebook, Instagram) & our web core: www.premiumtextile.com**

DIVERSITY, EQUITY AND INCLUSION (DEI)

- We ensure that our employees are people of different ages, abilities, races, genders and culture. Our recruitment process includes interviewing and employing people with diverse backgrounds, experiences and skill.

- We have a Human Resource Committee comprising of three members among the Directors with a view to evaluate the organization structure, review of policies and procedures, evaluate performance management and oversight of recruitment and training procedures.

- On the management side, we have procedures devised by the HR department to invite comments from employees as well as department heads on functioning of the company and the manner in which it is run. They are encouraged to give suggestions for improvement and their comments are highly valued for possible implementation.

- We have a procedure for increasing motivation and inclination for the employee towards work performance by selecting two employees of the quarter for encouraging outstanding performance in their area and we have a reward system enforced for them as well. We celebrate work anniversaries with employees and thank them for their contribution to the company.

- We have regular meetings every week that our HR personnel conducts with different departments. Our Tea Talk sessions with HR department gets feedback from all employees of various departments to take a break and provide an opportunity to voice their concerns.

- We have a cricket league that combines inclusion of employees into a team with different backgrounds, ethicalities, race and culture. Regular matches of indoor cricket are held during the year to provide entertainment with teamwork.

- We provide company sovenieurs to employees in the form of T-Shirts, mugs, diaries, and handbags for inclusion and equity purposes. Further, birthday cakes are also sent to employees at their homes to appreciate their contribution to the company.

- Overall, we provide a discrimination free workplace, developing worker skills, and providing their families with a comfortable and workable environment in the factory. This has a positive impact on our culture, growth and ability to create value.

GENDER PAY GAP STATEMENT
UNDER CIRCULAR 10 OF 2024

As At June 30, 2026

At Premium Textile Mills Limited, our remuneration philosophy is strictly merit-based and does not differentiate on the basis of gender. Compensation is determined by objective factors such as professional experience, tenure, education, job role, performance, market dynamics, and geographical location. We are committed to ensuring fairness and equal opportunity, with no discrimination on the basis of gender, race. religion. color, ethnicity, origin, or social class.

Following is gender pay gap calculated for the year ended June 30, 2026.

(i) Mean Gender Pay Gap: -373.67

(ii) Median Gender Pay Gap: -225.52

At the Head Office, the mean pay for men is 9.37% higher than for women, while the median pay for women is 16.06% higher than for men. Considering all locations (Head Office + Factory), the mean pay for women is 373.67% higher than for men, and the median pay for women is 225.52% higher than for men.

Mr. Abdul Kadir Adam
Chief Executive

Mr. Khizar Yusuf Sattar
Director

(Signed by CEO and Director on behalf of Board of Directors of the Company)

“SUSTAINABILITY REPORT”

Premium Textile Mills Limited

Sustainability Report (Climate-only)

For the year ended June 30, 2026

Prepared in accordance with IFRS S1 General Requirements for Disclosure of related Financial Information and IFRS S2 Climate-related Disclosures

First-year mandatory disclosure

Report roadmap

This report presents Premium Textile Mills Limited's ("the Company" or "PTML") first mandatory climate-related financial disclosures prepared under IFRS S1 and IFRS S2, following the phased implementation timetable introduced by the Securities and Exchange Commission of Pakistan (SECP) vide its Order dated 31 December 2024. The Company falls within Phase I of that timetable and this report accordingly covers the annual reporting period beginning 1 July 2025, being the Company's first mandatory year of application.

Statement of climate-related metrics and targets

[Standards reference: IFRS S1 paragraphs 21-24 and 45-53; IFRS S2 paragraphs 27-37, 29(a)-(g), 32-36 and C3-C5]

This statement presents the Company's key climate-related metrics, targets and industry-based apparel indicators for the year ended June 30, 2026. Detailed disclosures and explanatory notes are provided in the sections referenced in the Note column.

Metric / indicator	Basis	Note	Unit	FY2026 amount / status
A. Reporting profile and activity metrics				
Yarn production	For the year	6.6	Kgs (after conversion to 20s count)	29,554,174
Socks production	For the year	6.6	Dozen pairs	2,913,836
Spindles/rotors installed	As at	6.6	Number	88,552
Knitting machines installed	As at	6.6	Number	354
Manufacturing sites	As at	1	Number	1 (Nooriabad, Sindh)
Tier 1 raw-material suppliers	As at	6.5	Number	~73 (representing 90% of raw-material procurement spend)
B. Greenhouse gas emissions				
Scope 1 emissions	For the year	6.2	tCO2e	17,641
Scope 2 emissions (location-based)	For the year	6.2	tCO2e	13,775
Total Scope 1 and Scope 2 emissions	For the year	6.2	tCO2e	31,417
Scope 3 emissions	For the year	6.3	tCO2e	Not reported – first-year transition relief applied
Physical-risk exposure	As at	6.1, 6.6	Number / % / Rs	1 site / 100% of manufacturing sites, located in an area of extremely high baseline water stress
Climate-related capital expenditure	For the year	4.3, 6.5	Rs / % of total capex	Rs 2,451.1 million / 80.5% of total capex (Rs 3,045.7 million)
C. Energy and water				
Energy consumed	For the year	6.4	GJ	547,564
Renewable energy share	For the year	6.4	%	28
Fuel and power cost	For the year	6.4	Rs	2,090,063,380 (FY2025: 2,944,003,638; -29.0%)
Water withdrawn	For the year	6.4	m3	661,604
Water consumed	For the year	6.4	m3	661,604
Water withdrawn/consumed from high water-stress areas	For the year	6.4	m3 / %	661,604 / 100%

D. Apparel supply chain and priority raw materials				
Priority raw materials	For the year	6.5	Description	Cotton and polyester
Cotton purchased	For the year	6.5	Metric tons	19,495.65
Polyester purchased	For the year	6.5	Metric tons	14,837.70
Tier 1 suppliers assessed for climate/water exposure	As at	6.5	Number / %	0 / 0%
Suppliers beyond Tier 1	As at	6.5	Description	Not currently mapped or classified
E. Targets and progress				
Scope 1 and Scope 2 emissions intensity target	As at	6.6	% reduction	20-25% by 2030; baseline established in FY2026
Renewable energy target	As at	6.6	%	~60% by 2028; current share 28%
Water intensity target	As at	6.6	% reduction	15% by 2030; baseline established in FY2026
Tier 1 supplier assessment coverage target	As at	6.6	%	50% by 2028; current coverage 0%

1. Company description and operations

[Standards reference: IFRS S1 paragraphs 28-32; IFRS S2 paragraphs 9-13]

Premium Textile Mills Limited was incorporated in Pakistan on March 3, 1987 as a public limited company and is listed on the Pakistan Stock Exchange Limited. The Company's principal activity is the manufacturing and sale of cotton and polyester yarn, and socks of different varieties, through two operating divisions: Spinning and Socks. The Company's manufacturing facility is located at Nooriabad, Sindh, and its registered office is in Karachi.

The Company depends on energy, water, cotton, polyester, skilled employees, suppliers, logistics providers, customers and finance providers to operate its business model. Climate-related risks and opportunities could reasonably be expected to affect the availability or cost of these resources and relationships, and could therefore reasonably be expected to affect the Company's cash flows, access to finance or cost of capital over the short, medium or long term.

1.1 Climate-related commitment

The Company's climate-related commitment is to manage the climate-related risks and opportunities that could reasonably be expected to affect its prospects, and to reduce exposure to climate-related disruption while improving energy and resource efficiency. During FY2026 the Company increased its installed solar capacity to 20 MW and commenced construction of a 15 MW (2 x 7.5 MW) wind power facility, representing a combined climate-related capital commitment of Rs 2,451.1 million (80.5% of total capital expenditure for the year).

This report focuses on climate-related financial disclosures only, consistent with the transition relief for climate-only reporting available to first-time preparers under IFRS S1.

2. Basis of preparation

2.1 Reporting basis and transition reliefs

[Standards reference: IFRS S1 paragraphs 20-24, 60-73 and E3-E6; IFRS S2 paragraphs C3-C5]

This sustainability report has been prepared for the year ended June 30, 2026 and should be read in conjunction with the Company's audited financial statements for the same period, prepared in accordance with accounting and reporting standards as applicable in Pakistan. This is the Company's first mandatory sustainability report, prepared in response to the phased implementation of IFRS S1 and IFRS S2 introduced by the Securities and Exchange Commission of Pakistan (SECP) vide its Order dated 31 December 2024.

Based on the Company's total assets and turnover, the Company falls within Phase I of the SECP's phased implementation timetable, under which application is mandatory for annual reporting periods beginning on or after 1 July 2025 – that is, the year ended June 30, 2026 covered by this report.

2.2 Time horizons

The Company defines time horizons based on when climate-related risks and opportunities could reasonably be expected to occur, aligned with its strategic planning timelines:

- Short term: up to 2 years
- Medium term: 3 to 7 years
- Long term: beyond 7 years up to 25 years

2.3 Reporting boundary

[Standards reference: IFRS S1 paragraphs 20, 22-24 and 60-68; IFRS S2 paragraph 29(a) and paragraphs B19-B31]

The sustainability-related financial disclosures use the same reporting entity (Premium Textile Mills Limited, standalone) and reporting period as the related financial statements. Scope 1 and Scope 2 greenhouse gas emissions are measured using an operational control boundary, covering the Company's single manufacturing site at Nooriabad, Sindh. Scope 3 greenhouse gas emissions are not reported in this first-year report because the Company applies the IFRS S2 transition relief.

2.4 Judgements and measurement uncertainty

[Standards reference: IFRS S1 paragraphs 74 and 77-82]

Significant judgements exercised by management in preparing this first-year report include: determining material climate-related risks and opportunities; selecting the applicable industry-based guidance (Apparel, Accessories & Footwear); defining time horizons; and determining which metrics are useful to primary users.

Key sources of measurement uncertainty include: (i) Scope 1 emissions, which are calculated using an assumed captive-generator efficiency cross-checked against actual gas consumption records (295,101.75 MMBTU for the year) and the IPCC default emission factor for natural gas combustion; (ii) Scope 2 emissions, which use a Pakistan average grid emission factor (0.356 kgCO2/kWh) in the absence of a company-specific or NEPRA-published factor; (iii) supplier information beyond Tier 1, which is not currently mapped; and (iv) the Tier 1 supplier count, which reflects suppliers representing 90% of raw-material procurement spend rather than the Company's full vendor population, given the absence of a formal Tier 1/Tier 2 supplier classification system as at the reporting date.

2.5 Materiality assessment

Management identified climate-related physical risks, transition risks and opportunities that could reasonably be expected to affect the Company's prospects, drawing on internal operational data (energy, water, and raw material records), the Company's capital expenditure programme, supplier information, and external sources including the IFRS S2 Industry-based Guidance for Apparel, Accessories & Footwear and publicly available climate and water-stress data for Pakistan and Sindh.

2.6 Presentation currency

The presentation currency of these sustainability-related financial disclosures is the Pak Rupee (Rs.), consistent with the Company's financial statements.

3. Governance

[Standards reference: IFRS S1 paragraphs 25-27; IFRS S2 paragraphs 5-7]

3.1 Governance overview

The Company established a dedicated Sustainability Committee during FY2026 to oversee climate-related risks and opportunities – a step up from the prior year's arrangement, under which sustainability-related responsibilities were assigned to the Human Resources and Remuneration Committee. This reflects the Board's decision to build dedicated governance capacity ahead of the Company's first mandatory year of IFRS S1/S2 reporting.

3.2 Board and Committee composition

The Board comprises 7 directors (6 male, 1 female), including independent, non-executive and executive directors. The Board retains ultimate oversight responsibility for climate-related risks and opportunities.

Sustainability Committee member	Role
Mr. Khizar Yusuf Sattar	Chairman
Ms. Lubna Asif Balagamwala	Member
Mr. Zaid Siddik	Member

The Committee met 4 times during FY2026 to review climate-related matters, targets and progress. No additional remuneration is paid to Committee members for this role, consistent with the Company's existing non-executive director remuneration policy.

3.3 Board and management responsibilities

The Board monitors management's processes for identifying, assessing, prioritising and managing climate-related risks and opportunities. The Sustainability Committee reports material climate-related matters to the Board, and climate-related targets and progress are reviewed at least annually. Trade-offs considered by the Board during FY2026 include the cost of early investment in renewable energy infrastructure (solar and wind) against the risk of continued exposure to energy-cost volatility and carbon-regulation pressure if such investment were delayed.

3.4 Climate-related skills and competencies

The Board periodically evaluates whether sufficient competencies exist to oversee climate-related matters, drawing on directors' and management's collective experience in strategy, financial reporting, risk management, textile operations and supply-chain management. As this is the Company's first year of dedicated climate governance, formal climate-specific training and competency development is expected to be an area of ongoing focus.

3.5 Remuneration systems

[Standards reference: IFRS S2 paragraphs 6(a)(v) and 29(g)]

No additional remuneration is currently paid to Sustainability Committee members for this role. The Company has not, in this first year, linked executive remuneration to climate-related performance metrics. This will be considered by the Board as the Company's climate governance, data quality and targets mature.

4. Strategy

[Standards reference: IFRS S1 paragraphs 28-42; IFRS S2 paragraphs 8-23]

Climate-related risks and opportunities disclosed in this section are those that could reasonably be expected to affect the Company's prospects.

4.1 Summary of material risks and opportunities

Risk/opportunity	Type	Affected area	Management approach	Time horizon
Carbon regulation and energy-cost exposure	Transition risk	Own operations; purchased energy; financial planning	Solar (20 MW operational) and wind (15 MW under construction) investment; energy monitoring	Short to medium term
Changing customer demand for lower-impact products (e.g. GRS/organic certification)	Transition risk	Downstream customers; product specifications; revenue	Expansion of certified cotton and GRS-certified polyester sourcing	Medium term
Water stress affecting cotton sourcing and own operations	Physical risk	Upstream cotton sourcing (Sindh/Punjab); own site (100% tanker-sourced water)	Monitoring of sourcing concentration; supplier engagement	Medium to long term
Flood exposure of the single manufacturing site and logistics	Physical risk	Manufacturing site (Nooriabad, Sindh); cotton-growing regions	Site risk assessment; supplier geographic diversification review	Short to medium term
Extreme heat affecting workforce productivity	Physical risk	Labour-intensive production	Heat management protocols under development	Short term, increasing into medium term
Energy and resource efficiency	Opportunity	Own operations; operating costs	Renewable energy expansion reduced fuel and power cost by 29.0% year-on-year	Short to long term

4.2 Current and anticipated financial effects

[Standards reference: IFRS S1 paragraphs 34-40; IFRS S2 paragraphs 15-21]

Fuel and power cost decreased from Rs 2,944.0 million in FY2025 to Rs 2,090.1 million in FY2026, a reduction of 29.0%, which management attributes principally to the increase in installed solar capacity to 20 MW during the year. This is a current-period financial effect directly observable in the Company's cost of sales.

The Company incurred Rs 2,451.1 million of climate-related capital expenditure during FY2026 (80.5% of total capital expenditure of Rs 3,045.7 million), comprising the solar plant capitalized during the year (Rs 467.4 million) and the in-transit portion of the 15 MW wind project as at the reporting date (Rs 1,983.7 million). Anticipated future financial effects include continued reduction in energy costs once the wind facility becomes operational (expected Q1 FY2027), offset by the risk of increased financing and depreciation costs associated with this capital programme.

During the year, the Company also obtained relief from the Honourable Sindh High Court against retrospective application of the Off-the-Grid (Captive Power Plants) Levy for the period covering February to March 2025, resulting in the release of the bank guarantee of Rs 58.4 million that the Company had submitted in the prior year as a matter of prudence. This is treated as a resolved transition-risk exposure for the year; the Federation has filed an appeal against the judgement before the Honourable Supreme Court of Pakistan, which remains pending as at the reporting date.

Quantitative estimates of other anticipated financial effects (e.g. from water stress, flood risk or changing customer requirements) have not been presented in this first-year report, as the Company does not yet have sufficiently reliable data or modelling capability to quantify these without undue measurement uncertainty.

4.3 Climate transition plan and decarbonisation actions

[Standards reference: IFRS S2 paragraphs 14(a)-(c), 29(e)-(f) and 33-36]

The Company has not yet adopted a formal Board-approved climate transition plan as described in IFRS S2. However, its FY2026 actions demonstrate a clear decarbonisation direction:

- Solar capacity operational at 20 MW as at June 30, 2026;
- Wind capacity of 15 MW (2 x 7.5 MW turbines) under construction, with total committed investment of Rs 2,800 million, expected to become operational in the first quarter of FY2027;
- Supporting energy infrastructure (solar inverter-room cooling, SCADA/energy monitoring systems) of Rs 19.9 million;
- Expansion of certified/lower-impact raw material sourcing (organic cotton and GRS-certified polyester).

The Company has not used carbon credits to achieve any climate-related outcome, and has not applied an internal carbon price during FY2026. These may be considered by management in future reporting periods.

4.4 Scenario analysis and climate resilience

[Standards reference: IFRS S1 paragraphs 41-42; IFRS S2 paragraph 22 and paragraphs B1-B18]

In this first-year report, the Company has performed a qualitative scenario analysis using two contrasting scenarios: a lower-warming scenario broadly consistent with the Paris Agreement goal of limiting global average temperature increase to well below 2°C, and a higher-warming scenario reflecting a delayed global transition and more severe physical climate impacts, consistent with IPCC pathways. Pakistan's Nationally Determined Contribution (NDC 3.0, 2025) targets a 50% reduction in projected emissions by 2035 (17% unconditional, 33% conditional on international finance), which has been considered qualitatively as the relevant national policy context.

Time horizon	Lower-warming scenario	Higher-warming scenario
Short term	Transition pressure increases (energy regulation, customer certification requirements)	Physical risk begins to increase; site and supplier exposure assessment prioritised
Medium term	Continued renewable energy investment and efficiency gains reduce transition-cost exposure	Water stress and flood risk increase for the Nooriabad site and Sindh/Punjab cotton sourcing
Long term	Lower physical-risk exposure if adaptation to transition succeeds	Physical risk may become material for the single manufacturing site and cotton supply chain absent further adaptation

Physical risk under both scenarios is concentrated on the Company's single manufacturing site at Nooriabad, Sindh – a region classified by the WRI Aqueduct water-risk framework as having "extremely high" baseline water stress, and located in a province that experienced severe flooding in 2022, which damaged an estimated 80% of Sindh's cotton crop that year. The Company's 100% dependence on third-party tanker-supplied water (no direct groundwater extraction or municipal connection) is a specific, entity-level vulnerability considered in this assessment.

4.5 Key uncertainties and resilience assessment

The Company's assessment of climate resilience is subject to uncertainties relating to future regulatory developments (including the potential future extension of the EU Carbon Border Adjustment Mechanism to textiles, not currently in scope but under discussion for around 2030), energy availability and cost, water stress and flooding, and customer and lender expectations. Overall, the Company's resilience depends on continued investment in renewable energy, supplier engagement and data quality, and site-level adaptation planning, given its concentration in a single, high-water-stress manufacturing location.

5. Risk management

[Standards reference: IFRS S1 paragraphs 43-44; IFRS S2 paragraphs 24-26]

The Company manages climate-related risks and opportunities through its enterprise risk management process, integrating internal operational data (energy, water and raw material records), supplier information, and external climate and market information. Prioritised risks are linked to response plans, financial planning implications and the metrics set out in Section 6. As this is the Company's first year of climate-related reporting, no prior-period changes to climate risk management processes are presented.

Scenario analysis (Section 4.4) is used qualitatively to support identification and prioritisation of physical and transition risks. Climate-related risks are considered as drivers of existing financial and operational risks, rather than as a wholly standalone risk category, and are embedded within the Company's broader risk management framework, subject to ongoing review by the Sustainability Committee.

6. Metrics and targets

This section presents the Company's first-year Scope 1 and Scope 2 greenhouse gas emissions, energy and water metrics, priority raw materials, supply-chain indicators, targets and data limitations. Scope 3 greenhouse gas emissions are not reported in this first-year report because the Company applies the IFRS S2 transition relief.

6.1 Cross-industry and industry-based metric mapping

IFRS S2 metric category	How reflected in this report
Greenhouse gases	Scope 1 and Scope 2 emissions presented separately (Section 6.2). Scope 3 not reported – first-year transition relief applied.
Climate-related transition risks	Reflected through energy cost trends, renewable energy share, and climate-related capital expenditure.
Climate-related physical risks	Reflected through water-stress exposure (100% of water from an extremely-high-water-stress area) and single-site concentration.
Climate-related opportunities	Reflected through renewable energy investment and the 29.0% year-on-year reduction in fuel and power cost.
Capital deployment	Reflected through climate-related capital expenditure in Rupees and as a percentage of total capital expenditure.
Industry-based disclosure topic and metrics	Volume 1 – Apparel, Accessories & Footwear (CG-AA), Raw Materials Sourcing disclosure topic (Section 6.5).

6.2 Scope 1 and Scope 2 greenhouse gas emissions

[Standards reference: IFRS S2 paragraphs 29(a)(i), 29(a)(iii)-(v) and B19-B31]

The Company reports Scope 1 and Scope 2 greenhouse gas emissions on a gross basis before offsets, credits or similar instruments, using an operational control boundary covering its single manufacturing site.

	Scope 1	Scope 2 (location-based)
Company operations under operational control	17,641 tCO_2e	13,775 tCO_2e
Total reported emissions	17,641 tCO_2e	13,775 tCO_2e

Total Scope 1 and Scope 2 emissions for FY2026 were 31,417 tCO_2e. Scope 1 emissions arise from natural gas combusted in the Company's captive power generators (295,101.75 MMBTU consumed during the year, based on actual utility metering). Scope 2 emissions arise from electricity purchased from the national grid (38,694,769 kWh).

6.3 Scope 3 transition relief and future reporting plan

[Standards reference: IFRS S2 paragraphs C3-C5]

The Company has applied the IFRS S2 transition relief that permits an entity not to disclose Scope 3 greenhouse gas emissions in its first annual reporting period. The Company plans to develop Scope 3 reporting capability in future periods, including mapping of relevant value-chain categories (particularly purchased cotton and polyester, which together represent the Company's most significant raw material inputs), engagement with priority suppliers, and selection of appropriate estimation methods and emission factors.

6.4 Methodology for calculating Scope 1 and Scope 2 emissions

[Standards reference: IFRS S2 paragraphs B26-B31]

Greenhouse gas emissions are measured in accordance with the Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard, and are reported in metric tonnes of carbon dioxide equivalent (tCO_2e).

Scope 1 emissions are calculated by applying the IPCC default emission factor for natural gas combustion (56.1 kg CO_2 per GJ, plus an allowance of approximately 1% for methane and nitrous oxide) to actual gas consumption of 295,101.75 MMBTU (equivalent to 311,349 GJ) recorded for the Company's captive generators during the year. This methodology, based on metered fuel input, was adopted in preference to estimating fuel consumption from electricity output, as the latter would require an assumed generator efficiency and would introduce greater measurement uncertainty.

Scope 2 emissions are measured using the location-based method, applying an average Pakistan grid emission factor of 0.356 kg CO_2 per kWh to electricity purchased from the national grid (38,694,769 kWh). The Company has not entered into contractual instruments that would require presentation of market-based Scope 2 emissions.

Energy consumed

Total energy consumed by the Company during FY2026 was 547,564 GJ, comprising natural gas (fuel input basis, for captive generation), grid electricity, and solar generation. Reflecting fuel input for combustion sources (rather than the resulting electricity output) avoids understating the Company's true energy footprint.

Renewable energy share for FY2026 was 28% (solar only). The Company's 15 MW wind facility was under construction throughout the year and was not operational as at June 30, 2026 (see Section 4.3); it contributed 0% to FY2026 energy consumption but is expected to materially increase the renewable energy share from the first quarter of FY2027.

Water

The Company's manufacturing site at Nooriabad, Sindh has no direct groundwater extraction or municipal/canal water connection, and is entirely dependent on third-party tanker-supplied water.

Metric	FY2026
Water withdrawn	661,604 m3
Water consumed	661,604 m3 (100% – no discharge/return flow, given tanker-sourced supply with no natural discharge point)
Water withdrawn/consumed from high water-stress areas	661,604 m3 / 100% (Nooriabad, Sindh – WRI Aqueduct "extremely high" baseline water stress classification)
Source	100% third-party tanker supply (69,643 tanker-loads during the year)

6.5 Priority raw material and supply-chain metrics

The Company has considered Volume 1 – Apparel, Accessories & Footwear (CG-AA) of the IFRS S2 Industry-based Guidance in identifying useful first-year industry-based disclosure topics and metrics. The relevant industry-based disclosure topic is Raw Materials Sourcing. The Company's priority raw materials are cotton and polyester.

6.5A Priority raw material discussion and analysis

Priority raw material	Environmental/social factors threatening sourcing	Business risks/opportunities	Management strategy
Cotton	Climate change impacts including water stress and flooding in cotton-growing regions of Sindh and Punjab; the 2022 floods damaged an estimated 80% of Sindh's cotton crop	Sourcing disruption, price volatility, customer demand for certified/organic cotton	Sourcing of organic-certified cotton (Sindh Organic, IC2 Organic, Turkish Organic); monitoring of sourcing concentration in flood-prone districts
Polyester	Exposure to fossil-fuel-based inputs; customer demand for recycled/GRS-certified content; largely internationally sourced	Input price volatility, reputational exposure, opportunity from lower-impact products	Increasing proportion of GRS-certified polyester staple fibre in the sourcing mix

6.5B Supplier activity metrics

Given the absence of a formal Tier 1/Tier 2 supplier classification system, the Company has defined its Tier 1 raw-material supplier population for this first-year report as those suppliers together representing 90% of raw-material procurement spend during FY2026, following consolidation of vendor records to remove duplicate listings arising from the use of different commission agents/brokers for the same underlying ginning factory or mill.

Activity metric	FY2026
Tier 1 raw-material suppliers (cotton, polyester and related inputs)	~73 (representing 90% of raw-material procurement spend)
Tier 1 suppliers assessed for climate/water exposure	0 (0%) – not yet performed; identified as a priority for FY2027
Suppliers beyond Tier 1	Not currently mapped or classified
Geographic concentration – cotton	Predominantly Sindh and South Punjab (including districts affected by the 2022 floods)
Geographic concentration – polyester	International and local suppliers

6.6 Climate-related targets

As this is the Company's first year of climate-related reporting, targets below are presented with FY2026 as the baseline year. Carbon credits are not used to achieve any target, third-party validation has not been obtained, and no internal carbon price has been applied in setting these targets.

Target area	Target	Base year	Target year	Current progress
Scope 1 and Scope 2 emissions intensity	20-25% reduction per unit of production	2026	2030	Baseline established: 31,417 tCO2e total FY2026 emissions
Renewable energy share	~60% of total energy consumed	2026	2028	Current share: 28% (solar only; wind expected operational Q1 FY2027)
Water intensity	15% reduction per unit of production	2026	2030	Baseline established: 661,604 m3 withdrawn FY2026
Certified/lower-impact raw materials	20-25% of cotton and polyester purchased	2026	2030	Current blended share: ~6.5%
Tier 1 supplier assessment coverage	50% of Tier 1 suppliers assessed	2026	2028	Current coverage: 0%
Climate-related capital expenditure	Ongoing monitoring – no fixed target	2026	Annual	Rs 2,451.1 million identified, 80.5% of total capex
Scope 3 target coverage	Not set – transition relief applied	–	–	Scope 3 reporting capability to be developed before target-setting

Targets are subject to review by the Sustainability Committee and the Board on an annual basis. As this is the first year of target-setting, no progress against prior targets is presented.

7. Events after the reporting period

[Standards reference: IFRS S1 paragraphs 67-68]

The Company's 15 MW (2 x 7.5 MW) wind power facility, under construction as at June 30, 2026 with a total committed investment of Rs 2,800 million, is expected to become operational during the first quarter of the financial year ending June 30, 2027. This is expected to materially increase the Company's renewable energy share in future reporting periods. No other material events after the reporting period have been identified.

8. Approval and authorisation for issue

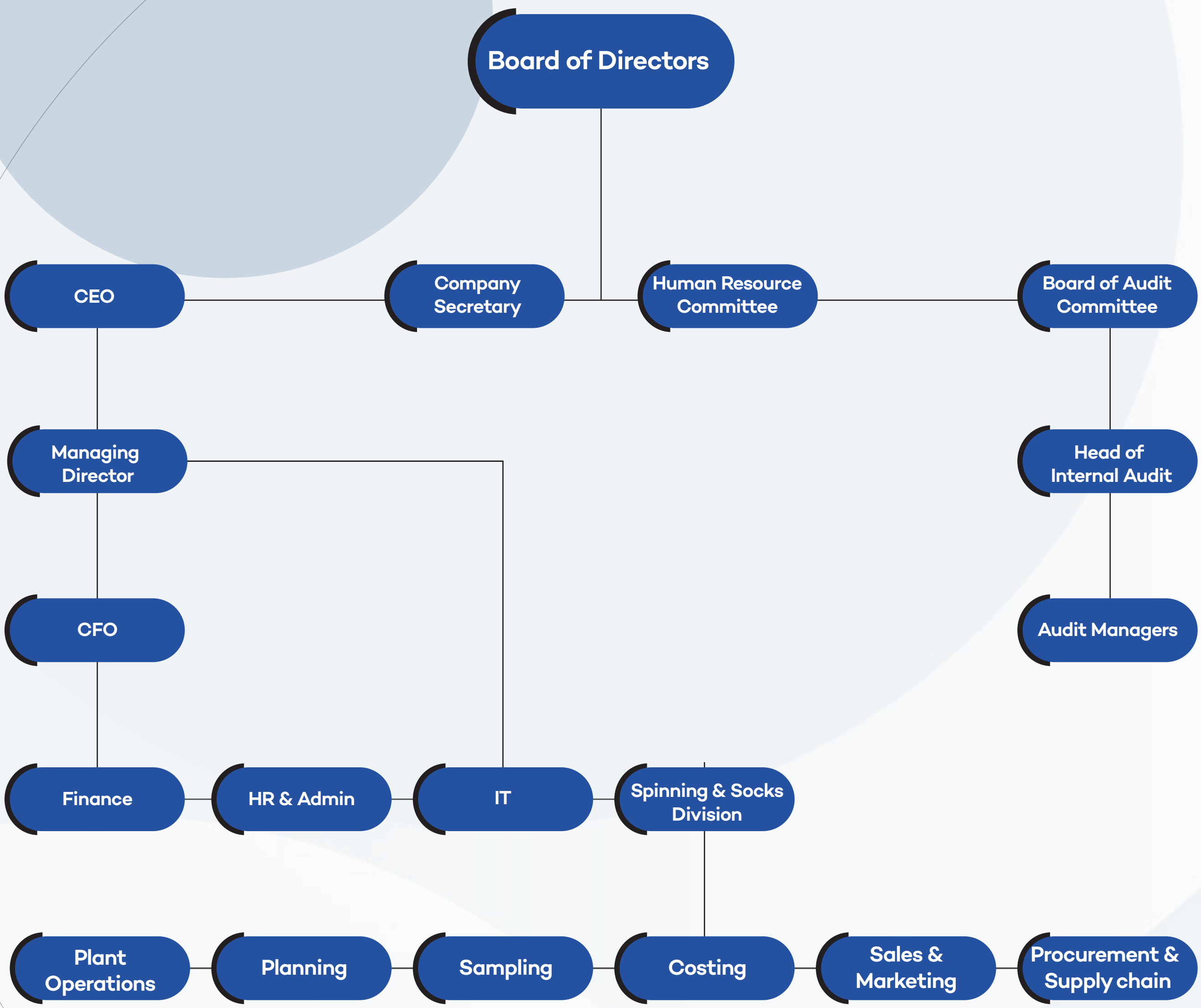
[Standards reference: IFRS S1 paragraph 68]

This sustainability report was approved and authorised for issue by the Board of Directors of the Company.

Chief Executive Officer	Director	Chief Financial Officer

“GOVERNANCE & LEADERSHIP”

ORGANIZATIONAL STRUCTURE



“BOARD OF DIRECTORS”

Comprised of committed, driven, and seasoned executives, our forward thinking leadership team collaborates with employees to create positive impacts for all stakeholders. Their expertise and shared vision make a meaningful difference or our global communities, investors, and valued workforce.

BOARD OF DIRECTORS

Mr. Abdul Kadir Adam

Chief Executive

Mr. Abdul Kadir Adam is the esteemed Chief Executive and founding director of Premium Textile Mills Ltd., a prominent and dynamic organization in the textile spinning industry. With an impressive experience of over 35 years in this field, he possesses a profound understanding of the intricacies of the manufacturing business. Under his visionary leadership, Premium Textile Mills Ltd has witnessed consistent and remarkable growth, expanding its operations tenfold.

Furthermore, Mr. Adam's expertise extends beyond his role at Premium Textile Mills Ltd. He has served on the boards of various companies and trusts, leveraging his wealth of knowledge and experience to contribute to their growth and success.

Mr. Adam's futuristic approach and unwavering commitment to excellence and deep knowledge of current trends and events have been instrumental in driving the company's success. He has demonstrated remarkable expertise in implementing effective management strategies, enabling the company to thrive in a highly competitive market. Mr. Adam also brings vast experience in diverse sectors such as ship breaking, textile garments, spinning, sugar, and the automotive industry.

With his exceptional leadership and comprehensive industry knowledge, Mr. Abdul Kadir Adam continues to spearhead Premium Textile Mills Ltd towards new heights of achievement and innovation.

Mr. Muhammad Yasin Siddik

Executive Director

Mr. Siddik holds an MBA degree in International Marketing from the Institute of Business Administration (IBA), Karachi, and has played a pivotal role in propelling Premium Textile Mills Limited towards exceptional growth and success.

As the founding director of Premium Textile Mills Limited, Mr. Siddik's leadership has been pivotal in driving the company's exponential expansion. Under his strategic guidance, the spinning mill has achieved an impressive tenfold growth, complemented by the establishment of a state-of-the-art socks division. This strategic diversification and expansion have propelled the company's annual turnover to surpass the significant milestone of 29 billion.

With over four decades of industry expertise, Mr. Siddik has emerged as a prominent figure in the textile sector. He has held key leadership positions for more than a decade, including the role of Chairman at the All Pakistan Textile Mills Association (APTMA) for both the Sindh Baluchistan region and the national chapter of APTMA Pakistan. His commitment to industry advancement is further evident through his position as Chairman of the Nooribabad Association of Trade & Industry (NATI).

Mr. Yasin showcases an outstanding academic history throughout his educational journey. Furthermore, he has made significant contributions to academia by serving as a visiting faculty member at IBA, sharing his extensive expertise in the field of International Marketing Research.

Mr. Muhammad Aslam Parekh

Chairman

Mr. Muhammad Aslam Parekh is the esteemed Chairman of Premium Textile Mills Limited, with an extensive track record of corporate governance and exceptional leadership. Since his association with the company in 1990, Mr. Parekh has displayed exemplary skills in steering the organization towards new heights of success. He upholds the highest standards of corporate governance, ensuring transparency, accountability, and ethical practices throughout the company's operations.

With a diverse range of expertise in various segments of the textile sector, Mr. Parekh brings invaluable knowledge to the table. His profound understanding of textile spinning, weaving, and finishing processes, coupled with his strategic foresight, enables him to make informed decisions that drive the company's growth and profitability.

As Chairman of the Board, Mr. Muhammad Aslam Parekh is dedicated to fostering a culture of innovation, excellence, and sustainable growth within Premium Textile Mills Limited. His visionary leadership and unwavering commitment to corporate governance have positioned the company as a respected and trusted player in the textile sector.

Ms. Lubna Asif Balagamwala

Non-Executive Director

Ms. Lubna Asif Balagamwala, an esteemed member of the Board at Premium Textile Mills Limited, brings expertise and leadership to the company. With a Bachelor's degree in Arts from St. Joseph's College, Karachi, she combines education with exceptional skills in driving operational efficiency. Since joining in February 2021, Ms. Balagamwala plays a pivotal role in budget monitoring, suggesting improvements, and developing policies. Her expertise extends to human resources and enhancing the company's culture and marketing strategy.

Ms. Lubna Asif Balagamwala's skills and commitment make her an invaluable asset to Premium Textile Mills Limited. With financial acumen and strategic thinking, she oversees budget management and provides insights for improvement. Additionally, she contributes to policy development, particularly in human resources. Her expertise strengthens the company's foundation, while efforts to enhance culture and marketing strategy & fuel growth. Ms. Balagamwala's presence on the Board adds value, positioning Premium Textile Mills Limited as an industry leader.

Mr. Tanzeel Abdul Sattar

(NIT Nominee Director)

Mr. Tanzeel Abdul Sattar has been associated with NIT. He has over 10 years of experience in Mutual Fund industry and has earned experience of all facets of Finance Division of the Asset Management Company (Trust Accounts/Fund Accounting and Management Company Accounts).

He has been serving as Head of Trust Accounts/Fund Accounting since 2013 with strong background in financial and business management, strategic planning, Business Administration, Audit Co-ordination and Tax planning. Mr. Tanzeel is a Chartered Accountant by profession from The Institute of Chartered Accountants of Pakistan (ICAP) with training from KPMG.

Mr. Muhammad Sohail Tabba

Independent Director

Mr. Muhammad Sohail Tabba, one of Pakistan's leading business leaders and a philanthropist, leads a conglomerate of businesses and export houses under the YBG brand name. His proficient leadership in diverse sectors – textiles, cement, energy, entertainment, real estate and philanthropy - spanning over three decades - has earned laurels and accolades for his group and the country.

As the Chief Executive Officer of Gadoon Textile Mills Limited, Lucky Knits (Private) Limited and Director of Yunus Textile Mills Limited, Lucky Textile Mills Limited, he has made YBG renowned both locally and globally. The flourishing industries and manufacturing houses have provided employment opportunities to over 15,000 people and are key drivers of the economy.

Mr. Tabba hahs become the Chairman of Lucky Core Industries (formerly ICI Pakistan Limited) in 2014 and was appointed as the Chairman on the board of Lucky Cement Limited in 2023. Previously, he has also served as the Chairman on the board of Nutrico Morinaga (Pvt) Limited.

Besides being the Chairman of Yunus Energy Limited and CEO of Lucky Energy (Private) Limited, Lucky One (Private) Limited; Mr Tabba is the Director of Lucky Motor Corporation Limited, and several other companies. Mr. Tabba's strong social presence in the business community has led him to become the founding member and first Vice President of the Italian Development Council. He is playing an instrumental role in contributing to the educational landscape of Pakistan by serving on the Board of Governors of the Textile Institute of Pakistan. He has also previously served on the board of Hamdard University.

Driven towards contributing to the community, Mr Tabba is also a Director at Aziz Tabba Foundation that runs the Tabba Heart and Kidney Institutes, in addition to other welfare projects. His determination to contribute to the community has transformed the pediatric emergency rooms of government hospitals across Pakistan. Mr Tabba became the Founding Trustee of ChildLife Foundation Pakistan in 2012. His contributions to the healthcare sector of all 4 provinces of Pakistan have manifested in the treatment of 5 million children in ChildLife Emergency Rooms and 0.7 million children in SINA-ChildLife Clinics. In the past decade, ChildLife Foundation has evolved extraordinarily and today, 12 contemporary emergency rooms are functioning efficiently in the under-resourced hospitals of Sindh, Balochistan, Punjab & Islamabad, whereas ChildLife is operating in 118 telemedicine satellite centers of Sindh and Balochistan, marking its presence in 130 hospitals of Pakistan.

Mr. Khizar Yousuf Sattar

Independent Director

Mr. Khizar Yousuf Sattar is a seasoned textile professional with over 25 years of experience in international business, sourcing, and supply chain management. He is a Director and Partner at Prudential Enterprises, a leading textile agency based in Pakistan that specializes in home, institutional textiles and fabrics. The company represents prominent clients in Germany, the United Kingdom, Denmark, Poland, South Africa and New Zealand, managing the complete supply chain — from product development and sourcing to final inspections and logistics. Mr. Sattar previously served as a Director on the Board of Premium Textile Mills Limited, where he contributed significantly to the company's governance and strategic direction. During his tenure, he was also a member of the Audit Committee and the Human Resource & Remuneration Committee, providing valuable insights on financial oversight, performance management, and human capital development.

He holds a bachelor's degree in international business and finance from Goldey Beacom College, USA. With a strong academic foundation and extensive professional experience in global textile markets, Mr. Sattar brings valuable expertise in export marketing, client relationship management, and sustainable sourcing strategies. He is well regarded for his contributions to enhancing international market outreach and strengthening corporate governance practices in the textile industry.

BUSINESS CONTINUITY PLAN

- Companies such as ours face an unprecedented number of exposures. These exposures leave businesses susceptible to a variety of risks to cause unexpected closure of the business.

- Business continuity plan forms part of the business plan which contains all the information needed to get the business running after an incident or crisis.

- Such emergencies or disaster might include a fire or other case where business is not able to run under normal circumstances.

- We have all our assets insured and have a risk management plan and IT disaster recovery plan which identifies the critical business activities and assesses the risks associated and suggests the steps to be taken to counteract the damage done for running the business efficiently during the crisis. Insurance obtained includes safety from fire, burglaries and terrorism.

- When an incident occurs, it is necessary to prepare an impact analysis plan to help the staff understand what is expected of them at that time and also to find out the total impact on the business operations.

- The Business impact analysis will help develop the recovery plan which will help the business running again soon if an incident happens. It includes the realistic timeframe in which to get the operations, back on track to minimize financial losses. Testing , evaluating and updating the schedule happens to test the reliability of the Business Continuity Plan and keep it up to date to be immediately be put into action when needed.

BOARD OF DIRECTORS COMMITTEES

1. Audit Committee

The Board of Directors in compliance with the Code of Corporate Governance has established an Audit Committee and the following Directors are its members:

Mr. Khizar Yusuf Sattar	**Chairman**
Mr. Muhammad Sohail Tabba	**Member**
Ms. Lubna Asif Balagamwala	**Member**

The terms of reference of the audit committee are as follows:

1. Recommend to the Board of Directors the appointment of external auditors, their removal, audit fees, and the provision by the external auditors of any service to the company in addition to the audit of its financial statements.

2. Review quarterly, half-yearly, and annual financial statements of the company, prior to their approval by the Board of Directors, focusing on major judgmental areas significant adjustments resulting from the audit, the going concern assumption, any changes in accounting policies and practices, compliance with applicable accounting standards and compliance with regulations and other statutory and regulatory requirements.

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

4. At least once a year the committee shall meet:
   - The external auditors without the CFO, Chief Internal Auditor and other executives
   - Chief Internal Auditor and other members of the internal audit function without the CFO and external auditors

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

6. Ensure coordination between the internal & external auditors of the company.

7. Review the scope and extent of internal audit and ensure that the internal audit function has adequate resources and is appropriately placed within the company.

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

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

10. Review the risk management framework of the company. Board has delegated the responsibility of monitoring and control of business risk to the management of the company.

11. Institute special projects, value for money studies, or other investigations on any matter specified by the Board of Directors, in consultation with the CEO and to consider remittance of any matter to the external auditors or to any other external body.

12. Monitor compliance with the best practices of corporate governance and identification of significant violations thereof.

13. Consider any other issue or matters as may be assigned by the Board of Directors.

2. Human Resource and Remuneration Committee (HRRC)

The Human Resource and Remuneration (HRRC) Committee has three members comprising a majority of nonexecutive directors including the Chairman of the Committee.

Mr. Khizar Yusuf Sattar	**Chairman**
Mr. Muhammad Sohail Tabba	**Member**
Ms. Lubna Asif Balagamwala	**Member**

The terms of reference of the HRRC committee are as follows:

a) For HRRC, the committee will:

1. Review and evaluate the organization's structure to ensure it is optimized for achieving strategic objectives, and recommend any necessary changes to the Board of Directors.
2. Develop and recommend to the Board of Directors a policy framework for determining the remuneration of directors, both executive and non-executive.
3. Ensure that Human Resource Management policies are applicable to the entire workforce, covering recruitment, training, performance management, succession planning, and compensation philosophy.
4. Recommend human resource management policies to the Board of Directors;
5. Recommend to the Board of Directors the selection, evaluation, development, and compensation (including retirement benefits) of the Chief Operating Officer, Chief Financial Officer, Executive Director, Company Secretary, and Head of Internal Audit;
6. Review the credentials of any human resource and remuneration consultants that are appointed and state whether they have any other connection with the company.

b) For Sustainability:

1. Monitor and Review Sustainability-Related Risks and Opportunities.
2. Ensure DE&I Practices are in Effect at Various Board Committees.
3. Oversee Compliance of Relevant Laws Pertaining to Sustainability-Related Considerations and Disclosures.
4. Report to the Board on Sustainability Principles.

CHAIRMAN'S
REVIEW REPORT

Dear Shareholders,

On behalf of the Board of Directors, I am pleased to present the Annual Report of Premium Textile Mills Limited for the financial year ended June 30, 2026.

Governance and Board Oversight:

The Company continues to uphold the principles of sound corporate governance and responsible business conduct. The Board of Directors remained committed to fulfilling its responsibilities under the Companies Act, 2017 and the Code of Corporate Governance Regulations, 2019. During the year, the Board maintained active oversight of the Company's affairs, with particular attention to business performance, risk management, operational efficiency and the Company's strategic direction.

Business Environment and Performance:

The year under review was marked by considerable economic and geopolitical uncertainty, both locally and internationally. The textile sector continued to face pressure from elevated energy and other input costs, fluctuations in cotton prices and availability, liquidity constraints and changing regulatory and trade policies. The evolving US trade and tariff policies, together with geopolitical tensions, particularly the US-Iran conflict and its impact on energy prices, shipping and regional economic conditions, added further uncertainty to the global business environment.

Despite these challenges, management remained focused on operational efficiency, prudent cost management and effective utilization of resources. The Company continued to monitor market developments closely and take appropriate measures to maintain competitiveness and support its long-term business objectives.

Sustainability and Risk Management:

The Company continues to place strong emphasis on sustainability, energy efficiency and responsible resource utilization. Significant progress has been made in the renewable energy programme, with solar power capacity enhanced from 5.2 MW to 20 MW. In addition, a 7.5 MW wind power project is now operational, while another 7.5 MW wind power project is under installation and is expected to become operational in September 2026. These initiatives will further strengthen the Company's energy resilience and contribute towards its long-term sustainability objectives.

We have also started the implementation of SAP to make our operations more transparent and enhance visibility. On the sustainability side, last year we received 755 tons of EU organic cotton from our own farms. On the side of valuable addition, we have added 75 new socks machines to increase our capacity in the value-added sector. After all this, we feel that we have become more resilient to the downturns of the textile sector.

The Company also continues to focus on reducing wastage, improving supply chain efficiency and maintaining a safe and conducive workplace. Its enterprise risk management framework enables the identification, assessment and monitoring of key financial, operational, market and regulatory risks, allowing timely measures to be taken in response to changing circumstances.

Looking Ahead

The textile industry is expected to remain competitive, with global demand, input costs, energy prices, trade policies and geopolitical developments continuing to influence business conditions. The Company's priorities will remain focused on cost efficiency, operational excellence, renewable energy, market diversification and product development, while strengthening its presence in export markets.

The Board and management remain committed to navigating the evolving business environment with prudence and resilience and to pursuing opportunities that support sustainable growth and long-term value creation.

I would like to thank our shareholders for their continued trust and confidence, our employees for their dedication and commitment, and our customers and business partners for their continued support.

Muhammad Aslam Parekh
Chairman
Premium Textile Mills Limited

مطابق بروقت اقدامات کیے جا سکتے ہیں۔

مستقبل کا منظرنامہ

توقع ہے کہ ٹیکسٹائل کی صنعت میں مسابقت برقرار رہے گی، جبکہ عالمی طلب، پیداواری لاگت، توانائی کی قیمتیں، تجارتی پالیسیاں اور جغرافیائی سیاسی حالات کاروباری صورتحال کو متاثر کرتے رہیں گے۔ کمپنی کی ترجیحات لاگت کی استعداد، آپریشنل عمدگی، قابلِ تجدید توانائی، مارکیٹ میں تنوع اور مصنوعات کی ترقی پر مرکوز رہیں گی، جبکہ برآمدی منڈیوں میں اپنی موجودگی کو مزید مستحکم کیا جائے گا۔

بورڈ اور انتظامیہ بدلتے ہوئے کاروباری ماحول کا دانشمندی اور استقامت کے ساتھ سامنا کرنے اور ایسے مواقع سے فائدہ اٹھانے کے لیے پُرعزم ہیں جو پائیدار ترقی اور طویل مدتی قدر میں اضافے میں معاون ہوں۔

میں اپنے شیئر ہولڈرز کا مسلسل اعتماد اور بھروسہ برقرار رکھنے پر تہہ دل سے شکریہ ادا کرتا ہوں، اپنے ملازمین کی محنت، لگن اور عزم کو سراہتا ہوں، اور اپنے صارفین اور کاروباری شراکت داروں کی مسلسل معاونت پر ان کا بھی شکریہ ادا کرتا ہوں۔

محمد اسلم پاریکھ

چیئرمین

پریمیئر ٹیکسٹائل ملز لمیٹڈ

تاریخ: 28 اگست 2026

ان چیلنجز کے باوجود، انتظامیہ نے آپریشنل استعداد،محتاط لاگت کے انتظام اور وسائل کے مؤثر استعمال پر اپنی توجہ برقرار رکھی۔ کمپنی نے مارکیٹ میں ہونے والی پیش رفت کی مسلسل نگرانی جاری رکھی اور مسابقتی حیثیت برقرار رکھنے اور اپنے طویل مدتی کاروباری مقاصد کے حصول کے لیے مناسب اقدامات کیے۔

پائیداری اور خطرات کا انتظام

کمپنی پائیداری، توانائی کی استعداد اور وسائل کے ذمہ دارانہ استعمال کو مسلسل خصوصی اہمیت دے رہی ہے۔ قابلِ تجدید توانائی کے پروگرام میں نمایاں پیش رفت ہوئی ہے، جس کے تحت شمسی توانائی کی پیداواری صلاحیت 5.2 میگاواٹ سے بڑھا کر 20 میگاواٹ کر دی گئی ہے۔ اس کے علاوہ، 7.5 میگاواٹ کا ونڈ پاور منصوبہ اب فعال ہے، جبکہ مزید 7.5 میگاواٹ کا ونڈ پاور منصوبہ تنصیب کے مرحلے میں ہے اور توقع ہے کہ ستمبر 2026 میں فعال ہو جائے گا۔ یہ اقدامات کمپنی کی توانائی سے متعلق استقامت کو مزید مضبوط بنانے اور طویل مدتی پائیداری کے مقاصد کے حصول میں معاون ثابت ہوں گے۔

ہم نے اپنے آپریشنز کو مزید شفاف بنانے اور نگرانی ومعلومات تک رسائی کو بہتر بنانے کے لیے SAP کے نفاذ کا عمل بھی شروع کر دیا ہے۔ پائیداری کے حوالے سے، گزشتہ سال ہمیں اپنے ذاتی فارمز سے 755 ٹن یورپی یونین کے معیار کے آرگینک کاٹن کی پیداوار حاصل ہوئی۔ ویلیو ایڈیشن کے شعبے میں، ہم نے اپنی پیداواری صلاحیت میں اضافہ کرنے کے لیے 75 نئی جرابوں کی مشینیں شامل کی ہیں۔ ان تمام اقدامات کے نتیجے میں ہمیں محسوس ہوتا ہے کہ ہم ٹیکسٹائل کے شعبے میں آنے والی مندی کے اثرات کا مقابلہ کرنے کے لیے پہلے سے زیادہ مضبوط اور مستحکم ہو چکے ہیں۔

کمپنی ضیاع میں کمی، سپلائی چین کی استعداد کو بہتر بنانے اور ایک محفوظ اور سازگار کام کے ماحول کو برقرار رکھنے پر بھی مسلسل توجہ مرکوز کیے ہوئے ہے۔ کمپنی کا انٹرپرائز رسک مینجمنٹ فریم ورک اہم مالی، آپریشنل، مارکیٹ اور ریگولیٹری خطرات کی نشاندہی، جائزہ اور نگرانی کو ممکن بناتا ہے، جس کے نتیجے میں بدلتے ہوئے حالات کے

چیئرمین کی جائزہ رپورٹ 2026

محترم شیئر ہولڈرز،

بورڈ آف ڈائریکٹرز کی جانب سے، مجھے 30 جون 2026 کو اختتام پذیر ہونے والے مالی سال کے لیے پریمیئر ٹیکسٹائل ملز لمیٹڈ کی سالانہ رپورٹ پیش کرتے ہوئے خوشی محسوس ہو رہی ہے۔

کارپوریٹ گورننس اور بورڈ کی نگرانی

کمپنی مضبوط کارپوریٹ گورننس اور ذمہ دارانہ کاروباری طرزِ عمل کے اصولوں پر مسلسل عمل پیرا ہے۔ بورڈ آف ڈائریکٹرز نے کمپنیز ایکٹ، 2017 اور کوڈ آف کارپوریٹ گورننس ریگولیشنز، 2019 کے تحت اپنی ذمہ داریوں کی تکمیل کے لیے بھرپور عزم کا مظاہرہ کیا۔ سال کے دوران، بورڈ نے کمپنی کے امور کی فعال نگرانی جاری رکھی، جس میں بالخصوص کاروباری کارکردگی، خطرات کا انتظام، آپریشنل استعداد اور کمپنی کی حکمتِ عملی کی سمت پر خصوصی توجہ دی گئی۔

کاروباری ماحول اور کارکردگی

زیرِ جائزہ سال مقامی اور بین الاقوامی سطح پر نمایاں معاشی اور جغرافیائی سیاسی غیر یقینی صورتحال سے عبارت رہا۔ ٹیکسٹائل کے شعبے کو توانائی اور دیگر پیداواری لاگت میں اضافے، کپاس کی قیمتوں اور دستیابی میں اتار چڑھاؤ، لیکویڈیٹی کی مشکلات اور بدلتی ہوئی ریگولیٹری اور تجارتی پالیسیوں کے باعث مسلسل دباؤ کا سامنا رہا۔ امریکہ کی بدلتی ہوئی تجارتی اور ٹیرف پالیسیوں کے ساتھ ساتھ جغرافیائی سیاسی کشیدگی، بالخصوص امریکہ اور ایران کے درمیان تنازع، اور اس کے توانائی کی قیمتوں، شپنگ اور علاقائی معاشی حالات پر اثرات نے عالمی کاروباری ماحول میں مزید غیر یقینی صورتحال پیدا کی۔

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the Annual General Meeting of Premium Textile Mills Limited (the "Company") will be held on Friday, October 9, 2026 at 3:30 pm at registered office: 1st Floor, Haji Adam Chamber, Altaf Hussain Road, Karachi and through video link facility to conduct the following business:

Ordinary business:

1. To confirm the minutes of the Annual General Meeting of the Company held on October 28, 2025.

2. To receive, consider and adopt the Audited Financial Statements together with the Director's Report, Auditor's Report and Chairman Review Report of the Company for the year ended June 30, 2026.

3. To approve the payment of Final cash dividend @150% (i.e.Rs.15.00/- per share) as recommended by the Board of Directors.

4. To appoint the external auditors for the next financial year ending June 30, 2027 and to fix their renumeration. The present auditors, M/s Rahman Sarfaraz Rahim Iqbal Rafiq Chartered Account¬ants, retire and being eligible, offer themselves for re-appointment.

SPECIAL BUSINESS:

5. **Increase in Directors Remuneration**

   To consider, and if deemed appropriate, to pass the following resolution (with or without modifications) which would enable the Company to increase the Directors remuneration:

   "RESOLVED THAT the remuneration of the working Directors, namely Mr. Abdul Kadir Adam Chief Executive Officer, and Mr. Muhammad Yasin Siddik – Executive Director, shall be increased to Rs. 1,996,500 and Rs. 1,584,000 per month, respectively. The increase shall be accompanied by other benefits as per the company's policy."

6. **Equity Investment in a Joint Venture Company to be Incorporated**

   To consider, and if deemed fit to pass the following resolutions as special resolution, with or without modification, addition(s) and deletion(s):

   "RESOLVED THAT approval of the members of Premium Textile Mills Limited (the "Company" / "PTML") be and is hereby accorded in terms of Section 199 and other applicable provisions of the Companies Act, 2017 and the Company be and is hereby authorized to make long term equity investment of up to PKR 20,000,000/- (Rupees Twenty Million only) from time to time in Recover Pakistan (Private) Limited (proposed) for subscribing, at Par, its fully paid up to 2,000,000 ordinary shares of PKR 10 each as may be offered to the Company from time to time pursuant to the requirements of the Companies Act, 2017 including subscription of ordinary shares to be taken up by the Company as subscriber to the Memorandum of Association on incorporation of the proposed Recover Pakistan (Private) Limited (proposed)."

   "FURTHER RESOLVED THAT this special resolution shall remain valid for a period of five (5) years from the passing thereof and the Managing Director, Executive Director, CEO or Head of Finance be and are hereby singly empowered and authorized to take and do and/or cause to be taken or done any/all necessary actions, deeds and things which are, or may be necessary for giving effect to the aforesaid resolutions and to do all acts, matters, deeds, and things which are necessary, incidental and/or consequential to the investment of the Company's funds as above as and when required at the time of investment, including but not limited to negotiating and executing any agreement(s)/ document(s), any ancillary matters thereto and to complete all legal requirements and formalities as may be necessary for the purposes of implementing this special resolution."

"FURTHER RESOLVED THAT, any amendments, modifications, additions or deletions as may be required, directed or advised by the SECP or any other regulatory authority shall be deemed to be incorporated in the aforesaid resolutions without the need to obtain fresh approval from the board of directors or the shareholders, and the aforementioned Authorized Person(s) be and are hereby authorized to make and effect such amendments accordingly."

7. To transact any other business with the permission of the Chairman.

By order of the Board of Directors

Hammad Ullah Khan
Company Secretary

Karachi: **September 16, 2026**

STATEMENT OF SPECIAL BUSINESS UNDER SECTION 134(3) OF THE COMPANIES ACT, 2017

This statement sets out material facts pertaining to the special business to be transacted at the AGM of the Company to be held on October 9, 2026.

Agenda Item No. 5 : increase in Directors Remuneration

The Board of Directors, on the recommendations of Board Human Resource and Remuneration Committee, (HRRC) decided to increase the Executive Directors Remuneration subject to approval from the members.
The Directors of the company, both working and non-working, have no personal interest, directly or indirectly, in the proposed increase in remuneration, except to the extent of their entitlement to remuneration as applicable. Following are the further necessary information:

Information	Details
Details of the extra services performed or to be performed by the director;	Mr. Abdul Kadir Adam (CEO) will continue to lead the company with strategic vision and overall management, leveraging his extensive experience to drive growth and innovation. Mr. Muhammad Yasin Siddik (Executive Director) will support the CEO by managing day-to-day operations and overseeing financial strategies, ensuring robust financial performance and operational efficiency.
Statement on suitability of the selected director for performing extra services;	Mr. Abdul Kadir Adam and Mr. Muhammad Yasin Siddik have shown remarkable performance and dedication in their current positions. Their extensive industry experience and consistent track record of success position them as highly capable of handling the additional responsibilities. Their ongoing contributions to the company's growth and governance further affirm their suitability for these extra services.
Remuneration of the director, including perks and benefits, pecuniary or otherwise for the extra services;	Remuneration of the CEO and Executive Director will be increased to 10%, amounting to Rs. 1,996,500/-, and 10%, amounting to Rs. 1,584,000/-, per month, respectively. Any extra benefits from additional services, such as a company-maintained car and other perks, will follow the company's existing policies
Any other benefits or profits arising consequent to performing of extra services by the director;	NIL
Benefits to the company and its members as a result of such extra services to be performed by the director; and	The extra services provided by the directors are expected to result in enhanced governance, strategic oversight, and better management of company affairs, ultimately benefiting both the company and its shareholders.
Period of performing such extra services.	The extra services shall continue until otherwise determined by the Company in accordance with applicable law.

Agenda Item No. 6 : Equity Investment in a Joint Venture Company to be Incorporated

Premium Textile Mills Limited (the "Company"/"PTML") proposes to make an equity investment of up to PKR 20 million in Recover Pakistan (Private) Limited, a proposed joint venture company with Recover HoldCo, Inc. An initial investment of upto PKR 100,000/- (Rupees One Hundred Thousand only) will be made at the time of incorporation, with the balance to be subscribed from time to time, as required by the JVC.
The proposed investment is intended for the sourcing, sale and trading of recycled cotton fiber and related textile products in domestic and international markets and is expected to provide PTML with access to new markets and business opportunities, contribute to the Company's profitability and enhance shareholders' value. The investment is long-term in nature. The proposed investment is subject to approval of the members and other applicable regulatory approvals. The relevant agreements / Memorandum of Understanding and the duly signed due diligence report will be available for inspection by the members at the registered office of the Company during business hours, in accordance with applicable law.

The directors have certified that they have carried out necessary due diligence for the proposed investment before making recommendation for approval of the members and duly signed recommendation of the due diligence report shall be made available for inspection of members in the general meeting.

None of the directors of the Company has any direct or indirect interest in the proposed investment, except as may arise from their shareholding in the Company.

Information Under Regulation 3 of the Companies (Investment in Associated Companies or Associated Undertakings) Regulations, 2017.

(A) Disclosure for all type of investments

(A) Disclosure regarding associated company

i.	Name of Associated Company or Associated Undertaking	Proposed name: Recover Pakistan (Private) Limited or such other name as may be agreed between the Company and Recover. Pursuant to the JVA, a joint venture company ("JVC") will be incorporated under the name as may be allowed by the Securities & Exchange Commission of Pakistan.
ii.	Basis of Relationship	Common directorship
iii.	Earnings/(Loss) per share for the last 3 years	Not applicable as the Company is yet to be incorporated.
iv.	Break-up Value per share, based on the last audited financial statements	Not applicable
v.	Financial position, including main items of statement of financial position and profit and loss account on the basis of its latest financial statements	Not applicable

vi. Further information (in case of investment in relation to a project of associated company or associated undertaking that has not commenced operations)

i.	Description of the project and its history since conceptual-ization	The project entails the establishment of a joint venture company in Pakistan for the sourcing, sale and trading of recycled cotton fiber and related textile products in domestic and international markets. The project has been formalized pursuant to the Memorandum of Understanding dated March 2, 2026, entered into between Premium Textile Mills Limited and Recover HoldCo, Inc. Recover and PTML shall participate in the equity of JVC in following proportions: • Premium Textile Mills Limited 40% • Recover HoldCo, Inc 60%
ii.	Starting date and expected date of completion of work	The Project is expected to commence after incorporation of proposed JVC and is expected to be com¬pleted during the financial year 2026-2027.
iii.	Time by which such project shall become commercially operational	The commercial operations of the first phase of the Project will start during the financial year 2026-2027.
iv.	Expected time by which the project shall start paying return on investment	The Project is expected to start paying profits / return on investment by the end of financial year 2026-2027.
v.	Funds invested or to be invested by the promoters, sponsors, associated company or associated undertaking distinguishing between cash and non-cash amounts	PTML will make an equity investment of up to PKR 20,000,000/- (Rupees Twenty Million only) in the JVC, of which up to PKR 100,000/- (Rupees One Hundred Thousand only) will be invested at the time of incorporation. The balance amount will be subscribed from time to time, as required by the proposed JVC.

(B) General Disclosures

i.	Maximum amount of investment to be made	Up to PKR 20,000,000/- (Rupees Twenty Million only)
ii.	Purpose, benefits likely to accrue to the in¬vestment company and its members from such investment and period of investment	The investment is expected to provide PTML with access to new markets and business opportunities, while leveraging the respective capabilities and resources of the joint venture partners. The investment is long-term in nature and is expected to contribute to the Company's profitability and enhance shareholders' value.
iii.	Sources of funds to be utilized for invest¬ment and where the investment is intend¬ed to be made using the borrowed funds:	A company initially invest through internally-generated funds and the debt may be utilized for the proposed investment in the proposed JVC.
i.	Justification for investment through borrowings	It is expected that investment generates higher returns and favor-able gearing ratios justify the investment through debt.
ii.	Detail of collateral, guarantees provided and assets pledged for obtaining such funds	The Company's assets will be mort-gaged to raise the debt (if required).
iii.	Cost benefit analysis	The returns from the investment are expected to be higher than the cost of debt.

iv.	Salient features of the agreement(s), if any, with the associated company or associated undertaking with regards to the proposed investment	The JVC will be incorporated pursuant to the Memorandum of Understanding dated March 2, 2026 executed between PTML and Recover. The salient features are as follows: •Shareholding: PTML – 40%; Recover – 60%. •The JVC will undertake the agreed commercial activities relating to recycled cotton fiber and related textile products in accordance with the terms agreed between the parties. The respective rights and obligations of the parties will be governed by the definitive agreements executed between the parties.
v.	Direct or indirect interest of directors, sponsors, majority shareholders and their relatives, if any, in the associated company or associated undertaking or the transaction under consideration	None of the directors, sponsors, majority shareholders of PTML and their relatives have any interest in the proposed JVC except to the extent that the Company will subscribe 40% shares of the proposed JVC. The Company will nominate directors on the Board of the JVC from time to time.
vi.	in case any investment in associated company or associated undertaking has already been made, the performance review of such investment including complete information/justification for any impairment or write offs	No investment has yet been made.

vii.	any other important details necessary for the members to understand the transaction;	None

(b) in case of equity investment

i.	maximum price at which securities will be acquired;	PKR 10/- each which is the face value of shares.
ii.	in case the purchase price is higher than market value in case of listed securities and fair value in case of unlisted securities, justification thereof	Not Applicable – shares will be subscribed at par value of PKR 10/- per share.
iii.	maximum number of securities to be acquired	PTML will acquire upto 2,000,000/- Ordinary Shares of the pro¬posed JVC
iv.	number of securities and percentage thereof held before and after the proposed investment	Before: None After: 40%
v.	current and preceding twelve weeks' weighted average market price where investment is proposed to be made in listed securities	Not applicable
vi.	fair value determined in terms of sub-regulation (1) of regulation 5 for investments in unlisted securities	Not Applicable, as the JVC is newly incorporated and the shares are being subscribed at par value of PKR 10/- per share.

Notes:

a) The share transfer books of the Company will remain closed from October 2, 2026 to October 9, 2026, (both days inclusive). Transfers received by the Company's share registrar, M/s F.D. Registrar Services (Private) Limited, Room No.1705, 17th Floor, Saima Trade Tower-A, I.I Chundrigar Road, Karachi by the close of business on October 1, 2026 will be considered for entitlement to attend and vote at the meeting.

b) A member of the Company entitled to attend, and vote may appoint another member as his/her proxy to attend and vote instead of him/her.

c) Proxies must be received at the Registered Office of the Company not later than 48 hours before the time of the Meeting.

Circulation of Annual Report through QR Code and Through Weblink

In accordance with the 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 has obtained Shareholders' approval in the Annual General Meeting of the Company held on October 25, 2023 to circulate the Annual Report of the Company to Members through QR enabled Code and Weblink. The Annual Report is available through following QR Code and Weblink. https://www.premiumtextile.com/reports/

Information about Scrutinizer

•According to Regulations 4(4) and 11 of the Companies (Postal Ballot) Regulations 2018, the following information is being provided to the members about the scrutinizer for the upcoming Annual General Meeting to be held on October 09, 2026.

Name of Scrutinizer	**S.M. SUHAIL & CO.**
Qualification and experience	S.M. Suhail & Co. is a Firm of Chartered Accountants established in 1983 and providing services to companies doing business in the country under a broad array of Audit & Assurance, Advisory Business Consultancy, Taxation, Corporate / Secretarial Practice, Financing, Information Technology (I.T.), System Audit, Scrutinizer, CDC compliances and other Management solutions.
Purpose of appointment	The Company has appointed a Scrutinizer for the general meeting to oversee the voting process relating to the shareholders' approval of the proposed equity investment in the Joint Venture Company, as set out in Special Business (Sr. # 6).

For Attending the Meeting

- In light of the clarification issued by the Securities and Exchange Commission of Pakistan for ensuring participation of members in general meeting through electronic means as a regular feature, the company has also provided the facility for attending the meeting via video-link to its shareholders. The members are encouraged to participate in the meeting online for following the below guidelines.

- To participate in the AGM through video-link arrangement, members are requested to get themselves registered by sending the particulars prescribed in the table below at the following email address hammad@premiumtextile.com by the close of business hours (5:00 pm) on October 7, 2026.

Name of member	Authorized Representative (incase of corporate member)	CNIC No. / NTN No.
CDC Participant ID/ Folio No.	Cellphone #	Email address

- The Video Conference Link would be emailed to the registered members or their proxies who have provided all the requested information.

- In case of individuals, the account holder and/or sub-account holder whose registration details are uploaded as per the CDC Regulations, shall authenticate his/her identity by showing his/her original CNIC or original Passport along with Participant ID number and the account number at the time of meeting.

- In the case of a corporate entity, a resolution of the Board of Directors / power of attorney with a specimen signature of the nominee should be attached with the proxy form or may be provided at the time of the meeting.

For Appointing Proxies

- In the case of individuals, the account holder and/or sub-account holder whose registration details are uploaded as per the CDC Regulations shall submit the proxy form as per the above requirements.

- The proxy form shall be witnessed by two persons, whose names, addresses and CNIC numbers shall be mentioned on the form.

- Attested copies of the CNIC or the passport of beneficial owners and the proxy shall be furnished with the proxy form.

- The proxy shall produce his original CNIC or original passport at the time of the Meeting.

- In the case of the corporate entity, the Board's resolution/power of attorney with specimen signature shall be furnished (unless it has been provided earlier) along with a proxy form to the Company.

Procedure for E-Voting

- In accordance with the Companies (Postal Ballot) Regulations 2018, amended through Notification dated December 05, 2022, for the purpose of election of directors and approval of any special agenda item at the general meetings, members will be allowed to exercise their vote through postal ballot i.e., by post or e-voting, in the manner and subject to conditions contained in the Companies (Postal Ballot) Regulations, 2018.

- Details of the e-voting facility will be shared through an e-mail with those members of the Company who have their valid CNIC numbers, cell numbers, and e-mail addresses available in the register of members of the company by the close of business on October 2, 2026.

- The web address, login details, and password, will be communicated to members via email. The security codes will be communicated to members through SMS from the web portal of Digital Custodian Ltd (being the e-voting service provider).

- Identity of the Members intending to cast vote through e-voting shall be authenticated through electronic signature or authentication for login.

- Members shall cast vote online at any time from October 6, 2026, 9:00 am to October 8, 2026 at 5:00 pm. Once the vote on the resolution is cast by a Member, he/she shall not be allowed to change it subsequently.

Procedure for Voting Through Postal Ballot

- Pursuant to Companies (Postal Ballot) Regulations 2018 ("Regulations"), for the purpose of election of directors and for the purpose of approval of any special agenda item at the general meetings subject to the requirements of Section 143 and 144 of the Companies Act, 2017, members will be allowed to exercise their right of vote through postal ballot, that is voting by post, in accordance with the requirements and procedure contained in the aforesaid Regulations.

- The members shall ensure that the duly filled and signed ballot paper, along with a copy of the Computerized National Identity Card (CNIC) should reach the Chairman through the post at the Company's registered address: 1st Floor, Haji Adam Chamber, Altaf Hussain Road, Karachi, or email at chairman@premiumtextile.com one day before the AGM on or before October 8, 2026, during working hours. Any postal ballot received after this date, will not be considered for voting.

- The signature on the Ballot Paper shall match with signature on the CNIC.

- Incomplete, unsigned, incorrect, defaced, torn, mutilated, over written ballot paper will be rejected.

Conversion of Physical Share certificate in book entry

- With reference to the provisions of Section 72 of the Companies Act, 2017, Securities and Exchange Commission of Pakistan, through its letter No. CSD/ED/MISC/2016-639-640 dated March 26, 2021, has required listed companies to replace the existing physical shares issued by them into Book Entry Form. In compliance to regulatory requirements, shareholders of company holding physical share certificates are requested to convert their physical share certificates into Book Entry Form.

Mandatory registration detail of shareholders

- According to Section 119 of the Companies Act, 2017 and Regulation 19 of the Companies (General Provisions and Forms) Regulations, 2018, all physical shareholders are advised to provide their mandatory information such as CNIC number, address, email address, contact mobile / telephone number, International Bank Account No (IBAN), etc. to registrar of the company.

Unclaimed/Unpaid Shares and Dividends

- In accordance with the provisions of Section 244 of the Companies Act, 2017, any shares issued or dividend declared by the Company, which remain unclaimed or unpaid for a period of three years from the date it is due and payable, the Company shall proceed to deposit the unclaimed or unpaid Dividends with the Federal Government.

Distribution of Gifts

- As required by SRO 452 dated March 17, 2025, no gifts shall be distributed at the General Meetings.

BALLOT PAPER FOR VOTING THROUGH POST

For poll at the Annual General Meeting To be held on October 9, 2026 at 3:30 p.m. at Company Registered office: 1st Floor, Haji Adam Chamber, Altaf Hussain Road, Karachi

Designated email address of the Chairman at which the duly filled in ballot paper may be sent at: chairman@premiumtextile.com

Name of shareholder/ joint shareholder(s)	
Registered Address:	
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 giving my/our assent or dissent to the following resolution by placing tick (✓) mark in the appropriate box below:

S. No.	Nature and description of resolutions	I/We assent to the Resolutions (FOR)	I/We dissent to the Resolutions (AGAINST)
1.	**Agenda Item No.5: Increase in Directors Remuneration** To consider, and if deemed appropriate, to pass the following resolution (with or without modifications) which would enable the Company to increase the Directors remuneration: ***"RESOLVED THAT*** the remuneration of the working Directors, namely Mr. Abdul Kadir Adam – Chief Executive Officer, and Mr. Yasin Siddik – Executive Director, shall be increased to Rs. 1,996,500/- and Rs. 1,584,000/- per month, respectively. The increase shall be accompanied by other benefits as per the company's policy."		

S. No.	Nature and description of resolutions	I/We assent to the Resolutions (FOR)	I/We dissent to the Resolutions (AGAINST)
2.	**Agenda Item No. 6 : Equity Investment in a Joint Venture Company to be Incorporated** To consider, and if deemed fit to pass the following resolutions as special resolution, with or without modification, addition(s) and deletion(s): ***"RESOLVED THAT*** approval of the members of Premium Textile Mills Limited (the "Company" / "PTML") be and is hereby accorded in terms of Section 199 and other applicable provisions of the Companies Act, 2017 and the Company be and is hereby authorized to make long term equity investment of up to PKR 20,000,000/- (Rupees Twenty Million only) from time to time in Recover Pakistan (Private) Limited (proposed) for subscribing, at Par, its fully paid up to 2,000,000 ordinary shares of PKR 10 each as may be offered to the Company from time to time pursuant to the requirements of the Companies Act, 2017 including subscription of ordinary shares to be taken up by the Company as subscriber to the Memorandum of Association on incorporation of the proposed Recover Pakistan (Private) Limited (proposed)." ***"FURTHER RESOLVED THAT*** this special resolution shall remain valid for a period of five (5) years from the passing thereof and the Managing Director, Executive Director, CEO or Head of Finance be and are hereby singly empowered and authorized to take and do and/or cause to be taken or done any/all necessary actions, deeds and things which are, or may be necessary for giving effect to the aforesaid resolutions and to do all acts, matters, deeds, and things which are necessary, incidental and/or consequential to the investment of the Company's funds as above as and when required at the time of investment, including but not limited to negotiating and executing any agreement(s)/ document(s), any ancillary matters thereto and to complete all legal requirements and formalities as may be necessary for the purposes of implementing this special resolution." ***"FURTHER RESOLVED THAT,*** any amendments, modifications, additions or deletions as may be required, directed or advised by the SECP or any other regulatory authority shall be deemed to be incorporated in the aforesaid resolutions without the need to obtain fresh approval from the board of directors or the shareholders, and the aforementioned Authorized Person(s) be and are hereby authorized to make and effect such amendments accordingly."		

NOTES:

1. Dully filled postal ballot should be sent to the Chairman of Premium Textile Mills Limited at 1st Floor, Haji Adam Chamber, Altaf Hussain Road, Karachi ***(Email: chairman@premiumtextile.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 of the meeting within business hours by or before October 8, 2026. 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, overwritten ballot paper will be rejected.
6. This Postal Poll paper is also available for download from the website of Premium Textile Mills Ltd at ***www.premiumtextile.com*** Shareholder may download the ballot paper from website or use the same ballot paper published in newspapers.

BOARD OF DIRECTORS

To the Shareholders The Directors of Premium Textile Mills are pleased to submit the Annual Report along with the audited financial statements of the Company for the year ended 30th June, 2026.

DIRECTOR'S REPORT

For the year ended June 30, 2026

Dear Shareholders,

Assalamu Alaikum wa Rahmatullahi wa Barakatuh

The Directors are pleased to present to you the 39th Annual Report together with the Audited Financial Statements of the Company for the year ended June 30, 2026, for your kind consideration and approval.

Principal Activities

The Company is principally engaged in the manufacturing and sale of cotton and polyester yarn, and socks of different varieties, through its two operating divisions, Spinning and Socks, from its integrated manufacturing facility at Nooriabad, Sindh.

Business Review

Both the Spinning and Socks divisions performed well during the year, supported by continued operational discipline, a growing renewable energy base, and steady demand across the Company's local and export markets. Management remained focused on cost efficiency, energy security, and strengthening the Company's supply chain, and is satisfied with the overall direction of the business heading into FY2027.

The Board wishes to record its appreciation for the resilience shown by the Company's operations and workforce during the year, and remains confident in the Company's ability to sustain this performance going forward. Detailed financial results are set out in the audited financial statements forming part of this Annual Report.

2
Operating Divisions

1
Manufacturing Site

~2,355
Employees

20+15
MW Solar Capacity
MW Wind Capacity

1st
IFRS S1/S2 Disclosure Year

Financial Highlights

The Company has no active subsidiaries requiring consolidation as at the reporting date: Innovative Textiles F.Z.E., incorporated during the year in the United Arab Emirates, remained dormant throughout FY2026 and has been granted an exemption by the Securities and Exchange Commission of Pakistan from consolidation. Accordingly, the financial highlights below reflect the full financial position and performance of the Company, presented on the same unconsolidated basis as the audited financial statements.

Rs. in million, unless stated	FY2026	FY2025 (Restated)	YoY
Net sales	24,852.9	29,012.4	(14.3)%
Gross profit	4,164.5	3,881.0	+7.3%
Gross margin	16.8%	13.4%	+3.4 %
Operating profit	3,027.5	2,800.3	+8.1%
Profit before taxation	1,356.6	275.0	+393.4%
Profit after taxation	856.8	55.7	+1,439.6%
Earnings per share (Rs.)	139.03	9.03	+1,439.6%
Total assets	30,413.0	29,367.0	+3.6%
Total equity	8,044.4	7,164.0	+12.3%
Total liabilities	22,368.6	22,203.0	+0.7%

Figures are drawn from the audited financial statements for the year ended June 30, 2026, which form part of this Annual Report and should be read together with this table.

Net sales were lower year-on-year, reflecting softer export pricing conditions during the year, while gross and operating margins improved, supported by the reduction in fuel and power cost following the Company's continued investment in renewable energy. Profitability improved markedly over the prior year, which had been affected by significantly lower finance costs. The Company's balance sheet strengthened further during the year, with total equity growing faster than total assets, reflecting the retention of profits generated during the year. The Board considers the Company's overall financial position to be sound and well placed to support its ongoing capital investment programme.

Principal Risks:

The principal risks impacting the Company's business are as follows:

- Increase in production costs due to inflation and rising input prices.
- Volatility in foreign currency exchange rates affecting import costs and export receipts.
- Exposure to financing costs arising from changes in interest rates.
- Regulatory and levy-related risks, including matters relating to the Sindh Infrastructure Development Cess, Gas Infrastructure Development Cess, and the Off-the-Grid (Captive Power Plants) Levy, as further explained in the notes to the financial statements.
- Physical climate risk, including water-stress exposure at the Company's single manufacturing site and flood risk affecting cotton-growing regions.
- Geopolitical and trade policy uncertainty affecting export demand and input sourcing.

Capital Investment and Energy Transition:

The Company continued to invest significantly in its energy infrastructure during the year, increasing its installed solar capacity to 20 MW and commencing construction of a 15 MW (2 x 7.5 MW) wind power facility, expected to become operational in the first quarter of FY2027. This investment forms part of the Company's broader strategy to reduce energy-cost volatility and strengthen the resilience of its operations.
Subsequent to the year end, the Board has also approved the acquisition of battery energy storage capacity to be deployed during FY2026-27, which is expected to further improve energy reliability at the Company's manufacturing site and support continued progress toward the Company's renewable energy targets.

Sustainability and Climate-related Disclosures:

This is the Company's first mandatory year of application of IFRS S1 and IFRS S2 under the phased implementation timetable introduced by the Securities and Exchange Commission of Pakistan. Accordingly, the Company has prepared and is issuing a separate Sustainability Report (Climate-only) for the year ended June 30, 2026, setting out its climate-related governance, strategy, risk management, and metrics and targets. The Board encourages members to refer to that report for further detail.

Sustainability Related Risks Management:

At Premium Textile Mills, we actively identify, assess, and manage sustainability-related risks that could impact our operations and long-term growth. Our comprehensive risk management framework includes the following strategies:

Risk Identification and Assessment:

1. We continuously monitor and identify potential sustainability-related risks across environmental, social, and governance domains. This involves evaluating risks such as climate change, resource scarcity, regulatory changes, and evolving consumer expectations for sustainable products.

Risk Mitigation Strategies:

2. To address these risks, we have implemented the following measures:

Climate Risk Mitigation:

We have invested in renewable energy sources by expanding our solar capacity from 5.2 MW to 20 MW in the last 3 years, reflecting a 14.8 MW increase, which represents a 285% growth. In addition to above, we are installing 2 Wind turbines of 7.5 MW each (total 15 MW).One wind turbine has already been installed in July 26 and other one is expected to become operational in the first quarter.These initiatives will diversify our renewable energy portfolio, reduce reliance on fossil fuels, and enhance energy security. By combining both solar and wind sources, we aim to stabilize clean energy generation throughout the year, thereby lowering greenhouse gas emissions and reinforcing our long-term commitment to carbon neutrality.

Water Risk Management:

Our Effluent Treatment Plant (ETP) treats up to 750m³ of water daily, ensuring that water used in the dyeing process is treated to prevent environmental contamination. This also helps us comply with regulatory requirements and supports water conservation efforts.

Sustainable Agriculture and Community Development:

In collaboration with WWF Pakistan and local partners, we have launched a 5-year plan for an organic/regenerative cotton project covering 8,700 acres in Pacca Chang, South Eastern Pakistan. The project aims to produce 6,000 metric tons of seed cotton and 2,200 metric tons of lint cotton annually.
This initiative supports sustainable/organic agricultural practices, reduces reliance on chemical fertilizers and pesticides, and brings positive environmental and social changes to local communities.

Product Innovation and Circular Economy:

By developing sustainable materials like regenerated yarn and Luna yarn, and utilizing recycling machines whereby used fabric is re-converted into fabric and re-spun into yarn, we reduce reliance on virgin resources and promote a circular economy. This strategy mitigates risks associated with resource depletion and aligns with consumer demand for environmentally friendly products.

Regulatory Compliance and Preparedness:

We stay ahead of regulatory changes by maintaining proactive engagement with policymakers and industry stakeholders. Regular audits and compliance checks ensure adherence to environmental, social, and governance regulations, reducing the risk of non-compliance penalties.

Stakeholder Engagement and Transparency:

We maintain open communication with stakeholders, including investors, customers, and communities, to understand their concerns and expectations. Transparent reporting on our sustainability performance builds trust and helps us identify emerging risks early.

Crisis Management and Contingency Planning:

We have established crisis management protocols and contingency plans to respond swiftly to unexpected events, such as natural disasters or supply chain disruptions. These plans include risk assessment, communication strategies, and recovery measures to minimize operational impact.

Monitoring and Reporting:

3. We regularly monitor and report on our sustainability performance, including progress against our sustainability targets. This transparency enables continuous improvement of our risk management strategies and fosters trust with our stakeholders.As this is the company 's first mandatory year of application of IFRS S1 and IFRS S2 under the phased implementation timetable introduced by the SECP. The company has prepared and is issuing a separate sustainability report (Climate only) for the year ended June 2026 attached herewith.

Related Party Transactions:

The Company engages in transactions with related parties in the normal course of business, conducted on arm's length terms and in compliance with applicable laws and regulations. All related party transactions are reviewed and recommended by the Board Audit Committee and subsequently approved by the Board of Directors. The nature and value of these transactions are disclosed in the notes to the financial statements to ensure transparency and accountability.

Dividend:

In recognition of the Company's performance, the Board of Directors has declared a dividend of **150% Rs.15/- per share** for the financial year 2026 and recommend for approval at the forthcoming Annual General Meeting.

Corporate Governance:

The Board comprises seven directors bringing a mix of independent, non-executive and executive oversight to the Company. During the year, the Board established a dedicated Sustainability Committee to oversee climate-related risks and opportunities, reflecting the Company's commitment to strengthening its governance framework ahead of its first mandatory sustainability reporting year.

The Company continued to comply with the requirements of the applicable Code of Corporate Governance during the year. Statements confirming such compliance are set out elsewhere in this Annual Report.

Composition of the Board:

The total number of Directors are 7 as follows:

Male - 6

Female - 1

The composition of the Board is as follows:

Independent Directors:

Mr. Muhammad Sohail Tabba
(appointed on October 13,2025)
Mr. Khizar Yusuf Sattar
(appointed on October 17,2025)
Mr. Mohammad Raziuddin Monem
(resigned on October 13,2025)
Ms. Naila Hasan
(resigned on October 17,2025)

Non – Executive Directors:

Mr. Mohammad Aslam Parekh
Ms. Lubna Asif Balagamwala (Female Category)
Mr. Tanzeel Abdul Sattar

Executive Directors:

Mr. Abdul Kadir Adam (CEO)
Mr. Muhammad Yasin Siddik

Board and Committee Meetings:

During the year under review 4 Board of Directors meetings were held and attended as follows:

S#	Name of Directors	Nature	Meetings Attended
1.	Mr. Muhammad Aslam Parekh	Chairman / Non-Executive Director	3
2.	Mr. Abdul Kadir Adam	Chief Executive Officer	4
3.	Mr. Muhammad Yasin Siddik	Executive Director	4
4.	Mr. Mohammad Raziuddin Monem	Independent Director	1
5.	Ms. Naila Hasan	Independent Director	1
6.	Mr Muhammad Sohail Tabba	Independent Director	3
7.	Mr, Khizar Yusuf Sattar	Independent Director	3
8.	Ms. Lubna Asif Balagamwala	Female Category / Non-Executive Director	4
9.	Mr. Tanzeel Abdul Sattar (NIT Nominee)	Non-Executive Director	3

During the year under review 4 Board Audit Committees (BAC) and 2 Human Resource and Remuneration Committee (HRRC) meetings were held and attended as follows:

BAC

S#	Name of Directors	Meetings Attended
1.	Mr. Mohammad Raziuddin Monem	1
2.	Ms. Naila Hasan	1
3.	Mr Muhammad Sohail Tabba	0
4.	Mr. Khizar Yusuf Sattar	3
5.	Ms. Lubna Asif Balagamwala	4

HRRC

S#	Name of Directors	Meetings Attended
1.	Mr. Mohammad Raziuddin Monem	1
2.	Ms. Naila Hasan	1
3.	Mr Muhammad Sohail Tabba	0
4.	Mr. Khizar Yusuf Sattar	1
5.	Ms. Lubna Asif Balagamwala	2

Gender Diversity and Empowerment:

At Premium Textile Mills Limited, the Company believes that diversity and inclusion strengthen its operations and reflect its values. The Company's Board-approved DE&I policy guides the creation of a workplace where everyone has equal opportunity to grow and succeed, including fair recruitment, promotion and retention practices, mentorship and training programmes supporting women in leadership, and a zero-tolerance approach to harassment and discrimination.

Material Changes and Commitments

There have been no material changes and commitments affecting the financial position of the Company that have occurred between the end of the financial year to which the balance sheet relates and the date of this report, other than as disclosed in the financial statements or in this report. Details of the Company's capital expenditure and other commitments as at the reporting date are set out in the notes to the financial statements.

Health and Safety Responsibility

The Company maintains safe working conditions to protect the health of its employees and the public at large, with a continued focus on production, delivery, storage and materials-handling safety. Safety equipment is maintained at the manufacturing site and registered head office, and regular medical visits are arranged to provide medical advice and treatment to employees.

Rural Development Program

The Company's manufacturing facility, located on the Super Highway near Nooriabad Industrial Estate, continues to provide employment opportunities to local residents in areas such as manufacturing, loading, packing and security. The Company remains engaged in corporate citizenship through philanthropy, energy conservation, environmental protection, community service, employment of individuals with disabilities, occupational health and safety, business ethics, anti-corruption measures, and contributions to the national exchequer.

Statement on Corporate and Financial Reporting Framework

The Company is committed to standards of corporate governance and continually seeks improvements. The Company applies the principles contained in the Code of Corporate Governance in the following manner:

- The financial statements, prepared by the Company, fairly present its state of affairs, results of operations, cash flows and changes in equity.
- Proper books of account have been maintained.
- Appropriate accounting policies have been consistently applied in the preparation of financial statements, and accounting estimates are based on reasonable and prudent judgement; any deviation has been adequately disclosed.
- International Accounting Standards, as applicable in Pakistan, have been followed in the preparation of the financial statements.
- The system of internal control is sound in design and has been effectively implemented and monitored, with the main objectives of safeguarding assets, ensuring reliable financial reporting, maintaining compliance with legal requirements, and achieving operational efficiency.
- There has been no material deviation from the best practices of corporate governance, as mentioned in the listing regulations.

Directors' Remuneration

Directors (including non-executive and independent directors) receive a meeting fee of Rs. 75,000 for attending Board and committee meetings, as per the policy approved by the Board and the members. The remuneration of Executive Directors is subject to approval by shareholders at the General Meeting, based on recommendations from the Human Resource and Remuneration Committee and the Board of Directors. Details of Directors' remuneration are disclosed in Note 32 of the Financial Statements as of June 30, 2026.

Pattern of Shareholding

The pattern of shareholding of the Company as at June 30, 2026 is annexed to this report.

Risk Management:

The Board continues to oversee the Company's enterprise risk management framework, which addresses financial, operational and climate-related risks. Key areas of ongoing focus during the year included energy security, water-stress exposure at the Company's single manufacturing site, and management of the Company's financing and working capital position. The Board is satisfied that appropriate processes remain in place to identify, assess and manage these risks.

Future Outlook

Looking ahead to FY2027, the Board expects the Company's renewable energy share to increase materially once the 15 MW wind facility becomes operational in the first quarter of the year, further reducing exposure to energy-cost volatility across both operating divisions. The planned deployment of battery energy storage capacity during the year is also expected to improve power reliability at the Company's Nooriabad site.

Management will continue to focus on cost discipline, working capital management and export market development, while progressing the data and supplier-engagement work needed to extend the Company's climate-related disclosures, including Scope 3 emissions reporting, in future reporting periods. The Board remains committed to the Company's longer-term climate targets set out in its Sustainability Report and is confident in the Company's ability to sustain and build on its FY2026 performance.

Subsequent Events

Subsequent to the year end, the Company's wholly owned subsidiary, Innovative Textiles F.Z.E., incorporated in the Free Zones Authority of Ajman, United Arab Emirates, was granted an exemption by the Securities and Exchange Commission of Pakistan vide its letter No. SMD/PRDD/Comp/(163)/2026/22 dated July 14, 2026 from the preparation of consolidated financial statements for the year ended June 30, 2026, under Section 228(7) of the Companies Act, 2017, as further explained in the note1.3 to the financial statements.

The financial statements of Innovative, if prepared, will be available to the members at the registered office of the Company and will be sent to the members upon request, without any cost.

No other material events have occurred since the reporting date other than as disclosed elsewhere in this report and the accompanying financial statements.

Auditors

The current external auditors, Rahman Sarfaraz Rahim Iqbal Rafiq Chartered Accountants, have completed the annual audit for the year ended June 30, 2026. The auditors will retire at the conclusion of the forthcoming Annual General Meeting and, being eligible, have offered themselves for re-appointment. Based on the recommendation of the Audit Committee, the Board proposes their re-appointment as auditors of the Company for the year ending June 30, 2027.

Acknowledgement:

The Board places on record its appreciation for the continued trust and support of the Company's shareholders, customers, bankers, suppliers and regulatory authorities. The Board also extends its sincere gratitude to the management and employees of the Company for their dedication and hard work during the year.

FOR AND ON BEHALF OF BOARD OF DIRECTORS

Mr. Abdul Kadir Adam
Chief Executive

Mr. Muhammad Yasin Siddik
Executive Director

September 2, 2026
Karachi.

اظہارِ تشکر

بورڈ کمپنی کے شیئر ہولڈرز، صارفین، بینکرز، سپلائرز اور ریگولیٹری اتھارٹیز کے مسلسل اعتماد اور تعاون کو قدر کی نگاہ سے دیکھتا ہے۔ بورڈ کمپنی کی انتظامیہ اور ملازمین کی سال بھر کی لگن اور محنت پر بھی تہہ دل سے اظہارِ تشکر کرتا ہے۔

بورڈ آف ڈائریکٹرز کی جانب سے اور ان کی طرف سے

چیف ایگزیکٹو آفیسر
جناب عبدالقادر آدم

ایگزیکٹو ڈائریکٹر
جناب محمد یاسین صدیق

تاریخ: 2 ستمبر 2026
کراچی

بعد ازاں رونما ہونے والے واقعات

سال کے اختتام کے بعد، کمپنی کی مکمل ملکیتی ذیلی کمپنی .Innovative Textiles F.Z.E، جو متحدہ عرب امارات کی Free Zones Authority of Ajman میں قائم کی گئی ہے، کو سیکیورٹیز اینڈ ایکسچینج کمیشن آف پاکستان کی جانب سے اس کے خط نمبر SMD/PRDD/Comp/(163)/2026/22 مورخہ 14 جولائی 2026 کے ذریعے Companies Act, 2017 کی دفعہ 228(7) کے تحت 30 جون 2026 کو ختم ہونے والے سال کے لیے consolidated financial statements تیار کرنے سے استثنیٰ دیا گیا، جیسا کہ مالیاتی بیانات کے نوٹ 1.3 میں مزید بیان کیا گیا ہے۔

Innovative کے مالیاتی بیانات، اگر تیار کیے گئے، تو کمپنی کے رجسٹرڈ آفس میں اراکین کے لیے دستیاب ہوں گے اور درخواست پر اراکین کو بلا معاوضہ بھیجے جائیں گے۔

رپورٹنگ کی تاریخ کے بعد کوئی دیگر اہم واقعہ رونما نہیں ہوا، سوائے ان امور کے جو اس رپورٹ یا ساتھ منسلک مالیاتی بیانات میں کہیں اور ظاہر کیے گئے ہیں۔

آڈیٹرز

موجودہ بیرونی آڈیٹرز، Rahman Sarfaraz Rahim Iqbal Rafiq Chartered Accountants، نے 30 جون 2026 کو ختم ہونے والے سال کا سالانہ آڈٹ مکمل کر لیا ہے۔ آڈیٹرز آئندہ سالانہ جنرل میٹنگ کے اختتام پر ریٹائر ہوں گے اور اہل ہونے کی وجہ سے دوبارہ تقرری کے لیے خود کو پیش کر چکے ہیں۔ آڈٹ کمیٹی کی سفارش کی بنیاد پر بورڈ مالی سال 2027 کے لیے انہیں کمپنی کے آڈیٹرز کے طور پر دوبارہ مقرر کرنے کی تجویز پیش کرتا ہے۔

حصص کی ملکیت کا نمونہ

30 جون 2026 کو کمپنی کی حصص کی ملکیت کا نمونہ اس رپورٹ کے ساتھ منسلک ہے۔

رسک مینجمنٹ

بورڈ کمپنی کے انٹرپرائز رسک مینجمنٹ فریم ورک کی نگرانی جاری رکھے ہوئے ہے، جو مالیاتی، آپریشنل اور موسمیاتی خطرات کا احاطہ کرتا ہے۔ سال کے دوران مسلسل توجہ کے اہم شعبوں میں توانائی کا تحفظ، کمپنی کی واحد پیداواری سائٹ پر پانی کی قلت کا خطرہ، اور کمپنی کی فنانسنگ اور ورکنگ کیپٹل کی پوزیشن کا انتظام شامل رہا۔ بورڈ مطمئن ہے کہ ان خطرات کی نشاندہی، تشخیص اور انتظام کے لیے مناسب طریق؟ کار بدستور موجود ہیں۔

مستقبل کا منظرنامہ

FY2027 کی طرف دیکھتے ہوئے، بورڈ کو توقع ہے کہ سال کی پہلی سہ ماہی میں MW 15 ونڈ سہولت کے فعال ہونے کے بعد کمپنی کے قابلِ تجدید توانائی کے حصے میں نمایاں اضافہ ہوگا، جس سے دونوں آپریٹنگ ڈویژنز میں توانائی کی لاگت کے اتار چڑھاؤ کا خطرہ مزید کم ہوگا۔ سال کے دوران بیٹری انرجی اسٹوریج کی منصوبہ بندی شدہ تنصیب سے نوری آباد سائٹ پر بجلی کی قابلِ اعتماد فراہمی میں بھی بہتری کی توقع ہے۔

انتظامیہ لاگت کے نظم و ضبط، ورکنگ کیپٹل مینجمنٹ اور برآمدی مارکیٹ کی ترقی پر توجہ جاری رکھے گی، جبکہ مستقبل کی رپورٹنگ ادوار میں موسمیاتی تبدیلی سے متعلق انکشافات کو وسعت دینے کے لیے درکار ڈیٹا اور سپلائرز کے ساتھ رابطے کے کام کو آگے بڑھایا جائے گا، جس میں Scope 3 emissions reporting بھی شامل ہے۔ بورڈ اپنی Sustainability Report میں بیان کردہ کمپنی کے طویل مدتی موسمیاتی اہداف کے لیے پُرعزم ہے اور FY2026 کی کارکردگی کو برقرار رکھنے اور مزید بہتر بنانے کی کمپنی کی صلاحیت پر پُراعتماد ہے۔

Code of Corporate Governance میں شامل اصولوں کا اطلاق درج ذیل طریقے سے کرتی ہے:

- کمپنی کی جانب سے تیار کردہ مالیاتی بیانات اس کی مالیاتی حالت، آپریشنز کے نتائج، نقد بہاؤ اور ایکویٹی میں تبدیلیوں کو منصفانہ طور پر پیش کرتے ہیں۔

- اکاؤنٹس کی مناسب کتب برقرار رکھی گئی ہیں۔

- مالیاتی بیانات کی تیاری میں مناسب اکاؤنٹنگ پالیسیوں کا مستقل اطلاق کیا گیا ہے اور اکاؤنٹنگ تخمینے معقول اور محتاط فیصلے پر مبنی ہیں؛ کسی بھی انحراف کو مناسب طور پر ظاہر کیا گیا ہے۔

- پاکستان میں قابلِ اطلاق بین الاقوامی اکاؤنٹنگ معیارات کو مالیاتی بیانات کی تیاری میں اختیار کیا گیا ہے۔

- اندرونی کنٹرول کا نظام ڈیزائن کے اعتبار سے مضبوط ہے اور اسے مؤثر طور پر نافذ اور مانیٹر کیا گیا ہے، جس کے بنیادی مقاصد اثاثوں کا تحفظ، قابلِ اعتماد مالیاتی رپورٹنگ، قانونی تقاضوں کی تعمیل اور آپریشنل کارکردگی کا حصول ہیں۔

- لسٹنگ ریگولیشنز میں بیان کردہ کارپوریٹ گورننس کے بہترین طریقوں سے کوئی اہم انحراف نہیں ہوا۔

ڈائریکٹرز کے معاوضے

ڈائریکٹرز، بشمول نان ایگزیکٹو اور آزاد ڈائریکٹرز، بورڈ اور کمیٹی کے اجلاسوں میں شرکت کے لیے بورڈ اور اراکین سے منظور شدہ پالیسی کے مطابق فی اجلاس 75,000 روپے فیس وصول کرتے ہیں۔ ایگزیکٹو ڈائریکٹرز کا معاوضہ جنرل میٹنگ میں شیئر ہولڈرز کی منظوری سے مشروط ہے، جو ہیومن ریسورس اینڈ ریمیونریشن کمیٹی اور بورڈ آف ڈائریکٹرز کی سفارشات کی بنیاد پر دی جاتی ہے۔ 30 جون 2026 تک ڈائریکٹرز کے معاوضے کی تفصیلات مالیاتی بیانات کے نوٹ 32 میں ظاہر کی گئی ہیں۔

اہم تبدیلیاں اور وعدے

بیلنس شیٹ سے متعلق مالی سال کے اختتام اور اس رپورٹ کی تاریخ کے درمیان کمپنی کی مالیاتی پوزیشن کو متاثر کرنے والی کوئی اہم تبدیلی یا عہد واقع نہیں ہوا، سوائے ان امور کے جو مالیاتی بیانات یا اس رپورٹ میں ظاہر کیے گئے ہیں۔ رپورٹنگ کی تاریخ تک کمپنی کے سرمایہ جاتی اخراجات اور دیگر وعدوں کی تفصیلات مالیاتی بیانات کے نوٹس میں درج ہیں۔

صحت اور حفاظت کی ذمہ داری

کمپنی اپنے ملازمین اور عام لوگوں کی صحت کے تحفظ کے لیے محفوظ کام کے حالات برقرار رکھتی ہے، جبکہ پیداوار، ترسیل، ذخیرہ اور مواد کی ہینڈلنگ کی حفاظت پر مسلسل توجہ دی جاتی ہے۔ پیداواری سائٹ اور رجسٹرڈ ہیڈ آفس پر حفاظتی آلات برقرار رکھے جاتے ہیں، اور ملازمین کو طبی مشورہ اور علاج فراہم کرنے کے لیے باقاعدہ طبی دوروں کا انتظام کیا جاتا ہے۔

دیہی ترقی کا پروگرام

سپر ہائی وے پر نوری آباد انڈسٹریل اسٹیٹ کے قریب واقع کمپنی کی پیداواری سہولت مقامی رہائشیوں کو مینوفیکچرنگ، لوڈنگ، پیکنگ اور سیکیورٹی جیسے شعبوں میں روزگار کے مواقع فراہم کرتی رہتی ہے۔ کمپنی فلاحی سرگرمیوں، توانائی کے تحفظ، ماحولیاتی تحفظ، کمیونٹی سروس، معذور افراد کے روزگار، پیشہ ورانہ صحت و حفاظت، کاروباری اخلاقیات، انسدادِ بدعنوانی کے اقدامات اور قومی خزانے میں شراکت کے ذریعے کارپوریٹ شہریت کی ذمہ داریاں ادا کر رہی ہے۔

کارپوریٹ اور مالیاتی رپورٹنگ فریم ورک سے متعلق بیان

کمپنی کارپوریٹ گورننس کے معیارات کے لیے پُرعزم ہے اور مسلسل بہتری کے لیے کوشاں رہتی ہے۔ کمپنی

4	جناب خضر یوسف ستار	3
5	محترمہ لبنیٰ آصف بالاگام والا	4

ہیومن ریسورس اینڈ ریمونریشن کمیٹی

نمبر شمار	ڈائریکٹرز کے نام	شرکت کردہ اجلاس
1	جناب محمد رضی الدین مونیم	1
2	محترمہ نائلہ حسن	1
3	جناب محمد سہیل ٹبہ	0
4	جناب خضر یوسف ستار	1
5	محترمہ لبنیٰ آصف بالاگام والا	2

غیر ایگزیکٹو ڈائریکٹرز کی معاوضہ پالیسی میں کوئی تبدیلی نہیں ہوئی ہے، جیسا کہ سالانہ رپورٹ 2024 میں AGM کے نوٹس میں بیان کیا گیا ہے۔

صنفی تنوع اور بااختیار بنانا

پریمیم ٹیکسٹائل ملز لمیٹڈ میں کمپنی کا یقین ہے کہ تنوع اور شمولیت اس کے آپریشنز کو مضبوط بناتے ہیں اور اس کی اقدار کی عکاسی کرتے ہیں۔ کمپنی کی بورڈ سے منظور شدہ DE&I پالیسی ایسے کام کی جگہ کے قیام کی رہنمائی کرتی ہے جہاں ہر فرد کو ترقی اور کامیابی کے مساوی مواقع حاصل ہوں، جس میں منصفانہ بھرتی، ترقی اور ملازمین کو برقرار رکھنے کے طریقے، خواتین کی قیادت کے لیے رہنمائی اور تربیتی پروگرام، اور ہراسانی و امتیازی سلوک کے لیے زیرو ٹالرنس کا اصول شامل ہے۔

زیرِ جائزہ سال کے دوران بورڈ آف ڈائریکٹرز کے 4 اجلاس منعقد ہوئے، جن میں ڈائریکٹرز نے حسبِ ذیل شرکت کی:

نمبر شمار	ڈائریکٹرز کے نام	نوعیت	شرکت کردہ اجلاس
1	جناب محمد اسلم پریک	چیئرمین/ غیر انتظامی ڈائریکٹر	3
2	جناب عبدالقادر آدم	چیف ایگزیکٹو آفیسر	4
3	جناب محمد یاسین صدیق	انتظامی ڈائریکٹر	4
4	جناب محمد رضی الدین مونیم	آزاد ڈائریکٹر	1
5	محترمہ نائلہ حسن	آزاد ڈائریکٹر	1
6	جناب محمد سہیل ٹبہ	آزاد ڈائریکٹر	3
7	جناب خضر یوسف ستار	آزاد ڈائریکٹر	3
8	محترمہ لبنیٰ آصف بالاگام والا	خواتین کی کیٹیگری/ غیر انتظامی ڈائریکٹر	4
9	جناب تنزیل عبدالستار	غیر انتظامی ڈائریکٹر	3

زیرِ جائزہ سال کے دوران بورڈ آڈٹ کمیٹی (BAC) کے 4 اجلاس اور ہیومن ریسورس اینڈ ریمیونریشن کمیٹی (HRRC) کے 2 اجلاس منعقد ہوئے، جن میں اراکین نے حسبِ ذیل شرکت کی:

بورڈ آڈٹ کمیٹی

نمبر شمار	ڈائریکٹرز کے نام	شرکت کردہ اجلاس
1	جناب محمد رضی الدین مونیم	1
2	محترمہ نائلہ حسن	1
3	جناب محمد سہیل ٹبہ	0

کارپوریٹ گورننس

بورڈ سات ڈائریکٹرز پر مشتمل ہے، جو آزاد، نان ایگزیکٹو اور ایگزیکٹو نگرانی کا امتزاج فراہم کرتے ہیں۔ سال کے دوران بورڈ نے موسمیاتی خطرات اور مواقع کی نگرانی کے لیے ایک علیحدہ Sustainability Committee قائم کی، جو لازمی پائیداری رپورٹنگ کے پہلے سال سے قبل کمپنی کے گورننس فریم ورک کو مضبوط بنانے کے عزم کی عکاسی کرتی ہے۔

کمپنی نے سال کے دوران قابلِ اطلاق Code of Corporate Governance کے تقاضوں کی مسلسل تعمیل کی۔ اس تعمیل کی تصدیق کرنے والے بیانات اس سالانہ رپورٹ کے دیگر حصوں میں درج ہیں۔

بورڈ کی تشکیل

ڈائریکٹرز کی مجموعی تعداد 7 ہے، جس کی تفصیل درج ذیل ہے:

- مرد: 6
- خواتین: 1

بورڈ کی تشکیل

جناب محمد سہیل ٹبہ (13 اکتوبر 2025 کو مقرر)	آزاد ڈائریکٹرز
جناب خضر یوسف ستار (17 اکتوبر 2025 کو مقرر)	آزاد ڈائریکٹرز
جناب محمد رضی الدین مونیم (13 اکتوبر 2025 کو مستعفی ہو گئے)	آزاد ڈائریکٹرز
محترمہ نائلہ حسن (خاتون) (17 اکتوبر 2025 کو مستعفی ہو گئیں)	آزاد ڈائریکٹرز
جناب محمد اسلم پریک	نان ایگزیکٹو ڈائریکٹرز
محترمہ لبنیٰ آصف بالاگام والا (خاتون)	نان ایگزیکٹو ڈائریکٹرز
جناب تنزیل عبدالستار	نان ایگزیکٹو ڈائریکٹرز
جناب عبدالقادر آدم	ایگزیکٹو ڈائریکٹرز
جناب محمد یاسین صدیق	ایگزیکٹو ڈائریکٹرز

انتظام کے طریق؟ کار اور ہنگامی منصوبے قائم کیے ہیں۔ ان منصوبوں میں خطرات کی تشخیص، ابلاغی حکمتِ عملیاں اور بحالی کے اقدامات شامل ہیں تاکہ آپریشنل اثرات کو کم سے کم رکھا جا سکے۔

3۔نگرانی اور رپورٹنگ:

ہم اپنی پائیداری کی کارکردگی، بشمول پائیداری کے اہداف کے مقابلے میں پیش رفت، کی باقاعدگی سے نگرانی اور رپورٹنگ کرتے ہیں۔ یہ شفافیت ہماری رسک مینجمنٹ حکمتِ عملیوں میں مسلسل بہتری، اور اسٹیک ہولڈرز کے اعتماد کو فروغ دیتی ہے۔ چونکہ یہ SECP کے متعارف کردہ مرحلہ وار نفاذ کے شیڈول کے تحت S1 IFRS اور S2 IFRS کے لازمی اطلاق کا کمپنی کا پہلا سال ہے، اس لیے کمپنی نے جون 2026 کو ختم ہونے والے سال کے لیے ایک علیحدہ پائیداری رپورٹ (صرف موسمیاتی تبدیلی سے متعلق) تیار کی ہے

متعلقہ فریقین کے ساتھ لین دین

کمپنی معمول کے کاروباری طریقہ کار میں متعلقہ فریقین کے ساتھ لین دین کرتی ہے، جو آزاد فریقین کے مابین (arm's length) شرائط پر اور قابلِ اطلاق قوانین وضوابط کی تعمیل میں کیے جاتے ہیں۔ تمام متعلقہ فریقین کے لین دین کا بورڈ کی آڈٹ کمیٹی جائزہ لے کر سفارش کرتی ہے اور بعد ازاں بورڈ آف ڈائریکٹرز ان کی منظوری دیتا ہے۔ ان لین دین کی نوعیت اور مالیت مالیاتی بیانات کے نوٹس میں شفافیت اور جوابدہی کو یقینی بنانے کے لیے ظاہر کی گئی ہے۔

منافعِ منقسمہ

کمپنی کی کارکردگی کے اعتراف میں، بورڈ آف ڈائریکٹرز نے مالی سال 2026 کے لیے150% (یعنی 15 فی شیئرَ) منافعِ منقسمہ تجویز کیا ہے اور اسے آئندہ سالانہ جنرل میٹنگ میں منظوری کے لیے پیش کرنے کی سفارش کی ہے۔

• مصنوعات میں جدت اور سرکلر اکانومی:

ری جنریٹڈ یارن اور لونا یارن جیسے پائیدار مواد تیار کرکے، اور ایسی ری سائیکلنگ مشینوں کے استعمال کے ذریعے جن میں استعمال شدہ کپڑے کو دوبارہ فیبرک میں تبدیل اور دوبارہ یارن میں اسپن کیا جاتا ہے، ہم نئے خام وسائل پر انحصار کم کرتے اور سرکلر اکانومی کو فروغ دیتے ہیں۔ یہ حکمتِ عملی وسائل کے ختم ہونے سے متعلق خطرات کو کم کرتی ہے اور ماحول دوست مصنوعات کی صارفین کی طلب سے ہم آہنگ ہے۔

• ریگولیٹری تعمیل اور تیاری:

ہم پالیسی سازوں اور صنعتی اسٹیک ہولڈرز کے ساتھ فعال رابطہ برقرار رکھتے ہوئے ریگولیٹری تبدیلیوں سے پیشگی آگاہ رہتے ہیں۔ باقاعدہ آڈٹس اور تعمیلی جانچ ماحولیاتی، سماجی اور گورننس سے متعلق ضوابط کی پابندی کو یقینی بناتی ہے اور عدم تعمیل کی صورت میں جرمانوں کے خطرے کو کم کرتی ہے۔

• اسٹیک ہولڈرز سے رابطہ اور شفافیت:

ہم سرمایہ کاروں، صارفین اور کمیونٹیز سمیت اسٹیک ہولڈرز کے ساتھ کھلا رابطہ برقرار رکھتے ہیں تاکہ ان کے خدشات اور توقعات کو سمجھا جا سکے۔ پائیداری کی کارکردگی کے بارے میں شفاف رپورٹنگ اعتماد پیدا کرتی ہے اور ابھرتے ہوئے خطرات کی ابتدائی نشاندہی میں مدد دیتی ہے۔

• بحران کا انتظام اور ہنگامی منصوبہ بندی:

ہم نے قدرتی آفات یا سپلائی چین میں خلل جیسے غیر متوقع واقعات کا فوری جواب دینے کے لیے بحران کے

• موسمیاتی خطرات میں کمی:

ہم نے قابلِ تجدید توانائی کے ذرائع میں سرمایہ کاری کرتے ہوئے گزشتہ 3 سال میں اپنی سولر صلاحیت 5.2 MW سے بڑھا کر 20 MW کردی ہے، جو 14.8 MW کا اضافہ اور 285% نمو کی نمائندگی کرتا ہے۔ اس کے علاوہ، ہم 7.5 MW کی دو ونڈ ٹربائنز (کل 15 MW) نصب کر رہے ہیں۔ ایک ونڈ ٹربائن جولائی 2026 میں نصب ہو چکی ہے جبکہ دوسری کے پہلی سہ ماہی میں فعال ہونے کی توقع ہے۔ یہ اقدامات ہمارے قابلِ تجدید توانائی کے پورٹ فولیو کو متنوع بنائیں گے، فوسل فیول پر انحصار کم کریں گے اور توانائی کے تحفظ میں اضافہ کریں گے۔ سولر اور ونڈ دونوں ذرائع کو یکجا کر کے ہمارا مقصد پورے سال صاف توانائی کی پیداوار کو مستحکم کرنا، گرین ہاؤس گیسوں کے اخراج میں کمی لانا اور کاربن نیوٹرلٹی کے لیے اپنے طویل مدتی عزم کو مزید مضبوط کرنا ہے۔

• پانی سے متعلق خطرات کا انتظام:

ہمارا Effluent Treatment Plant (ETP) روزانہ 750 m³ تک پانی کو صاف کرتا ہے، جس سے یہ یقینی بنایا جاتا ہے کہ ڈائینگ کے عمل میں استعمال ہونے والے پانی کو ماحولیاتی آلودگی سے بچاؤ کے لیے ٹریٹ کیا جائے۔ اس سے ہمیں ریگولیٹری تقاضوں کی تعمیل اور پانی کے تحفظ کی کوششوں میں بھی مدد ملتی ہے۔

• پائیدار زراعت اور کمیونٹی کی ترقی:

WWF پاکستان اور مقامی شراکت داروں کے تعاون سے ہم نے جنوب مشرقی پاکستان کے پکا چانگ میں 8,700 ایکڑ رقبے پر نامیاتی/ری جنریٹو کپاس کے منصوبے کے لیے 5 سالہ منصوبہ شروع کیا ہے۔ اس منصوبے کا مقصد سالانہ 6,000 میٹرک ٹن بیج کپاس اور 2,200 میٹرک ٹن لِنٹ کپاس پیدا کرنا ہے۔

یہ اقدام پائیدار/ نامیاتی زرعی طریقوں کو فروغ دیتا ہے، کیمیائی کھادوں اور کیڑے مار ادویات پر انحصار کم کرتا ہے اور مقامی کمیونٹیز میں مثبت ماحولیاتی اور سماجی تبدیلیاں لاتا ہے۔

پائیداری اور موسمیاتی تبدیلی سے متعلق انکشافات

یہ کمپنی کے لیے S1 IFRS اور S2 IFRS کے لازمی اطلاق کا پہلا سال ہے، جو سیکیورٹیز اینڈ ایکسچینج کمیشن آف پاکستان کی جانب سے متعارف کردہ مرحلہ وار نفاذ کے شیڈول کے تحت ہے۔ چنانچہ کمپنی نے 30 جون 2026 کو ختم ہونے والے سال کے لیے ایک علیحدہ پائیداری رپورٹ (صرف موسمیاتی تبدیلی سے متعلق) تیار کی ہے اور جاری کر رہی ہے، جس میں موسمیاتی تبدیلی سے متعلق گورننس، حکمتِ عملی، رسک مینجمنٹ اور پیمائش و اہداف بیان کیے گئے ہیں۔ بورڈ اراکین کو مزید تفصیل کے لیے مذکورہ رپورٹ سے رجوع کرنے کی ترغیب دیتا ہے

پائیداری سے متعلق خطرات کا انتظام

پریمیم ٹیکسٹائل ملز میں ہم پائیداری سے متعلق ان خطرات کی فعال طور پر نشاندہی، تشخیص اور انتظام کرتے ہیں جو ہمارے آپریشنز اور طویل مدتی ترقی کو متاثر کر سکتے ہیں۔ ہمارے جامع رسک مینجمنٹ فریم ورک میں درج ذیل حکمتِ عملیاں شامل ہیں:

1۔ خطرات کی نشاندہی اور تشخیص:

ہم ماحولیاتی، سماجی اور گورننس کے شعبوں میں پائیداری سے متعلق ممکنہ خطرات کی مسلسل نگرانی اور نشاندہی کرتے ہیں۔ اس عمل میں موسمیاتی تبدیلی، وسائل کی کمی، ریگولیٹری تبدیلیوں اور پائیدار مصنوعات کے بارے میں صارفین کی بدلتی ہوئی توقعات جیسے خطرات کا جائزہ شامل ہے۔

2۔ خطرات میں کمی کی حکمتِ عملیاں:

ان خطرات سے نمٹنے کے لیے ہم نے درج ذیل اقدامات نافذ کیے ہیں:

• ریگولیٹری اور لیوی سے متعلق خطرات، جن میں سندھ انفراسٹرکچر ڈویلپمنٹ سیس، گیس انفراسٹرکچر ڈویلپمنٹ سیس اور آف دی گرڈ (کیپٹو پاور پلانٹس) لیوی سے متعلق امور شامل ہیں، جیسا کہ مالیاتی بیانات کے نوٹس میں مزید بیان کیا گیا ہے۔

• موسمیاتی تبدیلی سے متعلق جسمانی خطرات، جن میں کمپنی کی واحد پیداواری سائٹ پر پانی کی قلت کا خطرہ اور کپاس پیدا کرنے والے علاقوں میں سیلاب کا خطرہ شامل ہے۔

• جغرافیائی سیاسی حالات اور تجارتی پالیسی میں غیر یقینی، جو برآمدی طلب اور خام مال کی فراہمی کو متاثر کرسکتی ہے۔

سرمایہ کاری اور توانائی کی منتقلی

کمپنی نے سال کے دوران اپنی توانائی کے بنیادی ڈھانچے میں نمایاں سرمایہ کاری جاری رکھی، جس کے نتیجے میں نصب شدہ سولر صلاحیت بڑھ کر MW 20 ہوگئی، جبکہ MW 15 (MW 7.5 × 2) ونڈ پاور سہولت کی تعمیر شروع کی گئی، جس کے FY2027 کی پہلی سہ ماہی میں فعال ہونے کی توقع ہے۔ یہ سرمایہ کاری توانائی کی لاگت میں اتار چڑھاؤ کو کم کرنے اور آپریشنز کی لچک کو مضبوط بنانے کی کمپنی کی وسیع تر حکمتِ عملی کا حصہ ہے۔

سال کے اختتام کے بعد، بورڈ نے FY2026-27 کے دوران نصب کیے جانے والے بیٹری انرجی اسٹوریج سسٹم کی گنجائش کے حصول کی بھی منظوری دی ہے، جس سے کمپنی کی پیداواری سائٹ پر توانائی کی قابلِ اعتماد فراہمی میں مزید بہتری اور قابلِ تجدید توانائی کے اہداف کی جانب پیش رفت جاری رکھنے میں مدد ملنے کی توقع ہے۔

ٹیکس کے بعد منافع	856.8	55.7	1,439.6%
فی شیئر آمدنی	1,39.03	9.03	1,439.6%
کل اثاثے	30,413.0	29,367.0	3.6%
کل ایکویٹی	8,044.4	7,164.0	12.3%
کل واجبات	22,368.6	22,203.0	0.7%

یہ اعداد و شمار 30 جون 2026 کو ختم ہونے والے سال کے آڈٹ شدہ مالیاتی بیانات سے لیے گئے ہیں، جو اس سالانہ رپورٹ کا حصہ ہیں اور انہیں اس جدول کے ساتھ ملا کر پڑھا جانا چاہیے۔

سال بہ سال خالص فروخت میں کمی واقع ہوئی، جو سال کے دوران برآمدی قیمتوں کے نسبتاً کمزور حالات کی عکاسی کرتی ہے، جبکہ مجموعی اور آپریٹنگ مارجن میں بہتری آئی، جسے قابلِ تجدید توانائی میں کمپنی کی مسلسل سرمایہ کاری کے نتیجے میں ایندھن اور بجلی کی لاگت میں کمی سے مدد ملی۔ گزشتہ سال کے مقابلے میں منافع میں نمایاں بہتری آئی، جبکہ گزشتہ سال مالیاتی اخراجات میں نمایاں کمی سے متاثر ہوا تھا۔ سال کے دوران کمپنی کی بیلنس شیٹ مزید مضبوط ہوئی، اور کل ایکویٹی میں کل اثاثوں کے مقابلے میں زیادہ تیزی سے اضافہ ہوا، جو سال کے دوران حاصل ہونے والے منافع کو برقرار رکھنے کی عکاسی کرتا ہے۔ بورڈ کمپنی کی مجموعی مالیاتی پوزیشن کو مستحکم اور جاری سرمایہ کاری پروگرام کی معاونت کے لیے موزوں سمجھتا ہے

بنیادی خطرات

کمپنی کے کاروبار کو متاثر کرنے والے بنیادی خطرات درج ذیل ہیں:

- افراطِ زر اور خام مال و دیگر ان پٹ کی قیمتوں میں اضافے کے باعث پیداواری لاگت میں اضافہ۔
- غیر ملکی کرنسی کی شرحِ تبادلہ میں اتار چڑھاؤ، جس سے درآمدی لاگت اور برآمدی وصولیاں متاثر ہوسکتی ہیں۔
- شرحِ سود میں تبدیلیوں کے نتیجے میں مالیاتی اخراجات سے متعلق خطرہ۔

بورڈ اس سال کے دوران کمپنی کے آپریشنز اور افرادی قوت کی جانب سے دکھائی گئی ثابت قدمی کو سراہتا ہے اور مستقبل میں اس کارکردگی کو برقرار رکھنے کی کمپنی کی صلاحیت پر پُراعتماد ہے۔تفصیلی مالی نتائج اس سالانہ رپورٹ کا حصہ بننے والے آڈٹ شدہ مالیاتی بیانات میں درج ہیں۔

2	1	2,355	15 +20 میگاواٹ	پہلا
آپریٹنگ ڈویژنز	پیداواری مقام	ملازمین	شمسی اور ہوا سے بجلی پیدا کرنے کی صلاحیت*	IFRS S1/S2 افشاء کا سال

مالیاتی جائزہ

رپورٹنگ کی تاریخ تک کمپنی کی کوئی ایسی فعال ذیلی کمپنی نہیں ہے جس کے مالیاتی بیانات کو یکجا کرنا ضروری ہو۔ Innovative Textiles F.Z.E.، جو متحدہ عرب امارات میں سال کے دوران قائم کی گئی، FY2026 کے دوران غیر فعال رہی اور اسے سیکیورٹیز اینڈ ایکسچینج کمیشن آف پاکستان کی جانب سے مالیاتی یکجائی سے استثنیٰ دیا گیا ہے۔لہٰذا ذیل میں دیے گئے مالیاتی اعداد و شمار کمپنی کی مکمل مالیاتی پوزیشن اور کارکردگی کو اسی غیر یکجا شدہ بنیاد پر ظاہر کرتے ہیں جس بنیاد پر آڈٹ شدہ مالیاتی بیانات تیار کیے گئے ہیں۔

روپے ملین میں، سوائے جہاں بصورتِ دیگر بیان کیا گیا ہو	مالی سال 2026	مالی سال 2025 (تبدیل شدہ)	YoY
خالص فروخت	24,852.9	29,012.4	(14.3%)
مجموعی منافع	4,164.5	3,881.0	7.3%
مجموعی مارجن	16.8%	13.4%	3.4%
آپریشنل منافع	3,027.5	2,800.3	8.1%
ٹیکس سے پہلے منافع	1,356.6	275.0	393.4%

ڈائریکٹرز رپورٹ

30 جون 2026 کوختم ہونے والے سال کے لیے اراکین کو ڈائریکٹرز کی رپورٹ

محترم شیئر ہولڈرز،

السلام علیکم ورحمۃ اللہ وبرکاتہ،

ڈائریکٹرز کو یہ پیش کرتے ہوئے خوشی محسوس ہو رہی ہے کہ کمپنی کے 30 جون 2026 کوختم ہونے والے سال کے لیے 39ویں سالانہ رپورٹ بمعہ آڈٹ شدہ مالیاتی بیانات آپ کے ملاحظہ،غور اور منظوری کے لیے پیش ہیں۔

بنیادی کاروباری سرگرمیاں

کمپنی بنیادی طور پر کاٹن اور پالیئسٹر یارن اور مختلف اقسام کی جرابوں کی تیاری اور فروخت کے کاروبار سے وابستہ ہے۔ یہ سرگرمیاں سندھ کے نوری آباد میں واقع کمپنی کی مربوط پیداواری سہولت سے اسپننگ اور ساکس کے دو آپریٹنگ ڈویژنز کے ذریعے انجام دی جاتی ہیں۔

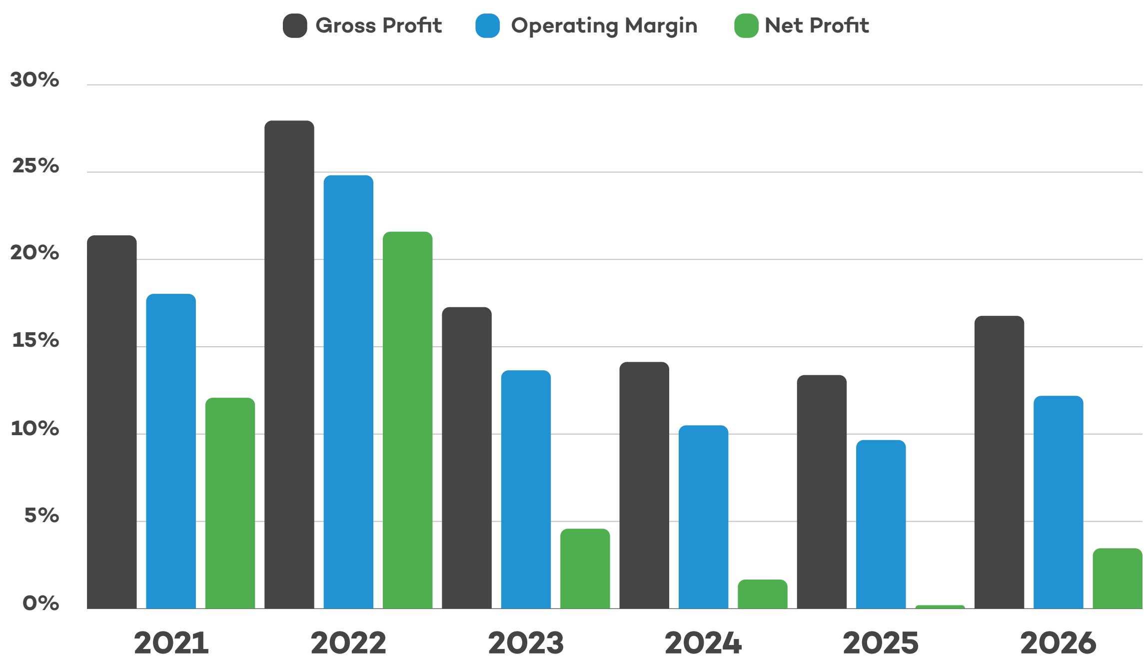
کاروباری جائزہ

دونوں، اسپننگ اور ساکس ڈویژنز نے سال کے دوران بہتر کارکردگی کا مظاہرہ کیا، جسے مسلسل آپریشنل نظم و ضبط، قابلِ تجدید توانائی کے بڑھتے ہوئے حصے اور کمپنی کی مقامی و برآمدی مارکیٹوں میں مستحکم طلب سے تقویت ملی۔ انتظامیہ نے لاگت کی کارکردگی، توانائی کے تحفظ اور سپلائی چین کو مضبوط بنانے پر توجہ مرکوز رکھی، اور FY2027 میں داخل ہوتے ہوئے کاروبار کی مجموعی سمت سے مطمئن ہے۔

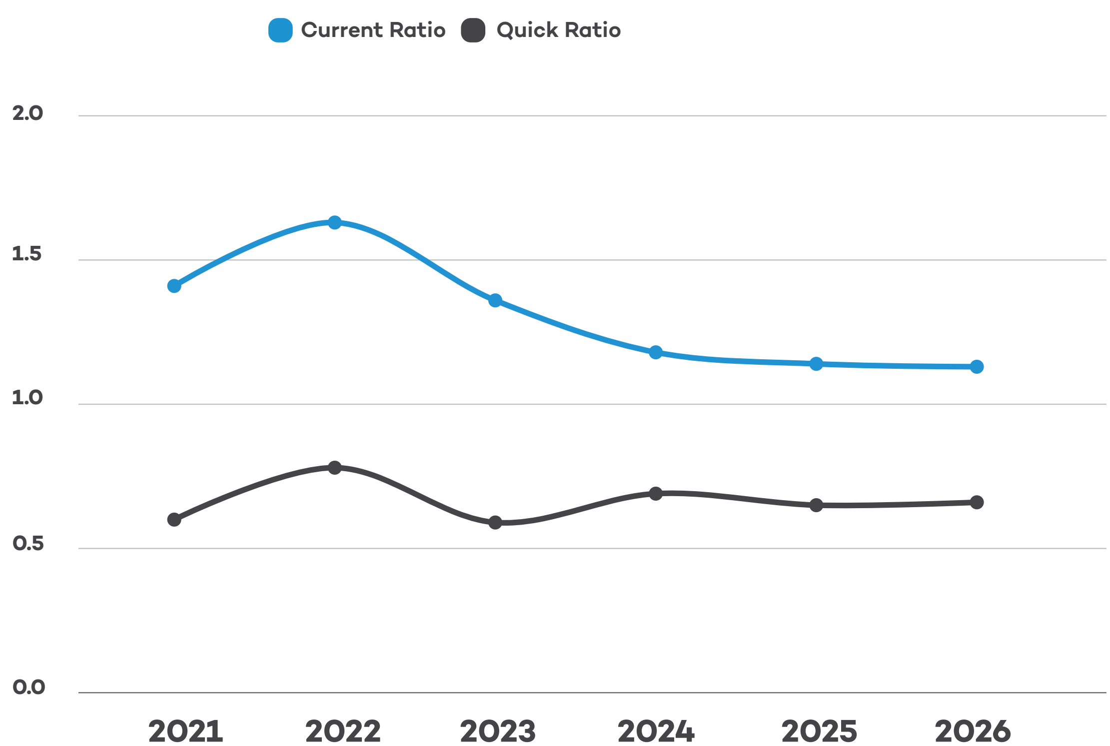

METRICS

Premium
In Graphs

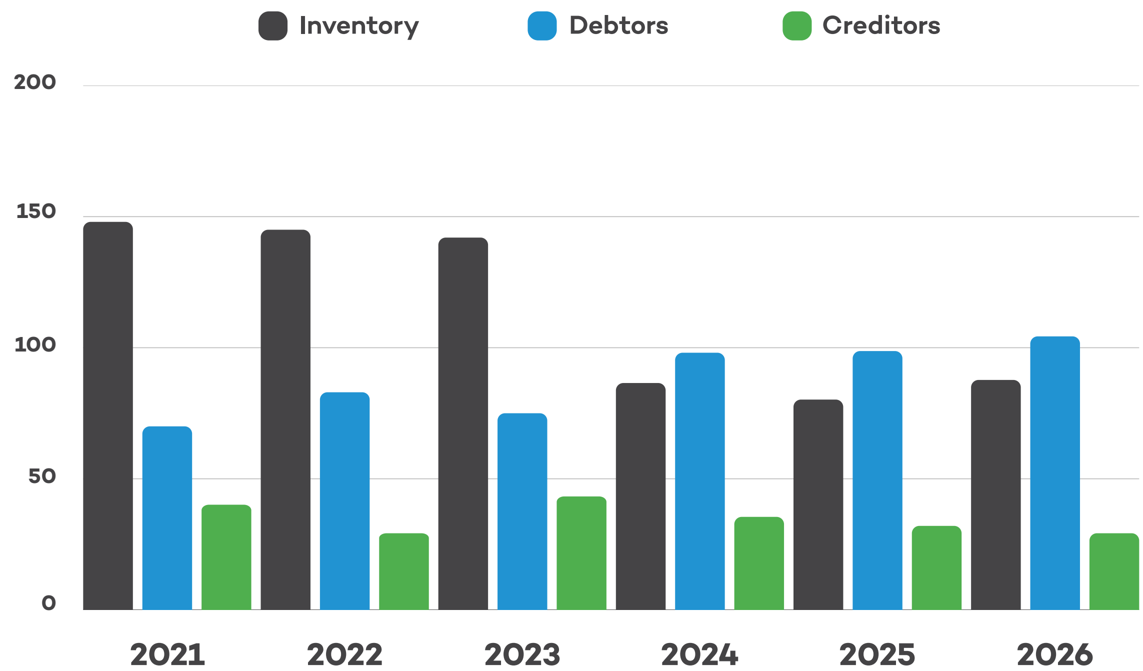
Profitability Ratios



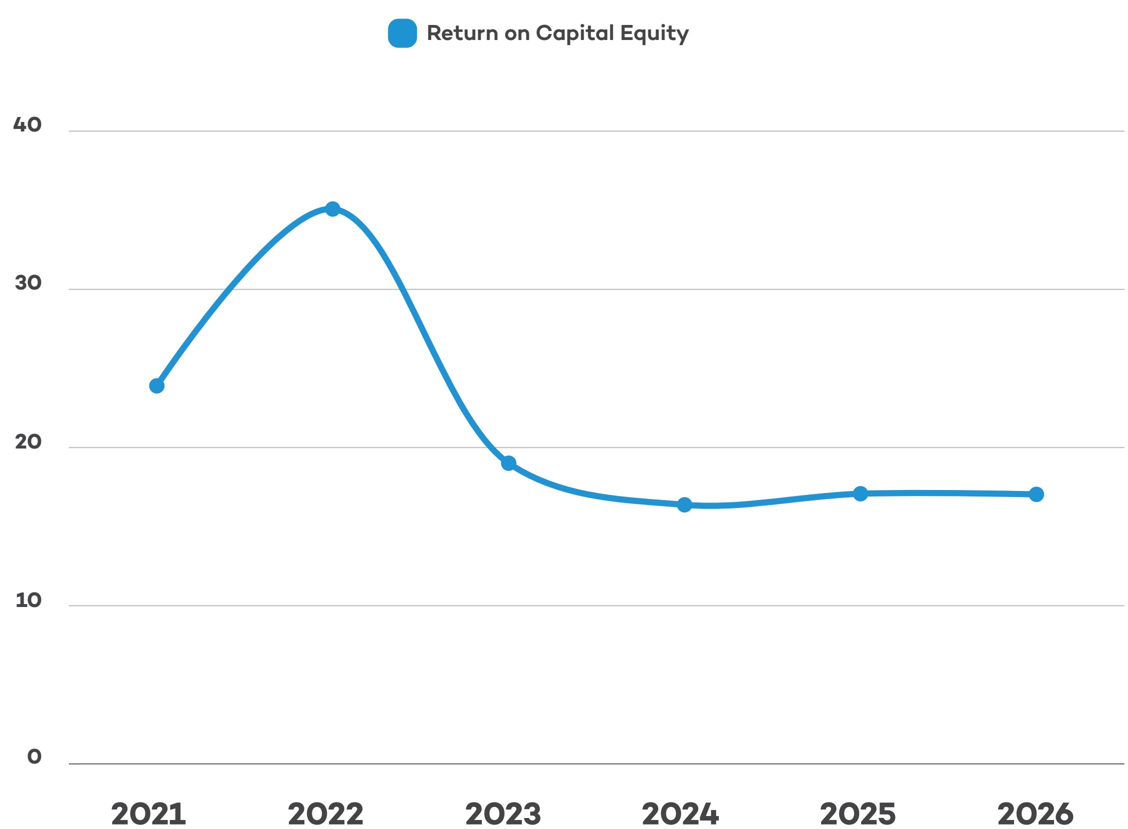
Liquidity Ratio



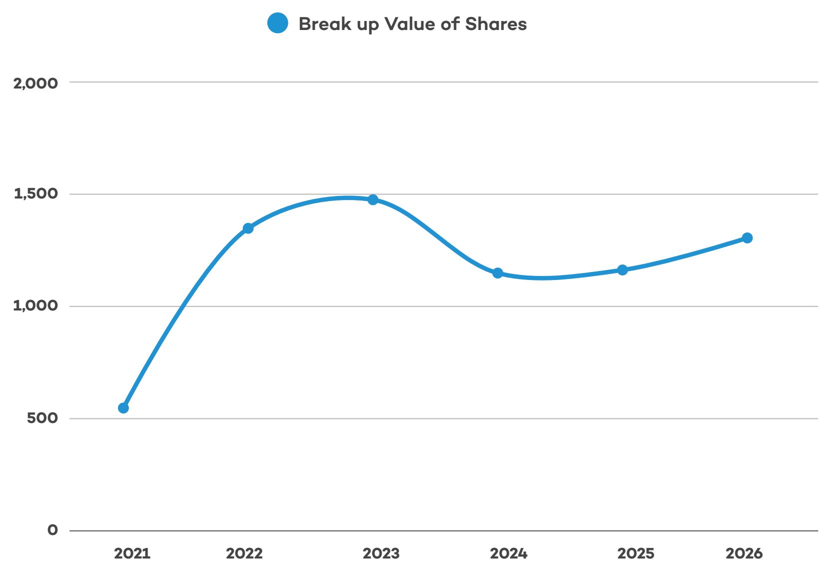
Turnover



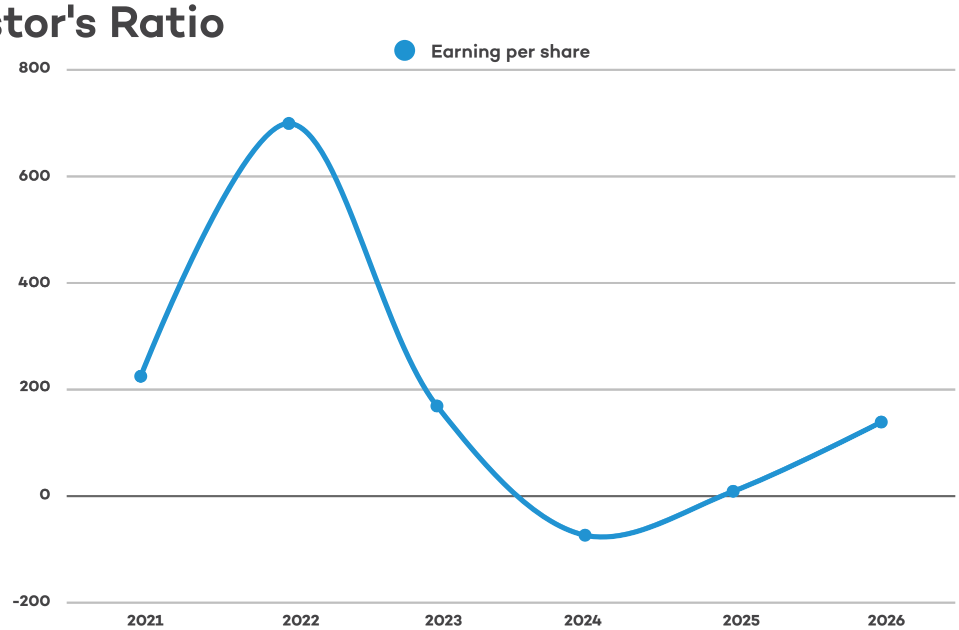
Return on Capital Employed



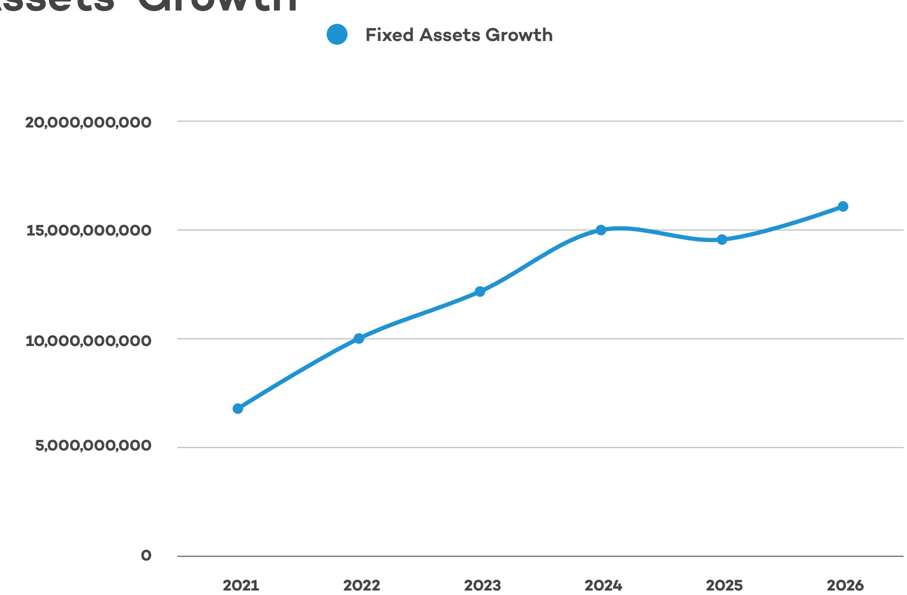
Break up Value of Shares



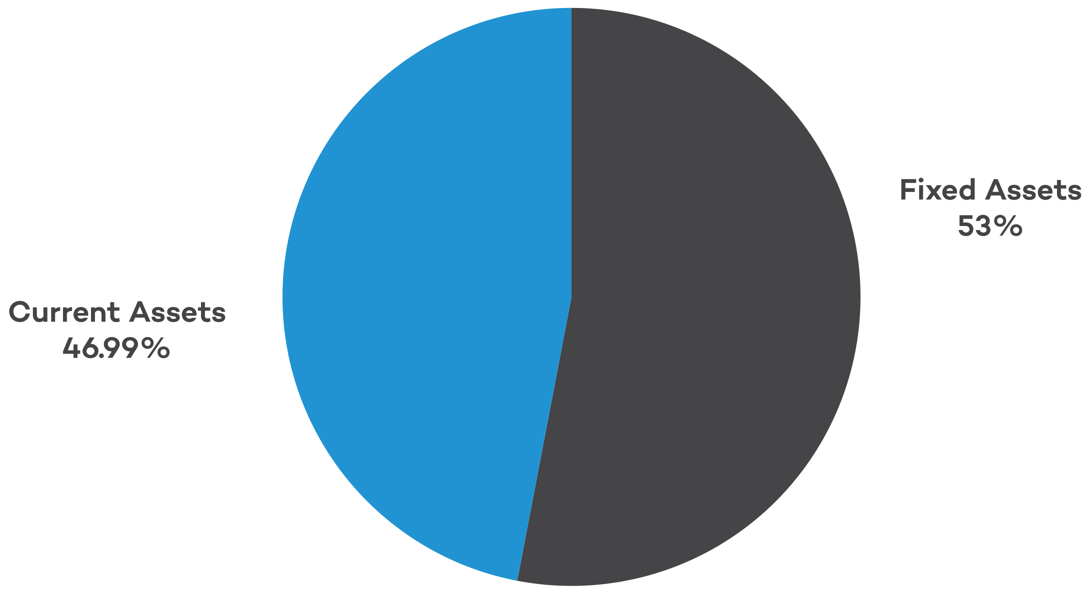
Investor's Ratio



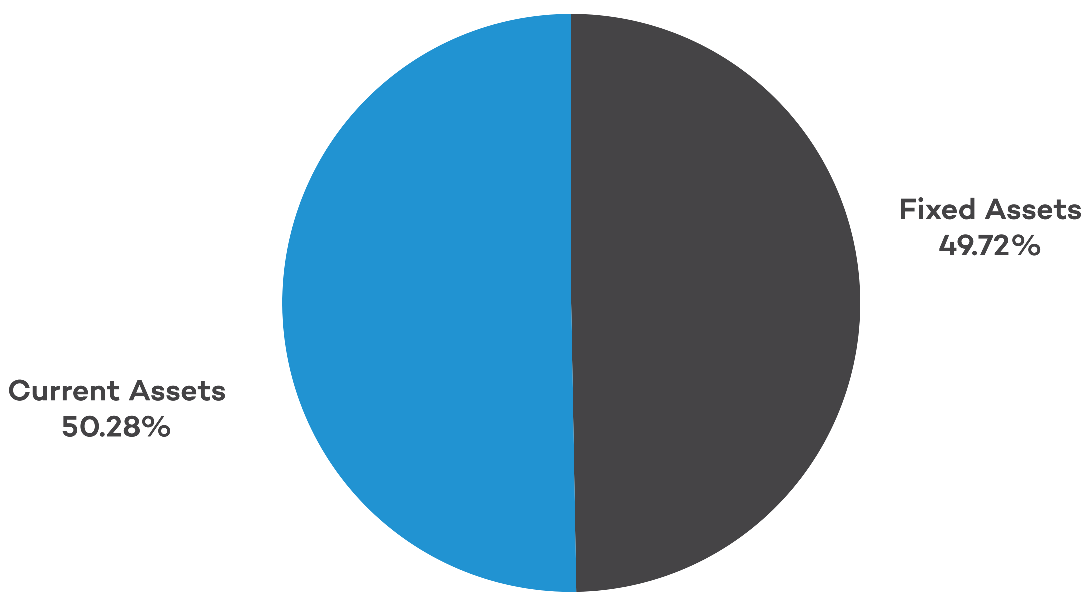
Fixed Assets' Growth



Assets



2026



2025

KEY FINANCIAL DATA

Six Year Overview

OPERATING DATA	2026 (RUPEES)	2025 (RUPEES)	2024 (RUPEES)	2023 (RUPEES)	2022 (RUPEES)	2021 (RUPEES)
Sales (net)	24,852,913,931	29,012,414,811	27,075,690,885	22,828,702,999	19,976,813,131	11,484,466,704
Cost of Goods sold	20,688,423,152	25,131,382,554	23,253,194,298	18,889,278,788	14,394,726,682	9,030,179,730
Gross profit	4,164,489,779	3,881,032,257	3,822,496,587	3,939,424,211	5,582,086,449	2,454,286,974
Operating profit	3,027,470,001	2,800,259,921	2,842,295,784	3,113,048,051	4,956,172,338	2,069,720,237
Financial charges and others	1,435,832,630	2,109,797,080	2,945,632,966	1,615,375,328	346,662,750	565,788,183
Profit/(Loss) before Taxation	1,591,637,371	690,462,841	(103,337,182)	1,497,672,723	4,609,509,588	1,503,932,054
Profit/(Loss) After Taxation	856,838,044	55,651,988	(452,130,304)	1,042,643,340	4,310,377,380	1,386,258,794

FINANCIAL DATA	2026 (RUPEES)	2025 (RUPEES)	2024 (RUPEES)	2023 (RUPEES)	2022 (RUPEES)	2021 (RUPEES)
Shareholders equity	8,044,379,510	7,164,033,353	7,079,707,881	9,093,090,668	8,308,047,637	3,372,572,329
Long Term Liabilities	7,297,305,305	6,327,153,557	7,286,238,600	5,903,407,449	4,743,782,747	4,309,884,273
Deferred liabilities	2,428,063,990	2,903,809,766	2,982,829,932	1,380,233,924	1,074,679,814	976,906,148
Current Liabilities	12,643,241,276	12,972,019,899	13,093,874,219	11,672,170,767	6,815,944,038	4,596,957,050
Total Liabilities	**30,412,990,081**	**29,367,016,575**	**30,442,650,632**	**28,048,902,808**	**20,942,454,236**	**13,256,319,800**
Fixed Assets	16,083,025,427	14,559,207,565	14,995,899,581	12,170,206,485	10,011,202,510	6,788,402,075
Intangible Assets	-	-	-	18,221,220	-	-
Long term advances & deposits	36,919,051	40,927,847	24,774,864	31,937,719	19,323,290	2,768,255
Current assets	14,293,045,603	14,766,881,163	15,421,976,187	15,828,537,384	10,911,928,436	6,465,149,470
Total Assets	**30,412,990,081**	**29,367,016,575**	**30,442,650,632**	**28,048,902,808**	**20,942,454,236**	**13,256,319,800**

FINANCIAL DATA

	2026	2025	2024	2023	2022	2021
Gross Profit	16.76%	13.37%	14.12%	17.26%	27.94%	21.37%
Operating margin	12.18%	9.65%	10.49%	13.64%	24.81%	18.02%
Net Profit / (Loss)	3.45%	0.19%	(1.66)	4.57%	21.58%	12.07%
Current Ratio	1.13	1.14	1.18	1.36	1.63	1.41
Earnings / (Loss) per share (Rupees)	139.03	9.03	(73.36)	169.18	699.40	224.93
Break up value of shares (Rupees)	1,305.27	1,162.43	1,148.74	1,475.43	1,348.05	547.23
Cash dividend %	150%	20%	-	250%	1000%	500%

OPERATIONAL STATISTICS

	2026	2025	2024	2023	2022	2021
Spindles Installed	88,552	88,552	93,471	91,455	91,782	85,538
Spindles worked	80,210	79,547	84,851	79,440	87,742	81,348
Production capacity 20/s in kgs	33,151,411	34,506,826	36,060,227	34,590,153	42,257,781	33,349,596
Actual Production Conversion 20/s kgs	29,554,174	30,890,978	33,565,980	30,537,955	39,968,903	31,432,443
No. of Knitting Machines operated	354	270	264	208	-	-
No of Kniiting Machines operated	354	270	264	208	-	-
Installed capacity of socks in Dozen	3,294,338	2,943,614	2,302,560	2,160,000	-	-
Actual production of socks in Dozen	2,913,836	2,586,707	1,863,088	719,221	-	-

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Rahman Sarfaraz Rahim Iqbal Rafiq
CHARTERED ACCOUNTANTS

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INDEPENDENT AUDITORS' REPORT

To the members of M/s. Premium Textile Mills Limited

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

We have reviewed the enclosed Statement of Compliance with the Listed Companies (Code of Corporate Governance) Regulations, 2019 ('the Regulations') prepared by the Board of Directors of **M/s. Premium textile Mills Limited** ('the Company') for the year ended **June 30, 2026** in accordance with the requirements of regulation 36 of the Regulations.

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

As a part of our audit of the financial statements, we are required to obtain an understanding of the accounting and internal control systems sufficient to plan the audit and develop an effective audit approach. We are not required to consider whether the Board of Directors' statement on internal control covers all risks and controls or to form an opinion on the effectiveness of such internal controls, the Company's corporate governance procedures and risks.

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

Based on our review, nothing has come to our attention which causes us to believe that the Statement of Compliance does not appropriately reflect the Company's compliance, in all material respects, with the requirements contained in the Regulations as applicable to the Company for the year ended **June 30, 2026.**

Cont'd... P/2

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Rahman Sarfaraz Rahim Iqbal Rafiq
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Further, we highlight below the instances of non-compliances (non-mandatory) made by the Company with certain requirements of the Code as stated in the respective paragraphs of the Statement of Compliance:

S.No	Nature of the Requirement	Paragraph No.	Description of the Non-Compliance
(1)	Explanation for non-compliance is required (Non-Mandatory)	9	As per Regulation no.19 of the Regulations, a listed company shall have ensured that its directors have acquired the prescribed certification under any director training program offered by institutions, local or foreign, that meet the criteria specified and approved by the commission. To date, all other directors have either successfully completed the Directors' Training Program or qualify for exemption, including Mr. Muhammad Yasin Siddik, Mr. Abdul Kadir Adam, Mr. Muhammad Aslam Parekh and Mr. Muhammad Sohail Tabba. The Non-Executive Director, Mr. Tanzeel Abdul Sattar, who serves as NIT's nominee on the Board, is expected to undertake the program during 2026–27.
(2)	Explanation for non-compliance is required (Non-Mandatory)	2	As per Regulation no. 06 of the Regulations, a listed company shall have at least two or one-third members of the Board, whichever is higher, as independent directors. Further, it requires a listed company to explain the reasons, in its Statement of Compliance, if any fraction contained in such one-third numbers is not rounded up as one. Since the total number of directors of the Company is 7, its one-third fraction comes to 2.33. In contrast, during the year ended June 30, 2026, the number of independent directors of the Company has been 2 (as stated in S. no. 2 of the Statement of Compliance). The Company is of the view that the two independent directors on the board had requisite competencies, skills knowledge and experience to discharge and execute their duties competently as per laws and regulations therefore the appointment of a third independent director is not considered.
(3)	Explanation for non-compliance is required (Non-Mandatory)	19	As per Regulation 10A(5), the Board may either establish a dedicated Sustainability Committee, with at least one female director, or assign sustainability-related responsibilities to an existing Board committee. As disclosed in paragraph 19 of the Statement of Compliance, the Company has not constituted a separate Sustainability Committee. Instead, the Board has assigned these responsibilities to the Human Resource and Remuneration (HR&R) Committee. This Committee includes a female director, oversees sustainability risks, ensures diversity, equity, and inclusion (DE&I) practices and monitors compliance with applicable laws and related matters.

Cont'd... P/3

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S.No	Nature of the Requirement	Paragraph No.	Description of the Non-Compliance
(4)	Explanation for non-compliance is required (Non-Mandatory)	19	As per the Regulation no. 29 of the Regulations, the Board may constitute a separate committee, designated as the Nomination Committee, of such number and class of directors, as it may deem appropriate in the circumstances. As disclosed in paragraph 19 of the Statement of Compliance, the Company has not constituted a separate Nomination Committee. Instead, the Board assumes all such responsibilities, as it comprises members with substantial expertise in the areas for which a Nomination Committee is required under Regulation 29(2).
(5)	Explanation for non-compliance is required (Non-Mandatory)	19	As per the Regulation no. 30 of the Regulations, the Board may constitute a separate committee, designated as the Risk Management Committee, of such number and class of directors, as it may deem appropriate in the circumstances. As stated in paragraph 19 of the Statement of Compliance, the Company has not set up a separate Risk Management Committee. The Board has assigned the responsibilities as stated in the Regulation to the Internal Audit function, which has been outsourced to BDO Ebrahim & Co., Chartered Accountants. As per the Regulation no. 30 of the Regulations, the Board may constitute a separate committee, designated as the Risk Management Committee, of such number and class of directors, as it may deem appropriate in the circumstances. As stated in paragraph 19 of the Statement of Compliance, the Company has not set up a separate Risk Management Committee. The Board has assigned the responsibilities as stated in the Regulation to the Internal Audit function, which has been outsourced to BDO Ebrahim & Co., Chartered Accountants.
(6)	Explanation for non-compliance is required (Non-Mandatory)	19	As per Regulation 31(6) of the Code, in case of outsourcing of the internal audit function, wholly or partially, the Company shall appoint or designate a full-time employee, other than the Chief Financial Officer, as Head of Internal Audit, holding equivalent qualification prescribed under these Regulations, to act as coordinator between the firm providing internal audit services and the Board. As disclosed in paragraph 19 of the Statement of Compliance, the position of Head of Internal Audit has remained vacant following the resignation of the previous officeholder from the said position on February 13, 2026. Due to this, the position remained vacant for the remainder of the current year. The Board, subsequent to the year end, has duly appointed the Head of Internal Audit in its first meeting.

Karachi.

Date: **September 07, 2026**
UDIN: **CR202610213sNLIQlERu**

Rahman

RAHMAN SARFARAZ RAHIM IQBAL RAFIQ
Chartered Accountants

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

FOR THE YEAR ENDED JUNE 30, 2026

M/s. **Premium textile Mills Limited** ('the Company') has complied with the requirements of the Listed Companies (Code of Corporate Governance) Regulations 2019, ('the Regulations) in the following manner:

1. The total number of directors are 7 as per the following:

Male	6
Female	1

2. The Composition of the Board is as follows:

Independent Directors	Mr. Muhammad Sohail Tabba Mr. Khizar Yusuf Sattar
Non-Executive Directors	Mr. Muhammad Aslam Parekh Mr. Tanzeel Abdul Sattar Ms. Lubna Asif Balagamwala
Executive Directors	Mr. Abdul Kadir Adam Mr. Muhammad Yasin Siddik

The Board comprised of minimum number of members which is seven (7) hence it fulfills the requirement of minimum two (2) independent directors and the fraction (0.33) for independent directors has not been rounded up as one. Further presently we have two independent directors, they have the requisite competencies, skills, knowledge, and experience to discharge and execute their duties competently per laws and regulations currently in place. Therefore, the appointment of the third independent director is not warranted.

3. The Directors have confirmed that none of them is serving as a director on more than seven (7) 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 significant policies along with their date of approval or updating is maintained by the Company;

6. All the powers of the Board have been duly exercised and decisions on relevant matters have been taken by the Board/shareholders as empowered by the relevant provisions of the Companies Act, 2017 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 the Companies Act, 2017 and Regulations with respect to frequency, recording and circulating minutes of meetings of the Board;

8. The Board has a formal policy and transparent procedures for remuneration of directors in accordance with the Companies Act, 2017 and these Regulations;

9. The Non- Executive Director, Mr.Tanzeel Abdul Satter who is a nominee of NIT on the Board plan to undergo Director's Training Program during 2026-27. Except for him, all the remaining directors have either completed the Director Training Program or have met the criteria for exemption that includes Mr. Mohammed Yasin Siddik, Mr. Abdul Kadir Adam, Mr. Muhammad Aslam Parekh and Mr. Muhammad Sohail Tabba.

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

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

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

Audit Committee	
Mr. Khizar Yusuf Sattar	Chairman
Ms. Lubna Asif Balagamwala	Member
Mr. Muhammad Sohail Tabba	Member
Human Resource and Remuneration Committee	
Mr. Khizar Yusuf Sattar	Chairman
Ms. Lubna Asif Balagamwala	Member
Mr. Muhammad Sohail Tabba	Member

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

14. The frequency of meetings of the committees were as per following:

i. Audit Committee	**Quarterly**
ii. Human Resource and Remuneration Committee	**Semi-annually**

15. The Board has outsourced the internal audit function to BDO Ebrahim & Co., who are suitably qualified and experienced for the purpose and are conversant with the policies and procedures of the Company. BDO Ebrahim & Co. are performing the internal audit function satisfactorily and effectively.

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 their partners of the firm involved in the audit are not close relative (spouse, parent, dependent and non-dependent children) of the Chief Executive Officer, Chief Financial Officer, Head of Internal Audit, Company Secretary or a 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 Companies Act 2017, 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 other requirements of the regulations 3, 6, 7, 8, 27, 32, 33 and 36 of the Regulations have been complied with; and

19. We confirm that all other requirements of the Regulation have been complied with except for the four non-mandatory regulations as mentioned below:

Committee	Reg No	Explanation
Nomination Committee:		
The Board may constitute a separate committee, designated as the nomination committee, of such number and class of directors, as it may deem appropriate in its circumstances.	**29 (1)**	The Board effectively discharges all the responsibilities of Nomination Committee as recommended by the Code. The Board effectively discharges all the responsibilities of the Nomination Committee as recommended by the Code. The Board considers and appoints directors and members to its various committees, including the chairmanship thereof, as and when deemed necessary, with such appointments minuted as a specific agenda item in the Board's meetings. The Board also keeps the structure, size and composition of the Board under regular review and makes changes thereto as and when required.
Risk Management Committee:		
The Board may constitute the risk management committee, of such number and class of directors, as it may deem appropriate in its circumstances, to carry out a review of effectiveness of risk management procedures and present a report to the Board.	**30 (1)**	The Board is looking after the responsibilities as stated in the Regulation through Internal Audit function, which has been outsourced to BDO Ebrahim & Co., Chartered Accountants. Internal Audit undertakes monitoring and review of all material controls (financial, operational, compliance) and assesses whether risk mitigation measures are robust. The Internal Audit reports issued in this regard also cover risk management related matters, which are placed before the Audit Committee and then to the Board for review.
Sustainability Committee:		
In order to effectively discharge its sustainability related duties, the board may establish a dedicated sustainability committee having at least one female director, or assign additional responsibilities to an existing board committee.	**10A (5)**	The Board has assigned these responsibilities to the Human Resource and Remuneration Committee. This committee, which includes a female director, oversees sustainability risks, ensures DE&I practices, and monitors compliance with relevant laws and related matters.
Others	**Reg No**	**Explanation**
Head of Internal Audit:		
The Board shall ensure that in case of outsourcing of the internal audit function, wholly or partially, to a professional services firm, the company shall appoint or designate a full-time employee, other than the Chief Financial Officer, as Head of Internal Audit, holding equivalent qualification prescribed under these Regulations, to act as coordinator between the firm providing internal audit services and the Board.	**31(6)**	The Head of Internal Audit, who is responsible under Regulation 31(6) to act as coordinator between the firm providing internal audit services and the Board, resigned during the year. The Board has filled the said vacancy subsequent to the year end in its Board meeting.

On behalf of the Board of Directors

Mr. Abdul Kadir Adam
Chief Executive

Mr. Yasin Siddik
Executive Director

Karachi: September 7, 2026

“FINANCIAL REPORT”

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INDEPENDENT AUDITORS' REPORT

To the members of M/s. Premium Textile Mills Limited

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

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

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

Cont'd... P/2

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Rahman Sarfaraz Rahim Iqbal Rafiq
CHARTERED ACCOUNTANTS

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Following are the key audit matters:

S.No	Key audit matter	How the matter was addressed in our audit
(1)	**Recognition of Sindh Development and Maintenance of Infrastructure Cess (SIDC)** Refer notes 16.3, 20.2.1 and 39 to the accompanying financial statements. The Company remained engaged in long-standing litigation regarding the levy of Sindh Development and Maintenance of Infrastructure Cess. During the year, pursuant to the Sindh Development and Maintenance of Infrastructure Cess (Amendment) Act, 2026, the Company entered into a settlement agreement with the Government of Sindh dated April 23, 2026, admitting and settling its total liability at Rs. 734.481 million, payable in 51 instalments upto April 15, 2040. Based on this settlement, management concluded that the liability met the recognition criteria under IAS 37 in the current and respective prior years, and restated the financial statements in accordance with IAS 8. Further, the liability has been recorded and disclosed at its present value during the year in accordance with IFRS 9. We identified this as a key audit matter because of the significant management judgment involved in determining the appropriate accounting treatment and timing of recognition of the provision, including whether the liability met the recognition criteria under IAS 37 for current and prior periods and the consequent restatement under IAS 8, as well as the estimation uncertainty associated with the discount rate used to measure the liability at present value. The matter is also significant due to the materiality of the amounts involved and their impact on both current and prior period financial statements.	Our audit procedures included, but were not limited to, the following: • Obtained and read the settlement agreement dated April 23, 2026 and the Sindh Development and Maintenance of Infrastructure Cess (Amendment) Act, 2026 to understand the terms of settlement and their implications for accounting and disclosure; • Discussed the matter with those charged with governance to understand management's basis for concluding that recognition criteria under IAS 37 were met in the respective current and prior years, and evaluated whether this conclusion, and the consequential restatement under IAS 8, was appropriate in the circumstances; • Assessed whether the liability had been appropriately measured, including recomputing the provision recognized during the year and verifying the mathematical accuracy of the discounting and unwinding of component of interest; • Evaluated the reasonableness of the discount rate applied by management in determining the present value of the liability; • Verified the payment made during the year against bank statements and other supporting documentation, and traced the classification of the liability between current and non-current portions to the terms of the settlement agreement and; • Assessed the appropriateness and adequacy of related disclosures, including the restatement disclosure in note 39, in accordance with the requirements of IAS 8 and other applicable accounting and reporting standards as applicable in Pakistan.

Cont'd... P/3

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Rahman Sarfaraz Rahim Iqbal Rafiq
CHARTERED ACCOUNTANTS

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S.No	Key audit matter	How the matter was addressed in our audit
(1)	**Change in accounting policy relating to Levies and Taxation** Refer notes **3.15** and **39** to the accompanying financial statements. In the prior year, the Company adopted Approach (a) of the ICAP Accounting Standards Board's guidance on IAS 12 and no deferred tax was required to be recognized at the standard corporate tax rate on temporary differences, on the basis that its tax liability was expected to continue to be determined under minimum tax provisions. During the year, management reassessed this position and concluded that the Company's tax liability was expected to be subject to the standard corporate tax rate, and accordingly changed its accounting policy to apply Approach (b), recognizing deferred tax on temporary differences at the effective tax rate. The change has been applied retrospectively under IAS 8, resulting in an increase in deferred tax liability by Rs. 1,176.927 million as at June 30, 2024, recognized in opening retained earnings, and a corresponding restatement of the deferred tax liability and related charges for the year ended June 30, 2025. We identified this as a key audit matter because of the significant management judgment involved in reassessing the assumptions underlying the Company's future tax position and in determining whether Approach (b) provided more relevant and reliable information than the policy adopted in the prior year, as well as the materiality of the resulting retrospective adjustment and its pervasive impact on the current and comparative financial statements.	Our audit procedures included, but were not limited to, the following: • Obtained an understanding of management's reassessment and the basis for concluding that Approach (b) of the ICAP guidance was more appropriate than the approach (a) policy adopted in the prior year, and evaluated the reasonableness of the underlying assumptions regarding the Company's expected future tax position; • Discussed the matter with those charged with governance to understand management's reassessment and the rationale for the change in accounting policy; • Recomputed the deferred tax liability calculated and recognized on temporary differences at the effective tax rate as at June 30, 2024 and June 30, 2025, and traced the underlying temporary differences to the Company's financial records and tax computations; • Verified the resulting adjustments to opening retained earnings, the statement of profit or loss and the statement of comprehensive income for consistency with the restated deferred tax liability and; • Assessed the appropriateness and adequacy of related disclosures, including the restatement disclosure in note 39, in accordance with the requirements of IAS 8 and other applicable accounting and reporting standards as applicable in Pakistan.

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Information Other than the Financial Statements and Auditors' Report Thereon

Management is responsible for the other information. The other information comprises the information included in the Company's annual report but does not include the financial statements of the Company and our auditor's report thereon.

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

Information Other than the Financial Statements and Auditors' Report Thereon (continued)

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

Responsibilities of Management and Board of Directors for the Financial Statements

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

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

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

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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 auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs as applicable in Pakistan will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

Auditors' Responsibilities for the Audit of the Financial Statements (continued)

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

From the matters communicated with the Board of Directors, we determine those matters that were of most significance in the audit of the financial statements of the current period, and are therefore, the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

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REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

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

- Proper books of account have been kept by the Company as required by the Companies Act, 2017 (XIX of 2017);
- The statement of financial position, the statement of profit or loss, the statement of comprehensive income, the statement of changes in equity and the statement of cash flows together with the notes thereon have been drawn up in conformity with the Companies Act, 2017 (XIX of 2017) and are in agreement with the books of account and returns;
- Investments made, expenditure incurred and guarantees extended during the year were for the purpose of the Company's business; and
- Zakat deductible at source under the Zakat and Ushr Ordinance, 1980 (XVIII of 1980), was deducted by the Company and deposited in the Central Zakat Fund established under section 7 of that Ordinance.

The engagement partner on the audit resulting in this independent auditors' report is **Mr. Muhammad Waseem.**

Rahman

RAHMAN SARFARAZ RAHIM IQBAL RAFIQ
Chartered Accountants

Karachi.

Date: **September 07, 2026**
UDIN: **AR202610213wWFDYVesC**

Premium Textile Mills Limited

Statement of Financial Position
As at June 30, 2026

	Note	2026	(Restated) 2025	(Restated) 2024
		Rupees		
ASSETS				
Non- current assets				
Property, plant and equipment	4	**16,083,025,427**	14,559,207,565	14,995,899,581
Long term loan, advances and deposits	5	**36,919,051**	40,927,847	24,774,864
		16,119,944,478	14,600,135,412	15,020,674,445
Current assets				
Stores and spares	6	**545,652,939**	759,667,410	756,085,951
Stock in trade	7	**5,971,617,528**	6,375,813,009	6,419,117,631
Trade debts - net	8	**7,103,235,379**	6,722,387,168	7,275,865,808
Short term investments	9	**9,453,333**	-	-
Tax refunds due from Government	10	**307,821,414**	549,297,400	266,351,733
Loan, advances, deposits, prepayments and other receivables	11	**237,180,652**	169,693,278	240,966,179
Cash and bank balances	12	**118,084,358**	190,022,898	463,588,885
		14,293,045,603	14,766,881,163	15,421,976,187
Total assets		**30,412,990,081**	29,367,016,575	30,442,650,632
EQUITY AND LIABILITIES				
Share capital and reserves				
Authorized capital				
7,000,000 (June 30, 2025: 7,000,000) ordinary shares of Rs. 10/- each		**70,000,000**	70,000,000	70,000,000
Issued, subscribed and paid-up capital	13	**61,630,000**	61,630,000	61,630,000
Capital reserve				
Surplus on revaluation of plant and electrical instruments - net of deferred tax	14	**830,977,885**	926,387,771	1,030,764,869
Revenue reserve				
Unappropriated profits		**7,151,771,625**	6,176,015,582	5,987,313,012
Total equity		**8,044,379,510**	7,164,033,353	7,079,707,881
LIABILITIES				
Non-current liabilities				
Long term financing - secured	15	**7,297,305,305**	6,327,153,557	7,286,238,600
Deferred liabilities	16	**2,428,063,990**	2,903,809,766	2,982,829,932
		9,725,369,295	9,230,963,323	10,269,068,532
Current liabilities				
Trade and other payables	17	**1,656,333,588**	1,815,845,666	2,259,553,858
Accrued markup	18	**332,548,130**	273,027,631	512,826,194
Short term borrowings - secured	19	**8,546,227,102**	9,051,289,516	9,079,025,121
Unclaimed dividend		**10,508,613**	10,443,087	10,448,093
Current maturity of government grant		**158,015,461**	198,022,091	192,068,879
Current portion of Sindh Infrastructure Development Cess	16	**110,167,612**	110,167,612	-
Gas Infrastructure Development Cess	16	**441,263,904**	211,438,954	101,122,978
Current maturity of long term financing	15	**1,388,176,866**	1,301,785,342	938,829,096
		12,643,241,276	12,972,019,899	13,093,874,219
Contingencies and commitments	20			
Total equity and liabilities		**30,412,990,081**	29,367,016,575	30,442,650,632

The annexed notes from 1 to 40 form an integral part of these financial statements.

Chief Executive Officer	Director	Chief Financial Officer

Premium Textile Mills Limited

Statement of Profit or Loss

For the year ended June 30, 2026

	Note	2026	(Restated) 2025
		Rupees	
Sales - net	21	**24,852,912,931**	29,012,414,811
Cost of sales	22	**(20,688,423,152)**	(25,131,382,554)
Gross profit		**4,164,489,779**	3,881,032,257
Administrative expenses	23	**(682,096,978)**	(618,295,689)
Distribution costs	24	**(454,922,800)**	(462,476,647)
		(1,137,019,778)	(1,080,772,336)
Operating profit		**3,027,470,001**	2,800,259,921
Finance costs	25	**(1,805,734,324)**	(2,436,826,193)
Other income	26	**542,386,690**	354,281,146
Other expenses	27	**(172,484,996)**	(27,252,033)
		(1,435,832,630)	(2,109,797,080)
Profit before levies and taxation		**1,591,637,371**	690,462,841
Levies	28	**(234,994,444)**	(415,507,503)
Profit before taxation		**1,356,642,927**	274,955,338
Taxation - net	29	**(499,804,883)**	(219,303,350)
Profit after taxation		**856,838,044**	55,651,988
Earnings per share - basic and diluted	30	**139.03**	9.03

The annexed notes from 1 to 40 form an integral part of these financial statements.

Chief Executive Officer

Director

Chief Financial Officer

Premium Textile Mills Limited

Statement of Comprehensive Income

For the year ended June 30, 2026

	Note	2026	(Restated) 2025
		Rupees	
Profit after taxation		**856,838,044**	55,651,988
Other comprehensive income			
Items that will not be reclassified subsequently to statement of profit or loss			
Gain on remeasurement of the defined benefit obligation	*16.2.3*	**56,879,544**	47,005,712
Deferred tax charge on above		**(21,045,431)**	(18,332,228)
		35,834,113	28,673,484
Total comprehensive income for the year		**892,672,157**	84,325,472

The annexed notes from 1 to 40 form an integral part of these financial statements.

Chief Executive Officer

Director

Chief Financial Officer

Premium Textile Mills Limited

Statement of Changes in Equity
For the year ended June 30, 2026

	Issued, subscribed and paid up capital	Revenue reserve: Unappropriated profits	Capital reserve: Surplus on revaluation of plant and electrical instruments - net of deferred tax	Total
	Rupees			
Balance as at June 30, 2024 (as previously reported)	61,630,000	7,422,728,578	1,030,764,869	8,515,123,447
Effect of correction of prior period errors (refer note 39)		(1,435,415,566)		
Balance as at June 30, 2024 (as restated)	61,630,000	5,987,313,012	1,030,764,869	8,515,123,447
Total comprehensive loss for the year ended June 30, 2025				
- Profit after taxation (restated)	-	55,651,988	-	55,651,988
- Other comprehensive income (restated)	-	28,673,484	-	28,673,484
	-	84,325,472	-	84,325,472
Transfer to unappropriated profit on account of incremental depreciation - net of deferred tax	-	103,065,006	(103,065,006)	-
Revaluation surplus realized on disposal of fixed assets - net of deferred tax	-	1,312,092	(1,312,092)	-
Balance as at June 30, 2025 (restated)	**61,630,000**	**6,176,015,582**	**926,387,771**	**8,599,448,919**
Total comprehensive income for the year ended June 30, 2025				
- Profit after taxation	-	**856,838,044**	-	**856,838,044**
- Other comprehensive income	-	**35,834,113**	-	**35,834,113**
	-	**892,672,157**	-	**892,672,157**
Transfer to unappropriated profit on account of incremental depreciation - net of deferred tax	-	**92,330,877**	**(92,330,877)**	-
Revaluation surplus realized on disposal of fixed assets - net of deferred tax	-	**3,079,009**	**(3,079,009)**	-
Transaction with owners				
Final cash dividend paid @ 20% for the year ended June 30, 2025	-	**(12,326,000)**	-	**(12,326,000)**
Balance as at June 30, 2026	**61,630,000**	**7,151,771,625**	**830,977,885**	**9,479,795,076**

The annexed notes from 1 to 40 form an integral part of these financial statements.

Chief Executive Officer | Director | Chief Financial Officer

Premium Textile Mills Limited

Statement of Cash Flows

For the year ended June 30, 2026

CASH FLOWS FROM OPERATING ACTIVITIES	Note	2026	(Restated) 2025
		Rupees	
Profit / (loss) before levies and taxation		**1,591,637,371**	690,462,841
Adjustments for non cash and other items:			
- Depreciation	*4.1*	**1,495,416,461**	1,498,613,192
- Provision for staff retirement benefits	*16.2*	**173,794,449**	191,766,800
- Finance costs	*25*	**1,805,734,324**	2,436,826,193
- Loss / (gain) on disposal of property, plant and equipment	*26*	**7,971,613**	(31,496,008)
- Amortization of deferred government grant	*26*	**(180,359,685)**	(190,532,720)
- Unrealized exchange loss / (gain) on export debtors	*26 & 27*	**7,450,855**	(1,377,835)
- Provision for slow-moving stores	*27*	**14,753,335**	2,003,226
- Provision for expected credit loss	*27*	**134,659,193**	12,009,463
- Effect of discounting of financial liability	*26*	**(261,776,871)**	-
- Unrealized exchange (gain) / loss on foreign currency bank balances	*26*	**(2,068,973)**	(226,265)
		3,195,574,701	3,917,586,046
Cash generated from operating activities before working capital changes		**4,787,212,072**	4,608,048,887
Changes in working capital			
(Increase) / decrease in current assets			
- Stores and spares		**199,261,136**	(5,584,685)
- Stock in trade		**404,195,481**	43,304,622
- Trade debts		**(522,958,259)**	542,847,012
- Advances, deposits and other receivables		**(71,089,193)**	65,272,901
- Input sales tax credit carried forward/ (payable)		**338,641,666**	(267,859,102)
Increase / (decrease) in current liabilities			
- Trade and other payables		**(194,056,383)**	(380,102,190)
		153,994,448	(2,121,442)
Cash generated from operations		**4,941,206,520**	4,605,927,445
- Taxes deducted at source	*10.1*	**(619,622,731)**	(516,625,377)
- Income tax refund received	*10.1*	**-**	48,226,324
- Staff retirement benefits paid	*16.2.1*	**(76,983,406)**	(84,776,113)
- Payment of Workers' Profit Participation Fund	*17.1*	**(36,438,466)**	-
- Payment of Workers' Welfare Fund	*17.2*	**(17,799,426)**	(32,486,858)
- Long term advances and deposits - net		**4,008,796**	5,000
- Finance cost paid		**(1,490,469,226)**	(2,433,495,543)
Net cash generated from operating activities		**2,703,902,061**	1,586,774,878
CASH FLOWS FROM INVESTING ACTIVITIES			
- Acquisition of property, plant and equipment		**(3,045,708,791)**	(1,070,132,107)
- Investment in TDRs		**(9,453,333)**	-
- Loan to vendor		**6,060,752**	(15,734,228)
- Proceeds from disposal of property, plant and equipment		**18,502,853**	45,283,184
Net cash used in investing activities		**(3,030,598,519)**	(1,040,583,151)
CASH FLOWS FROM FINANCING ACTIVITIES			
- Repayment of Long term financing (principal portion)		**(1,555,228,532)**	(1,103,176,568)
- Sindh infrastructure development cess		**(110,167,612)**	-
- Long term financing obtained		**2,435,407,977**	310,933,200
- Short term borrowings - net		**(1,040,787,313)**	1,663,158,134
- Dividend paid		**(12,260,474)**	(5,006)
Net cash (used in) / generated from financing activities		**(283,035,954)**	870,909,760
Net (decrease) / increase in cash and cash equivalents		**(609,732,412)**	1,417,101,487
Cash and cash equivalents at the beginning of the year		**(1,945,052,993)**	(3,362,380,745)
Net foreign exchange difference on bank balance		**2,068,973**	226,265
Cash and cash equivalents at the end of the period	*31*	**(2,552,716,432)**	(1,945,052,993)

The annexed notes from 1 to 40 form an integral part of these financial statements.

Chief Executive Officer | Director | Chief Financial Officer

Notes to the Financial Statements
For the year ended June 30, 2026

1. STATUS AND NATURE OF BUSINESS

1.1 Premium Textile Mills Limited ('the Company') was incorporated in Pakistan on March 03, 1987 as a public limited company under the Companies Ordinance, 1984 (now repealed with the enactment of Companies Act, 2017 on May 30, 2017) and is listed on Pakistan Stock Exchange Limited. The principal activity of the Company is manufacturing and sale of socks, cotton and polyester yarn.

1.2 The geographical location of Company's offices are as follows:

- The Registered office of the Company is located at 1st Floor , Haji Adam Chambers, Altaf Hussain Road, New Challi, Karachi.

- The Company's manufacturing and renewable energy facilities are located at plots no 22, 23, 59, 60, 61, 76, 77, 78, 7 140, 141/1, 142, 143/1, 155/1, 156/1, 157, 158/1, 159/1, 223/1, 224/1, 225/1, 226, 226/2, 227/1, 227/2, 228/1, 229/1, 239/1, 240/1, 241, 242/1/, 243, 244, 245, 246/1, 308/1, 309/1, 310/1, 311/1, 312/1, 313/1, 314/1, 315/1 comprising 107.575 acres, and survey nos. 25/2, 26/2, 27/1, 56/1, 57, 58/2, 78/2, 79, 81/1, 138/1, 139/1 and 140/2, comprising 23.175 acres, and situated at M-9 Motorway (Super Highway) Deh Kalo Kohar, Tappo Kalo Kohar, Taluka Thano Bola Khan, District Jamshoro.

1.3 During the year, the Company incorporated a wholly owned subsidiary, Innovative Textiles F.Z.E., in the Free Zones Authority of Ajman, United Arab Emirates. The subsidiary was issued a Commercial License on March 10, 2026 to carry out trading and wholesale activities in textiles, ready-made garments and raw materials, among others. The subsidiary has an authorised share capital of AED 100,000, divided into 100 shares of AED 1,000 each.

As at the reporting date, the required share capital had not been injected as the opening of its bank account remained in process due to prevailing travel restrictions arising from the ongoing geopolitical situation. The subsidiary had also not commenced its business operations and, accordingly, no transactions had occurred up to June 30, 2026. Subsequent to year end, the Securities and Exchange Commission of Pakistan, vide its letter No. SMD/PRDD/Comp/(163)/2026/22 dated July 14, 2026, granted the Company an exemption under section 228 of the Companies Act, 2017 from the preparation and submission of consolidated financial statements in respect of the subsidiary for the year ended June 30, 2026. Accordingly, no financial statements or financial highlights of the subsidiary were available or disclosed for the year ended June 30, 2026.

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. Accounting and reporting standards applicable in Pakistan comprise of:

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

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

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

2.2 Basis of measurement

In these financial statements, all items have been measured at their historical cost, except for plant and machinery and electrical instruments and installations which are carried at revalued amounts less accumulated depreciation and impairment losses thereon if any.

2.3 Functional and presentation currency

Items included in these financial statements are measured using the currency of the primary economic environment in which the Company operates. These financial statements are presented in Pak Rupees which is the Company's functional and presentation currency.

2.4 Judgments and sources of estimation uncertainty

In preparing these financial statements, management has made judgements and estimates that affect the application of the Company's accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognized prospectively.

(a) Judgements

Judgements made in applying accounting policies that have the most significant effects on the amounts recognized in these financial statements are as follows:

		Note
-	*Useful lives, residual values and depreciation method of property, plant and equipment*	3.1
-	*Provision for expected credit losses*	3.6.3
-	*Obligation of defined benefit obligation*	3.10

(b) Assumptions and other major sources of estimation uncertainty

Assumptions and estimation uncertainties at the reporting date that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities in the next financial year is included are as follows:

Area of estimation uncertainty	Brief description of the assumption or the source of estimation uncertainty
Property, plant and equipment	Estimation of useful lives and residual values of the operating fixed assets
Inventories	Estimation of the net realizable value of stores and spares inventory and recognition of the provision for slow-moving items

2.5 New accounting pronouncements

2.5.1 *Amendments to existing standards that became effective during the year*

There are certain amendments and interpretations to the accounting and reporting standards which are mandatory for the Company's annual accounting period which began on 1 July 2025. However, these do not have any significant impact on the Company's financial statements except as disclosed in note 3 to these financial statements

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

		Effective date (annual reporting periods beginning on or after)
IAS 7	Statement of Cash Flows (Amendments)	January 1, 2026
IAS 21	The effects of changes in foreign exchange rates (Amendments)	January 1, 2027
IAS 28	Investments in Associates and Joint Ventures (Amendments)	January 1, 2027
IFRS 7	Financial Instruments: Disclosures (Amendments)	January 1, 2026
IFRS 9	Financial Instruments (Amendments)	January 1, 2026
IFRS 10	Consolidated Financial Statements (Amendments)	January 1, 2026
IFRS 17	Insurance Contracts (Amendments)	January 1, 2027
IFRS 18	Presentation and Disclosure in Financial Statements	January 1, 2027
IFRS 19	Subsidiaries without Public Accountability: Disclosures	January 1, 2027

The management anticipates that, the adoption of the above standards, amendments and interpretations in future periods, will have no material impact on the unconsolidated financial statements other than in presentation / disclosures.

Other than the aforesaid standards, interpretations and amendments, International Accounting Standards Board (IASB) has also issued the following standards and interpretation, which have not been notified locally or declared exempt by the Securities and Exchange Commission of Pakistan (SECP) as at June 30, 2026;

- IFRS 1 First-time Adoption of International Financial Reporting Standards
- IFRS 20 Regulatory Assets and Regulatory Liabilities
- IFRIC 12 Service Concession Arrangement

3. SUMMARY OF MATERIAL ACCOUNTING POLICIES

The material accounting policies adopted in the preparation of these financial statements are set out below. These policies have been applied consistently to all periods presented.

3.1 Property, plant and equipment

Operating fixed assets

These are stated at cost less accumulated depreciation and impairment loss, if any, except for plant and machinery and electrical instruments and installations which are stated at revalued amounts less accumulated depreciation and impairment loss, if any.

Subsequent costs are included in the carrying amount as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognized on retirement from active use. All other repairs and maintenance are charged to the statement of profit or loss during the year in which they are incurred.

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. in each of derecognition of the revalued property, the attributable revaluation surplus remaining in the surplus on revaluation is transferred directly to the unappropriated profit. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit or loss in the year in which the asset is derecognized.in case of derecognition of the revalued property, the attributable surplus remaining in the surplus on revaluation is transferred directly to the unappropriated profit.

Depreciation on all property, plant and equipment is charged using reducing balance method in accordance with the rates specified in note 4.1 to these financial statements. The residual values, useful lives and depreciation methods are reviewed and adjusted, if appropriate, at each reporting date. Depreciation on additions is charged from the date when the assets become available for use till the date of disposal.

Any revaluation increase arising on the revaluation of plant and machinery and electrical instruments and installations is recognized in other comprehensive income and presented as a separate component of equity as “Surplus on revaluation of plant and equipment”, except to the extent that it reverses a revaluation decrease for the same asset previously recognized in profit or loss, in which case the increase is credited to profit or loss to the extent of the decrease previously charged. Any decrease in carrying amount arising on the revaluation is charged to profit or loss to the extent that it exceeds the balance, if any, held in the surplus on revaluation relating to a previous revaluation of that asset. The revaluation reserve is not available for distribution to the Company’s shareholders. The surplus on revaluation to the extent of incremental depreciation charged is transferred to unappropriated profit.

The useful lives, residual values and depreciation method are reviewed on a regular basis. The effect of any changes in estimate is accounted for on a prospective basis. Further, the key assumptions used to determine the fair value of property, plant and equipment are provided in note 4.

Gains / losses on disposal of property, plant and equipment are charged to the statement of profit or loss.

An asset’s carrying amount is written down immediately to its recoverable amount if the asset’s carrying amount is greater than its estimated recoverable amount.

Capital work - in - progress

Capital work - in - progress is stated at cost less accumulated impairment losses, if any. All expenditures connected to the specific assets incurred during installation and construction period are carried under capital work - in - progress. These are transferred to operating assets as and when the assets are available for use.

3.2 Stores and spares

These are valued under the moving average cost method (less impairment loss, if any) other than stores and spares in transit which are valued at cost comprising invoice value plus other charges paid thereon less impairment loss if any.

Provisions are made in the financial statements for obsolete and slow moving inventory based on management's best estimate regarding their future usability.

3.3 Stock-in-trade

Basis of valuation

All items of stock-in-trade are valued at the lower of cost and their net realizable value as of the reporting date.

Determination of cost

The cost of inventories comprise all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition.

The costs of **purchase** of inventories comprise the purchase price, import duties and other taxes (other than those subsequently recoverable by the entity from the taxing authorities), and transport, handling and other costs directly attributable to the acquisition of finished goods, materials and services. Trade discounts and other similar items are deducted in determining the costs of purchase.

The **costs of conversion** of inventories include costs directly related to the quantity of production, such as direct labour. They also include a systematic allocation of fixed and variable production overheads that are incurred in converting materials into finished goods. The allocation of fixed production overheads to the costs of conversion is based on the normal operating capacity of the production facilities (ounce per spindle method).

The cost of the items consumed or sold and those held in stock at the reporting date is determined as follows:

Item of stock in trade	Method of valuation
Raw materials-In hand	Weighted average cost
Raw materials-In transit	At directly attributable cost
Packing material	Weighted average cost
Waste material	At net realizable value
Work-in-process and finsihed goods	At average cost comprising direct cost of raw material, labour and other manufacturing overheads.

Determination of net realizable value

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale. The cost of inventories may not be recoverable if those inventories are damaged, if they have become wholly or partially obsolete, or if their selling prices have declined. The cost of inventories may also not be recoverable if the estimated costs of completion or the estimated costs to be incurred to make the sale have increased.

Raw materials and other supplies held for use in the production of inventories are not written down below cost if the finished product in which they will be incorporated are expected to be sold at or above cost. However, when a decline in the price of materials indicates that the cost of the finished product exceeds net realisable value, the materials are written down to net realisable value. In such circumstances, the replacement cost of the materials is used as the measure of their net realisable value.

3.4 Trade debts

These are carried at their transaction price less any allowance for lifetime expected credit losses. A receivable is recognized when the goods are delivered to customers as this is the point in time that the consideration is unconditional because only the passage of time is required before the payment is due.

3.5 Cash and cash equivalents

Cash and cash equivalents are carried at cost. For the purpose of the statement of cash flows, cash and cash equivalents comprise cash in hand, bank balances and short term borrowings from banks which are repayable on demand and form an integral part of the Company's cash management.

3.6 Financial assets

3.6.1 *Initial recognition, classification and measurement*

The Company recognizes a financial asset when and only when it becomes a party to the contractual provisions of the instrument evidencing investment. The Company classifies its financial assets into either of following three categories:

(a) financial assets measured at amortized cost;
(b) fair value through other comprehensive income (FVOCI); and
(c) fair value through profit or loss (FVTPL).

(a) Financial assets measured at amortized cost

A financial asset is measured at amortized cost if it is held within business model whose objective is to hold assets to collect contractual cash flows, and its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on principal amount outstanding.

Such financial assets are initially measured at fair value plus transaction costs that are directly attributable to the acquisition or issue thereof.

(b) Financial assets at FVOCI

A financial asset is classified as at fair value through other comprehensive income when it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Such financial assets are initially measured at fair value plus transaction costs that are directly attributable to the acquisition or issue thereof.

(c) Financial assets at FVTPL

A financial asset shall be measured at fair value through profit or loss unless it is measured at amortized cost or at fair value through other comprehensive income, as aforesaid. However, for an investment in equity instrument which is not held for trading, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value of the investment

Such financial assets are initially measured at fair value.

3.6.2 *Subsequent measurement*

(a) Financial assets measured at amortized cost

These assets are subsequently measured at amortized cost (determined using the effective interest method) less accumulated impairment losses.

Interest / markup income, foreign exchange gains and losses and impairment losses arising from such financial assets are recognized in profit or loss.

(b) *Financial assets at FVOCI*

These are subsequently measured at fair value less accumulated impairment losses.

A gain or loss on a financial asset measured at fair value through other comprehensive income in accordance is recognized in other comprehensive income, except for impairment gains or losses and foreign exchange gains and losses, until the financial asset is derecognized or reclassified. When the financial asset is derecognized the cumulative gain or loss previously recognized in other comprehensive income is reclassified from equity to profit or loss as a reclassification adjustment. Interest is calculated using the effective interest method and is recognized in profit or loss.

(c) *Financial assets at FVTPL*

These assets are subsequently measured at fair value.

Net gains or losses arising from remeasurement of such financial assets as well as any interest income accruing thereon are recognized in the statement of profit or loss. However, for an investment in equity instrument which is not held for trading and for which the Company has made an irrevocable election to present in other comprehensive income subsequent changes in the fair value of the investment, such gains or losses are recognized in other comprehensive income. Further, when such investment is disposed off, the cumulative gain or loss previously recognized in other comprehensive income is not reclassified from equity to profit or loss.

3.6.3 ***Impairment***

The Company recognises a loss allowance for expected credit losses in respect of financial assets measured at amortized cost.

For trade receivables, the Company applies the IFRS 9 'Simplified Approach' to measuring expected credit losses which uses a lifetime expected loss allowance.

For other financial assets, the Company applies the IFRS 9 'General Approach' to measuring expected credit losses whereby the Company measures the loss allowance for a financial instrument at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. However, if, at the reporting date, the credit risk on a financial instrument has not increased significantly since initial recognition, the Company measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses. The company consider that there been significant increase in credit risk of contractual payment due more than 30 days.

The Company measures expected credit losses on financial assets trade receivables in a way that reflects an unbiased and probability-weighted amount, time value of money and reasonable and supportable information at the reporting date about the past events, current conditions and forecast of future economic conditions. The Company recognises in profit or loss, as an impairment loss, the amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date.

Loss allowances for financial assets measured at amortized cost are deducted from the gross carrying amount of the assets.

3.6.4 ***De-recognition***

Financial assets are derecognized 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.

The Company directly reduces the gross carrying amount of a financial asset when the Company has no reasonable expectations of recovering the financial asset in its entirety or a portion thereof. A write-off constitutes a derecognition event.

3.7 Offsetting of financial assets and financial liabilities

Financial assets and liabilities are offset when the Company has a legally enforceable right to offset and intends to settle either on a net basis or to realise the asset and settle liability simultaneously.

3.8 Financial liabilities

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

Other financial liabilities are subsequently measured at amortized cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognized in the statement of profit or loss. Any gain or loss on de-recognition is also recognized in the statement of profit or loss.

Financial liabilities are derecognized when the contractual obligations are discharged or cancelled or have expired or when the cash flows relating to the financial liability have been substantially modified.

3.9 Government grants

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

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

Grants that compensate the Company for expenses incurred are recognized in profit or loss on a systematic basis over the periods in which the related expenses are recognized. Grants that compensate for the cost of an asset are recognized in profit or loss on a systematic basis over the expected useful life of the related asset.

The benefit of a loan at a below-market rate of interest is treated as a government grant. Such a loan is initially recognized at its fair value in accordance with IFRS 9, determined as the present value of the loan proceeds received, discounted using the prevailing market rate of mark-up for a similar instrument. The difference between the loan proceeds received and the fair value so determined represents the benefit of the below-market rate of interest and is recognized as deferred income (government grant) in accordance with IAS 20. In subsequent periods, the loan is accreted to its face value using the effective interest rate method, with the accretion recognized as a mark-up/interest expense in the statement of profit or loss. The loan liability and related mark-up are derecognized when extinguished, i.e., when paid off. The related deferred income (grant) is recognized in the statement of profit or loss on a systematic basis, in line with the recognition of the mark-up/interest expense that the grant is intended to compensate, in accordance with IAS 20.

3.10 Employee benefits

Staff retirement benefits

The Company operates an unfunded gratuity scheme for its employees which is classified as a defined benefit plan.

Defined benefit plans provide an amount of pension or gratuity that an employee will receive on or after retirement, usually dependent on one or more factors such as age, years of service and compensation. A defined benefit plan is a plan that is not a defined contribution plan. The liability recognized in the statement of financial position in respect of defined benefit plans is the present value of the defined benefit obligations at the end of the reporting period. The defined benefit obligations are calculated annually by independent actuary using the projected unit credit method.

The present values of the defined benefit obligations are determined by discounting the estimated future cash outflows using interest rates of high-quality corporate bonds or the market rates on government bond. These are denominated in the currency in which the benefits will be paid.

In determining the liability for long-service payments management must make an estimate of salary increases over the following years, the discount rate for the next years to use in the present value calculation, and the number of employees expected to leave before they receive the benefits.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit or loss.

Compensated absences

Provision for accumulating compensated absences, whether vesting or non-vesting, is recognized as the employees render services that increase their entitlement to future paid absences . Such provision is measured as the additional amount that the Company expects to pay as a result of the unused entitlement that has accumulated at the end of the reporting period.

3.11 Translation of foreign currency transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in profit

At the end of each reporting period, non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction. However, non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was measured. translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss.

3.12 Provisions and contingent liabilities

Provisions

A provision is recognized in the statement of financial position when the Company has a legal or constructive obligation as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of obligation.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognized as interest expense.

As the actual outflows can differ from estimates made for provisions. the carrying amounts of provisions are reviewed at each reporting date and adjusted to take account of such changes. Any adjustments to the amount of previously recognized provision is recognized in the statement of profit or loss unless the provision was originally recognized as part of cost of an asset.

Contingent liabilities

A contingent liability is disclosed when the Company has a possible obligation as a result of past events, whose existence will be confirmed only by the occurrence or non-occurrence, of one or more uncertain future events not wholly within the control of the Company; or the Company has a present legal or constructive obligation that arises from past events, but it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation, or the amount of the obligation cannot be measured with sufficient reliability.

3.13 Revenue

Revenue from local sales

Revenue from sale of goods is recognized when the customer obtains control of the goods, being when the goods are delivered to the customer, the customer has full discretion over the selling price of the goods and there is no unfulfilled obligation that could affect the customer's acceptance of the goods. Delivery occurs when the goods are dispatched from the company premise, the risk of loss transferred to the customer, and either the customer has accepted the goods in accordance with the sales contract, the acceptance provisions have elapsed, or the Company has objective evidence that all criteria for acceptance have been satisfied.

Revenue from export sales

Revenue from sale of goods to foreign customers is recognized when those customers obtain control of the exported goods.

The Company does not expect to have contracts where the period between the transfer of the promised goods or services to the customer and payment by the customer exceeds one year. As a consequence, the Company does not adjust any of the transaction prices for the time value of money.

3.14 Trade and other payables

These amounts represent liabilities for goods and services provided to the company prior to the end of financial year which are unpaid. The amounts are unsecured and are usually paid within as per policy soon after recognition. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period.

3.15 Levies and Taxation

Levies

A levy is an outflow of resources embodying economic benefits imposed by the government that does not meet the definition of income tax provided in the International Accounting Standard (IAS) 12 'Income Taxes' because it is not based on taxable profit.

In these financial statements, levy includes minimum tax under section 113 of the Income Tax Ordinance,2001 over the normal tax liability computed there under, Workers' Welfare Fund expense and Workers' Profit Participation Fund expense.

Current tax

The portion of the income tax charge that is based on the 'taxable income' for a reporting period (as determined in accordance with the provisions of the Income Tax Ordinance, 2001 and the rules made thereunder) is classified as a 'current tax'. Any excess charge over the said amount is now classified as a 'levy' in the statement of profit or loss.

Deferred tax

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the unconsolidated financial statements. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realized or the deferred income tax liability is settled.

A deferred tax asset is recognized only to the extent that the entity has sufficient taxable temporary differences or there is convincing other evidence that the sufficient taxable profit will be available against which the unused tax losses or unused tax credits can be utilized. Deferred tax assets are reviewed at each reporting date and reduced to the extent that is no longer probable that the related tax benefit will be realized.

Judgement and estimates

Significant judgement is required in determining the income tax expenses and corresponding provision for tax. There may be transactions and calculations for which the ultimate tax determination is uncertain as these matters are being contested at various legal forums. The Company recognizes liabilities for anticipated tax issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the current and deferred tax assets and liabilities in the period in which such determination is made.

Further, the carrying amount of deferred tax assets is reviewed at each reporting date and is adjusted to reflect the current assessment of future taxable profits. If required, carrying amount of deferred tax asset is reduced to the extent that it is no longer probable that sufficient taxable profits to allow the benefit of part or all of that recognized deferred tax asset to be utilized. Any such reduction shall be reversed to the extent that it becomes probable that sufficient taxable profit will be available.

Offsetting

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

3.16 Segment reporting

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

Segment results that are reported to the Chief Executive include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items comprise mainly corporate assets, income tax assets, liabilities and related income and expenditures. Segment capital expenditure is the total cost incurred during the year to acquire property, plant and equipment.

For management purposes, the Company is organised into business units based on its products and has two reportable segments, namely Spinning and Socks. No operating segments have been aggregated to form the above reportable operating segments.

The Executive Management Committee is the Chief Operating Decision Maker (CODM) and monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment.

Segment performance is evaluated based on profit or loss and is measured consistently with profit or loss in the financial statements. Transfer prices between operating segment are based on agreed prices approved by the board of directors.

3.17 Dividend distribution

Dividend distribution to the Company's shareholders is recognized as a liability in the period in which the dividends are approved by the Company's shareholders.

3.18 Applicability of Shariah Governance Regulations

Shariah Governance Regulations, 2023 (as amended by S.R.O. 1001(I)/2024 dated August 15, 2024). The Securities and Exchange Commission of Pakistan (SECP), through S.R.O. 1314(I)/2023 dated September 14, 2023, and subsequent amendment via S.R.O. 1001(I)/2024 dated August 15, 2024, introduced disclosure requirements under the Fourth Schedule to the Companies Act, 2017, applicable to companies certified as Shariah compliant under section 451 of the Act or those issuing Shariah compliant securities. The Company has neither obtained Shariah compliance certification nor issued any Shariah compliant security. Accordingly, no disclosures are required under the aforesaid Regulations.

4. PROPERTY, PLANT AND EQUIPMENT

	Note	**2026** Rupees	2025 Rupees
Operating fixed assets	*4.1*	**13,909,163,471**	13,913,746,758
Capital work in progress	*4.2*	**190,115,931**	274,808,518
Equipment in transit	*4.3*	**1,983,746,025**	370,652,289
		16,083,025,427	14,559,207,565

4.1 Operating fixed assets

	Freehold land	Building and godown on free hold land	Plant and machinery	Office, tools, fire fighting and laboratory equipment	Furniture and fixtures	Computer and allied equipment	Vehicles	Electrical instruments and installations	Arms and ammunition	Total
		Rupees								
As at June 30, 2024										
Gross carrying amount	31,062,740	2,633,026,936	13,771,220,298	88,226,161	70,708,453	39,838,169	519,195,898	2,502,467,314	37,150	19,655,783,119
Accumulated depreciation	-	(866,311,229)	(3,687,795,682)	(19,118,229)	(20,171,396)	(18,806,528)	(212,531,172)	(690,708,589)	(35,930)	(5,515,478,755)
Net carrying amount	31,062,740	1,766,715,707	10,083,424,616	69,107,932	50,537,057	21,031,641	306,664,726	1,811,758,725	1,220	14,140,304,364
Movement during the year ended June 30, 2025										
Opening net book value	31,062,740	1,766,715,707	10,083,424,616	69,107,932	50,537,057	21,031,641	306,664,726	1,811,758,725	1,220	14,140,304,364
Additions	-	-	-	2,352,957	10,280,415	3,730,221	44,754,818	111,110	1,170,000	62,399,521
Transfer from CWIP (note 4.2)	-	240,983,866	292,445,259	-	-	-	-	690,014,116	-	1,223,443,241
Disposals:										
- Gross carrying amount	(2,563,386)	-	(11,629,509)	-	(274,000)	-	(19,105,955)	-	-	(33,572,850)
- Accumulated depreciation	-	-	9,627,490	-	51,587	-	10,106,597	-	-	19,785,674
	(2,563,386)	-	(2,002,019)	-	(222,413)	-	(8,999,358)	-	-	(13,787,176)
Depreciation for the year	-	(191,773,054)	(1,023,563,855)	(7,087,384)	(5,435,642)	(7,164,976)	(63,651,772)	(199,888,239)	(48,270)	(1,498,613,192)
Closing net book value	28,499,354	1,815,926,519	9,350,304,001	64,373,505	55,159,417	17,596,886	278,768,414	2,301,995,712	1,122,950	13,913,746,758
As at June 30, 2025										
Gross carrying amount	28,499,354	2,874,010,802	14,052,036,048	90,579,118	80,714,868	43,568,390	544,844,761	3,192,592,540	1,207,150	20,908,053,031
Accumulated depreciation	-	(1,058,084,283)	(4,701,732,047)	(26,205,613)	(25,555,451)	(25,971,504)	(266,076,347)	(890,596,828)	(84,200)	(6,994,306,273)
Net carrying amount	28,499,354	1,815,926,519	9,350,304,001	64,373,505	55,159,417	17,596,886	278,768,414	2,301,995,712	1,122,950	13,913,746,758
Movement during the year ended June 30, 2026										
Opening net book value	**28,499,354**	**1,815,926,519**	**9,350,304,001**	**64,373,505**	**55,159,417**	**17,596,886**	**278,768,414**	**2,301,995,712**	**1,122,950**	**13,913,746,758**
Additions	**130,750,000**	**-**	**476,279,621**	**7,023,264**	**4,088,215**	**5,270,003**	**40,696,867**	**2,032,824**	**311,000**	**666,451,794**
Transfer from CWIP (note 4.2)	**-**	**87,859,840**	**289,777,716**	**-**	**-**	**-**	**-**	**473,218,290**	**-**	**850,855,846**
Disposals:										
-Gross carrying amount	**-**	**-**	**(24,552,745)**	**(579,864)**	**-**	**(2,279,541)**	**(26,578,375)**	**-**	**-**	**(53,990,525)**
- Accumulated depreciation	**-**	**-**	**16,756,289**	**476,077**	**-**	**2,218,024**	**8,065,669**	**-**	**-**	**27,516,059**
	-	**-**	**(7,796,456)**	**(103,787)**	**-**	**(61,517)**	**(18,512,706)**	**-**	**-**	**(26,474,466)**
Depreciation for the year	**-**	**(187,008,356)**	**(968,817,481)**	**(6,677,733)**	**(5,241,338)**	**(5,845,665)**	**(57,209,454)**	**(264,499,027)**	**(117,407)**	**(1,495,416,461)**
Closing net book value	**159,249,354**	**1,716,778,003**	**9,139,747,401**	**64,615,249**	**54,006,294**	**16,959,707**	**243,743,121**	**2,512,747,799**	**1,316,543**	**13,909,163,471**
As at June 30, 2026										
Gross carrying amount	**159,249,354**	**2,961,870,642**	**14,793,540,640**	**97,022,518**	**84,803,083**	**46,558,852**	**558,963,253**	**3,667,843,654**	**1,518,150**	**22,371,370,146**
Accumulated depreciation	**-**	**(1,245,092,639)**	**(5,653,793,239)**	**(32,407,269)**	**(30,796,789)**	**(29,599,145)**	**(315,220,132)**	**(1,155,095,855)**	**(201,607)**	**(8,462,206,675)**
Net carrying amount	**159,249,354**	**1,716,778,003**	**9,139,747,401**	**64,615,249**	**54,006,294**	**16,959,707**	**243,743,121**	**2,512,747,799**	**1,316,543**	**13,909,163,471**
Annual rates of depreciation	**-**	**10%**	**10%**	**10%**	**10%**	**30%**	**20%**	**10%**	**10%**	

		Note	2026	2025
			Rupees	
4.1.1	Depreciation for the year has been allocated as under :			
	Cost of sales	22.4	**1,431,079,225**	1,428,578,410
	Administrative expenses	23	**64,337,236**	70,034,782
			1,495,416,461	1,498,613,192

4.1.2 The following operating fixed assets with a net book value exceeding Rs. 500,000 were disposed off during the period.

Paricular Of Assets	Division	Cost	Accumulated Depreciation	Book Value	Sales Proceeds	Gain/(Loss) on Disposal	Particulars Of Purchaser	Relation with Buyer	Mode Of Disposal
		Rupees							
2 SETS - Q-PRO-AUTOCONE WINDER	Spinning	24,552,745	(16,756,289)	7,796,456	4,460,303	(3,336,153)	Bismillah Spinning Ptrivate Limited	None	Negotiation
1 KIA SPORTAGE BJ-1752	Spinning	5,652,115	(3,700,284)	1,951,831	2,000,000	48,169	Mr.Muhammad Ali Jaliawala	None	Negotiation
1 TOYOTA COROLLA CROSS BM-4644	Spinning	10,428,860	(2,450,156)	7,978,704	1,500,000	(6,478,704)	Mr.Mustafa Chappra (Son of former HOD Finance, Late Mr. Iqbal Chappra*)	None	Concessional price
1 BYD ATTO 3 EAB-263	Spinning	9,125,050	(664,554)	8,460,496	9,125,050	664,554	Mr.Khizer	None	Negotiation
June 30, 2026		**49,758,770**	**(23,571,283)**	**26,187,487**	**17,085,353**	**(9,102,134)**			
June 30, 2025		30,282,150	(17,349,076)	12,933,074	41,771,184	28,838,110			

** May his soul rest in peace*

4.1.3 The particulars of the Company's immovable fixed assets, including location and area thereof, have been disclosed in note 1.2 to these financial statements.

4.1.4 The Company measures its plant and machinery and electrical instruments and installations using revaluation model. The latest revaluation of plant and machinery and electrical instruments and installations was carried out by an independent valuer M/s K.G.Traders (Pvt) Ltd on June 27, 2023. As per the aforesaid valuation, the forced sale value of the plant and machinery and electrical instruments and installation were are as follows:

	Fair value	Forced value
	Rupees	
Plant and machinery	9,139,747,401	7,311,797,921
Electrical instrument	2,512,747,799	2,010,198,239

4.1.5 Had there been no revaluation, the net book value of specific classes of property, plant and equipment would have been as follows:

	2026	2025
	Rupees	
Plant and machinery	**8,334,665,425**	8,452,347,351
Electrical instruments and installations	**2,394,521,013**	2,170,632,616
	10,729,186,438	10,622,979,967

4.2 Capital work in progress

	2026	2025
Opening balance as at the beginning of the year	**274,808,518**	735,958,773
Additions:		
- Machinery	**273,711,103**	199,316,351
- Civil works	**25,056,648**	110,192,860
- Electrical instruments and installations / Solar Renewable Energy	**467,395,510**	452,783,775
	766,163,261	762,292,986
Transferred to operating fixed assets	**(850,855,846)**	(1,223,443,241)
	190,115,931	274,808,518

4.3 During the year, Company purchased equipments relating to wind power project which are in transit as at the reporting date.

		Note	2026	2025
			Rupees	
5.	**LONG TERM LOAN, ADVANCES AND DEPOSITS**			
	Loan to vendor		**36,817,976**	42,878,728
	Deposits			
	- Against utilities		**5,053,075**	3,001,119
	- Others		**1,048,000**	1,048,000
			6,101,075	4,049,119
	Less: Current maturity of loan to vendor	*40.4*	**(6,000,000)**	(6,000,000)
			36,919,051	40,927,847
6.	**STORES AND SPARES**			
	In hand		**542,858,828**	763,738,051
	In transit		**12,224,861**	2,932,585
			555,083,689	766,670,636
	Provision for slow moving items		**(9,430,750)**	(7,003,226)
			545,652,939	759,667,410
7.	**STOCK IN TRADE**			
	Raw material			
	- In hand	*7.1*	**3,880,746,892**	4,355,603,197
	- In transit		**971,876,979**	601,318,231
			4,852,623,871	4,956,921,428
	Work in process		**174,462,451**	111,106,463
	Finished goods	*7.2*	**828,812,508**	1,201,973,760
	Waste material		**1,252,350**	686,623
			830,064,858	1,202,660,383
	Packing materials			
	- In hand		**114,466,348**	98,388,956
	- In transit		**-**	6,735,779
			114,466,348	105,124,735
			5,971,617,528	6,375,813,009
7.1	**Raw materials in hand**			
	Raw material in hand - gross		**3,886,224,011**	4,355,603,197
	Less: provision for slow-moving items		**(5,477,119)**	-
			3,880,746,892	4,355,603,197
7.2	**Finished goods**			
	Finished goods - gross		**835,661,200**	1,201,973,760
	Less: provision for slow-moving items		**(6,848,692)**	-
			828,812,508	1,201,973,760

		Note	2026	2025
			Rupees	
8.	**TRADE DEBTS - net**			
	Local debtors - unsecured		**6,454,372,625**	5,800,086,068
	Foreign debtors - secured		**826,699,685**	965,478,838
			7,281,072,310	6,765,564,906
	Less: Provision for expected credit losses		**(177,836,931)**	(43,177,738)
			7,103,235,379	6,722,387,168
8.1	**Movement in provision for expected credit losses**			
	Opening balance		**43,177,738**	31,168,275
	Add: Charge for the year	*27*	**134,659,193**	12,009,463
			177,836,931	43,177,738
9.	**SHORT TERM INVESTMENTS**			
	Term deposit receipts (TDRs)		**9,453,333**	-

9.1 These TDRs are maintained with M/s. Askari Bank Limited carrying mark-up at the rate of 7.5%-8% per annum. These all shall mature on September 02, 2026.

		Note	2026	(Restated) 2025
10.	**TAX REFUNDS DUE FROM GOVERNMENT**		Rupees	
	Income tax refundable	*10.1*	**38,681,518**	(58,484,162)
	Input sales tax:			
	- Un-adjusted credit carried forward		**-**	231,722,125
	- Credit to be claimed after declaration of corresponding output tax by vendors		**269,139,896**	376,059,437
			269,139,896	607,781,562
			307,821,414	549,297,400
10.1	**Income tax (payable) / refundable**			
	Opening balance	*39*	**(58,484,162)**	(73,570,727)
	Less: Tax refund received during the year		**-**	(48,226,324)
	Add: Taxes paid / deducted at source during the year		**619,622,731**	516,625,377
			561,138,569	394,828,326
	Less: Provision for levies and taxation	*29*	**(488,735,777)**	(430,638,590)
	Add: Reversal of prior tax	*29*	**(33,721,274)**	(22,673,898)
			(522,457,051)	(453,312,488)
	Closing balance	*10.1.1*	**38,681,518**	(58,484,162)

10.1.1 This also includes amount of Rs. 97.106 million that pertains to tax year 2022 for an additional demand raised by FBR during the current year, as more fully explained in note 39.

10.2 Income tax assessments of the Company are deemed to be finalized as per tax returns file up to tax year 2025. Tax returns are subject to further assessment under provisions of the Income Tax Ordinance, 2001 ("the Ordinance") unless selected for an audit by the taxation authorities. The Commissioner of Income Tax may, at any time during a period of five years from date of filing of return, select a deemed assessment order for audit.

11. LOAN, ADVANCES, DEPOSITS, PREPAYMENTS AND OTHER RECEIVABLES

	Note	2026 Rupees	2025 Rupees
Current maturity of loan to vendor	*40.4*	**6,000,000**	6,000,000
Advances - unsecured			
- Staff		**53,946,634**	19,358,181
- Suppliers		**98,475,373**	47,180,976
		152,422,007	66,539,157
Prepayments against			
- Insurance		**3,566,423**	6,248,768
- Prepaid finance cost		**11,950,298**	9,491,365
- Prepaid rent		**386,520**	175,692
- Organic cotton project		**12,134,770**	36,646,941
		28,038,011	52,562,766
Other receivables - unsecured			
- Claims receivable	*11.1*	**6,747,755**	13,341,346
- Funds liened	*11.2*	**35,000,000**	-
- Others		**8,972,879**	31,250,009
		50,720,634	44,591,355
		237,180,652	169,693,278

11.1 These represent claim receivable from suppliers in respect of weight shortage and quality problems.

11.2 This amount represents funds under lien with United Bank Limited (UBL), marked as security against financing obtained from UBL for Company's Wind Power Project. The lien is temporary in nature and the underlying funds are expected to be released within following financial year.

12. CASH AND BANK BALANCES

	Note	2026 Rupees	2025 Rupees
Cash in hand		**1,209,580**	1,492,720
Cash at banks	*12.1*	**116,874,778**	188,530,178
		118,084,358	190,022,898

12.1 Cash at banks

	2026 Rupees	2025 Rupees
Local currency - at current accounts	**63,892,533**	124,867,437
Foreign currency - at current accounts	**52,982,245**	63,662,741
	116,874,778	188,530,178

13. ISSUED, SUBSCRIBED AND PAID UP CAPITAL

2026 (Number of shares)	2025 (Number of shares)		2026 Rupees	2025 Rupees
6,163,000	6,163,000	Ordinary shares of Rs.10/- each fully paid in cash	**61,630,000**	61,630,000

13.1 There are no agreements among shareholders for voting rights, board selection, rights of first refusal and block voting.

14. SURPLUS ON REVALUATION OF PLANT AND ELECTRICAL INSTRUMENTS

	2026 Rupees	2025 Rupees
Opening balance	**1,029,319,746**	1,145,294,299
Realized on disposal of assets	**(3,421,121)**	(1,457,880)
Incremental depreciation charged during the year	**(102,589,863)**	(114,516,673)
	923,308,762	1,029,319,746
Related deferred tax		
Opening balance	**(102,931,975)**	(114,529,430)
Realized on disposal of assets	**342,112**	145,788
Incremental depreciation charged during the year	**10,258,986**	11,451,667
	(92,330,877)	(102,931,975)
	830,977,885	926,387,771

15. LONG TERM FINANCING - secured

	Note	2026	2025
		Rupees	
Bank Al-Habib Limited			
- Long Term Finance Facility (LTFF)	*15.1*	**1,175,038,456**	1,086,640,901
- Temporary Economic Refinance Facility (TERF)	*15.2*	**1,073,503,070**	1,260,810,048
- Financing Scheme for Renewable Energy	*15.3*	**298,668,950**	305,750,659
- Term Finance (TF)	*15.4*	**1,747,806,703**	2,321,884,985
Bank Al-Habib -Islamic			
- Financing Scheme for Renewable Energy	*15.5*	**78,693,882**	66,007,821
- Term Finance	*15.6*	**403,548,835**	310,933,200
Bank Al-Falah Limited			
- Long Term Finance Facility (LTFF)	*15.7*	**251,652,050**	359,669,049
- Term Finance	*15.8*	**937,192,560**	-
- Temporary Economic Refinance Facility (TERF)	*15.9*	**241,866,022**	268,842,191
Habib Bank Limited			
- Long Term Finance Facility (LTFF)	*15.10*	**236,719,611**	298,198,664
United Bank Limited			
- Term Finance	*15.11*	**1,061,808,417**	-
Meezan Bank Limited			
- Long Term Finance Facility (LTFF)	*15.12*	**237,238,081**	295,883,841
- Islamic Temporary Economic Refinance Facility (ITERF)	*15.13*	**158,877,682**	178,142,245
- Financing Scheme for Renewable Energy	*15.14*	**80,115,895**	86,028,695
Habib Metropolitan Bank Limited			
- Long Term Finance Facility (LTFF)	*15.15*	**174,644,620**	203,319,900
- Term Finance	*15.16*	**521,803,337**	579,474,700
Askari Bank Limited			
- Long Term Finance Facility (LTFF)	*15.17*	**6,304,000**	7,352,000
		8,685,482,171	7,628,938,899
Current maturity shown under current liabilities		**1,388,176,866**	1,301,785,342
Non-current maturity shown under non-current liabilities		**7,297,305,305**	6,327,153,557
		8,685,482,171	7,628,938,899

15.1 This represents long term finance facility (LTFF), under LTFF scheme of the State Bank of Pakistan, for import of machineries, to be repaid within 7 years & 3 months (expiring in April 03, 2033) and 10 years (repayment to be commenced after 2 year moratorium period, and expiring in August 07, 2032). The loan is secured against registered hypothecation charge over all present and future plant and machinery for Rs. 926 Million (2025: Rs. 556 million), 1st Equitable Mortgage charge over fixed assets (including land, building and machinery) amounting to Rs. 3,542 million (2025: Rs. 3,542 million) over property located at plot # 60, 61, 76 and 77 spread over 16 acres at Nooriabad, Sindh.

15.2 Financing under Temporary Economic Refinance Facility (TERF)

	2026	2025
	Rupees	
Opening carrying amount - net of deferred grant	**1,260,810,048**	1,437,155,500
Interest recognized on unwinding of the liability	**98,663,225**	114,301,051
Loan installments paid during the year	**(285,970,203)**	(290,646,503)
Closing carrying amount - net of deferred grant	**1,073,503,070**	1,260,810,048
Current maturity shown under current liabilities	**281,806,951**	294,996,440
Non-current maturity shown under non-current liabilities	**791,696,119**	965,813,608
	1,073,503,070	1,260,810,048

15.2.1 The Company has obtained a long-term financing facility from M/s. Bank Al Habib Limited (BAHL) under the SBP's scheme of Temporary Economic Refinance Facility (TERF) notified vide IH & SMEFD Circular No. 01 of 2020 dated March 17, 2020. As at the reporting date, the facility available to the Company under the Scheme amounted to Rs. 2,010 million (2025: Rs. 2,010 million) and the drawn down amount is Rs. 1,235 million (2025: Rs. 1,492 million).

The principal terms and conditions of the facility are as follows:

(a) The applicable markup rate is 2% per annum (2025: 2%);

(b) The tenor of the each tranche of the facility is 10 years (including 2-year moratorium period, commencing from the date of disbursement of the funds); and

(c) Each tranche of the loan is to be repaid in 32 equal quarterly instalments.

(d) The facility is secured against registered hypothecation charge over all present and future Plant and Machinery for Rs.556 Million (2025: 556 million), 1st Equitable Mortgage charge over fixed assets (including land, building and machinery) amounting to Rs. 3,542 million (2025: Rs. 3,542 million) over property located at Plot # 60, 61, 76 and 77 spread over 16 acres at Nooriabad, Sindh.

Since the facility carries an interest rate which is well below the market interest rate prevailing as on the date of disbursement of funds, therefore, in accordance with technical opinion issued by the Accounting Standards Board of the Institute of Chartered Accountants of Pakistan (ICAP) in November 2020, the financing is considered to contain an element of government grant as per the IAS 20 *'Accounting for Government Grants and Disclosure of Government Assistance'.* Accordingly, at initial recognition, the Company measures the loan liability at its fair value (determined on a present value basis) and recognizes the difference between the disbursement proceeds received from the bank and the said fair value, as deferred government grant in the statement of financial position. Subsequently, a portion of this deferred grant is recognized as income in profit or loss in proportion to the recognition of interest cost on the outstanding loan balance (based on the effective interest rate method).

		2026	2025
15.3	**Financing Scheme for Renewable Energy - secured**	Rupees	
	Opening carrying amount - net of deferred grant	**305,750,659**	295,141,190
	Interest recognized on unwinding of the liability	**57,556,303**	48,641,391
	Loan installments paid during the year	**(64,638,012)**	(38,031,922)
	Closing carrying amount - net of deferred grant	**298,668,950**	305,750,659
	Current maturity shown under current liabilities	**58,025,135**	59,246,039
	Non-current maturity shown under non-current liabilities	**240,643,815**	246,504,620
		298,668,950	305,750,659

15.3.1 The Company has obtained a long term financing facility from M/s. Bank Al Habib Limited under the State Bank of Pakistan's (SBP) Financing Scheme for Renewable Energy (REFF) notified vide IH & SMEFD Circular No. 10 of 2019 dated July 26, 2019. As at the reporting date, the facility available to the Company under the scheme amounted to Rs. 531.5 million (2025:Rs. 531.5 million) and the draw down amount is Rs. 503.8 million (2025: Rs. 546.6 million).

The principal terms and conditions of the facility are as follows:

(a) The applicable markup rate is 4% per annum (2025: 4%);

(b) The tenor of the facility is 10 to 12 years (including 2 years moratorium period, commencing from the date of disbursement of the funds); and

(c) Each tranche of the loan is to be repaid in 39 equal quarterly instalments.

(d) The facility is secured against First Equitable charge over fixed assets of the company for Rs.3,542 million (2025:Rs. 3,542 million) , registered hypothecation charge over the procured machinery imported / to be imported under this facility.

Since the facility carries an interest rate which is well below the market interest rate prevailing as on the date of disbursement of funds, the financing is considered to contain an element of government grant as per the IAS 20 'Accounting for Government Grants and Disclosure of Government Assistance'. Accordingly, the Company measures the loan liability at its fair value (determined on a present value basis) and recognizes at initial recognition, the difference between the disbursement proceeds received from the bank and the said fair value as deferred income in the statement of financial position. Subsequently, this deferred income is recognized as other income in profit or loss in proportion to the recognition of interest cost on the outstanding loan balance (based on the effective interest rate method).

15.4 This term finance facility has been sanctioned by Bank Al-Habib Limited amounting to Rs. 3,300 million specifically for retirement of LCs opened for enhancement in the production capacity through the additions in Property, Plants and Equipment. The Company has utilized Rs. 1,747.8 million (2025: Rs. 2,321.8 million) against sanctioned limit of the facility. The tenor of the loan is ten years inclusive of 2 years grace period and are repayable in equal quarterly installments commencing from the date of first disbursement. The loan is secured against registered hypothecation charge over all present and future Plant and Machinery for Rs. 556 Million (2025: Rs. 556 million), 1st Equitable Mortgage charge over fixed assets (including land, building and machinery) amounting to Rs. 3,542 million (2025: Rs. 3,542 million) over property located at Plot # 60, 61, 76 and 77 spread over 16 acres at Nooriabad, Sindh.

	2026	2025
15.5 Financing Scheme for Renewable Energy - secured	Rupees	
Opening carrying amount - net of deferred grant	**66,007,821**	58,264,221
Interest recognized on unwinding of the liability	**12,686,061**	7,743,600
Loan installments paid during the year	**-**	-
Closing carrying amount - net of deferred grant	**78,693,882**	66,007,821
Current maturity shown under current liabilities	**21,062,567**	6,423,238
Non-current maturity shown under non-current liabilities	**57,631,315**	59,584,583
	78,693,882	66,007,821

15.5.1 During the year ended June 30, 2024 , the Company obtained a long term financing facility amounting to Rs. 148 million from M/s. Bank Al Habib Limited under the State Bank of Pakistan's (SBP) Financing Scheme for Renewable Energy (REFF) notified vide IH & SMEFD Circular No. 10 of 2019 dated July 26, 2019. As at the reporting date, the facility available to the Company under the scheme amounted to Rs. 200 million (2025: Rs. 200 million) and the drawn down amount is Rs. 148 million (2025: Rs. 148 million).

The principal terms and conditions of the facility are as follows:

(a) The applicable markup rate is 4% per annum (2024: 4%);

(b) The tenor of the facility is 10 to 12 years (including 2 years moratorium period, commencing from the date of disbursement of the funds); and

(c) Tranche of the loan is to be repaid in 42-44 equal quarterly instalments.

(d) The facility is secured against First Equitable mortgage charge of Rs.500 million over factory property measuring 16 acres (including land, building and machinery) over property at plot # 60, 61, 76 and 77 spread over 16 acre, registered hypothecation charge over the procured machinery imported / to be imported under this facility.

Since the facility carries an interest rate which is well below the market interest rate prevailing as on the date of disbursement of funds, the financing is considered to contain an element of government grant as per the IAS 20 'Accounting for Government Grants and Disclosure of Government Assistance'. Accordingly, the Company measures the loan liability at its fair value (determined on a present value basis) and recognizes at initial recognition, the difference between the disbursement proceeds received from the bank and the said fair value as deferred income in the statement of financial position. Subsequently, this deferred income is recognized as other income in profit or loss in proportion to the recognition of interest cost on the outstanding loan balance (based on the effective interest rate method).

15.6 During the year ended June 30, 2025, the Company obtained a long-term financing facility from M/s. Bank Al Habib Limited – Islamic, under the State Bank of Pakistan’s (SBP) Financing Scheme for Renewable Energy (IFRE), notified through IH&SMEFD Circular No. 10 of 2019 dated July 26, 2019. As of the reporting date, the facility sanctioned to the Company amounted to Rs. 500 million (2025: Rs. 500 million). The facility has presently been classified as term finance, and upon completion of requisite SBP formalities, it will be reclassified under IFRE.

The principal terms and conditions of the facility are as follows:

(a) The applicable markup rate is 1 month KIBOR + 0.25% (2025: 1 month KIBOR + 0.25%);

(b) The tenor of the facility is 7 years (including 1 years moratorium period, commencing from the date of disbursement of the funds);

(c) Tranche of the loan is to be repaid in 84 equal monthly instalments; and

(d) The loan is secured through a registered hypothecation charge over the DM Asset (Solar Project) and a first equitable mortgage charge of Rs. 500 million over factory property measuring 16 acres (including land, building, and machinery) located at Plot Nos. 60, 61, 76, and 77 at Nooriabad, Sindh.

15.7 This represents long term finance facility (LTFF), under LTFF scheme of State Bank of Pakistan, for the import of machineries and financing for a period of 10 years against the purpose of retiring the import LC's of machinery. The loan amount is to be repaid in 10 years expiring in March 2029 to October 2029 that is secured against first exclusive charge amounting to Rs. 228.9 million (2025: 228.9 million) over plant and machinery of the Company, including 25% margin (1st parri passu charge).The loan is also secured against hypothecation first pari passu charge amounting to Rs. 933.34 million (2025: Rs. 933.34 million). The rate of mark-up is SBP refinance rate plus 0.75% to 1% per annum.

15.8 This represents a syndicated term finance facility that has been sanctioned by Bank Alfalah Limited amounting to Rs. 1,000 million (2025: Nil) for financing the Company's windmill/energy project. Under the syndication arrangement, the remaining Rs. 400 million (2025: Nil) is to be financed by Pak Kuwait Investment Company Limited (PKICL).

The financing carries markup at the rate of 3-month KIBOR plus 2% per annum. The facility has a tenor of 8 years, inclusive of a 2-year grace period, from the date of first disbursement and is repayable in equal quarterly installments thereafter. The facility is repayable by 31 August 2033.

The facility is secured by a first pari passu charge over the Company's plant and machinery amounting to Rs. 1,266.68 million, including a charge of Rs. 333.33 million representing a 25% security margin against the fresh term loan obtained for the windmill project. The financing was initially disbursed against a ranking charge over the Company's plant and machinery, which is to be upgraded to the prescribed first pari passu charge within 180 days from the date of the first drawdown.

15.9 Financing under Temporary Economic Refinance Facility (TERF)	**2026**	2025
	Rupees	
Opening carrying amount - net of deferred grant	**268,842,191**	282,182,101
Interest recognized on unwinding of the liability	**40,912,069**	44,649,932
Loan installments paid during the year	**(67,888,238)**	(57,989,842)
Closing carrying amount - net of deferred grant	**241,866,022**	268,842,191
Current maturity shown under current liabilities	**45,108,616**	60,122,427
Non-current maturity shown under non-current liabilities	**196,757,406**	208,719,764
	241,866,022	268,842,191

15.9.1 The Company has obtained a long-term financing facility amounting to Rs. 348.81 million (2025: Rs. 405.06 million) from M/s. Bank Al Falah Limited (BAFL) under the SBP's scheme of Temporary Economic Refinance Facility (TERF) notified vide IH & SMEFD Circular No. 01 of 2020 dated March 17, 2020. As at the reporting date, the facility available to the Company under the Scheme amounted to Rs. 450 million (2025: Rs. 450 million).

The principal terms and conditions of the facility are as follows:

(a) The applicable markup rate is 3% per annum (2025: 3%);

(b) The tenor of the each tranche of the facility is 10 years (including 2-year moratorium period, commencing from the date of disbursement of the funds); and

(c) Each tranche of the loan is to be repaid in 32 equal quarterly instalments.

(d) The facility is secured against specific charge over the assets imported utilizing the facility amounting Rs. 450 million, including 25% margin.

Since the facility carries an interest rate which is well below the market interest rate prevailing as on the date of disbursement of funds, therefore, in accordance with technical opinion issued by the Accounting Standards Board of the Institute of Chartered Accountants of Pakistan (ICAP) in November 2020, the financing is considered to contain an element of government grant as per the IAS 20 *'Accounting for Government Grants and Disclosure of Government Assistance'.* Accordingly, at initial recognition, the Company measures the loan liability at its fair value (determined on a present value basis) and recognizes the difference between the disbursement proceeds received from the bank and the said fair value, as deferred government grant in the statement of financial position. Subsequently, a portion of this deferred grant is recognized as income in profit or loss in proportion to the recognition of interest cost on the outstanding loan balance (based on the effective interest rate method).

15.10 This represents long term finance facility (LTFF), under LTFF scheme of State Bank of Pakistan, for the import of machineries and financing for a period of 10 years against the purpose of retiring the import LC's of machinery. The loan amount is to be repaid in 10 years expiring in March 2029, that is secured against hypothecation charge amounting to Rs. 555.6 million (2025: Rs. 555.6 million) over plant and machinery to be imported through HBL including 10% margin. The rate of mark-up is SBP refinance rate plus 0.6% (2025: SBP refinance rate plus 0.6%) per annum.

15.11 This term finance facility has been sanctioned by United Bank Limited amounting to Rs. 1,400 million specifically for project of New 7.5 MW Captive Wind Power Plant imported through the LCs issued via UBL. The rate of mark-up is 3 month KIBOR plus 2.3% per annum. The Company has utilized Rs. 1,061.8 million against sanctioned limit of the facility. The tenor of the loan is seven years inclusive of 2 years grace period and are repayable in equal quarterly installments commencing from the date of first disbursement. The loan is secured against exclusive HYPO charge of Rs. 1,400 million over the imported machinery, installed at project land with 25% margin to be covered via exclusive equitable mortgage charge over the project land and FPP / JPP constructive mortgage over land and building of the Company located at Nooriabad, district Jamshoro.

15.12 This represents long term finance facility (LTFF), under LTFF scheme of State Bank of Pakistan, for the import of machineries and financing for a period of 10 years against the purpose of retiring the import LC's of machinery. The loan amount is to be repaid in 10 years expiring in December 2030, that is secured against hypothecation charge amounting to Rs. 671 million (2025: Rs. 671 million) over plant and machinery to be imported through MBL including margin of 25%. The rate of mark-up is SBP LTFF base rate plus 1.75% (2025: SBP LTFF base rate plus 1.75%) per annum.

15.13 Financing under Islamic Temporary Economic Refinance Facility (ITERF)

	2026	2025
	Rupees	
Opening carrying amount - net of deferred grant	**178,142,246**	188,302,831
Interest recognized on unwinding of the liability	**25,408,594**	35,637,674
Loan installments paid during the year	**(44,673,158)**	(45,798,259)
Closing carrying amount - net of deferred grant	**158,877,682**	178,142,246
Current maturity shown under current liabilities	**40,663,978**	42,526,264
Non-current maturity shown under non-current liabilities	**118,213,704**	135,615,982
	158,877,682	178,142,246

15.13.1 The Company has obtained a long-term financing facility from M/s. Meezan Bank Limited (MBL) under the SBP's scheme of Islamic Temporary Economic Refinance Facility (ITERF) notified vide IH & SMEFD Circular No. 02 of 2020 dated March 17, 2020. As at the reporting date, the facility available to the Company under the Scheme amounted to Rs. 300 million (2025:Rs. 300 million) and the drawn down amount is Rs. 300 million (2025: Rs. 300 million).

The principal terms and conditions of the facility are as follows:

(a) The applicable markup rate is 3% per annum (2025: 3%);

(b) The tenor of the each tranche of the facility is 10 years (including 2-year moratorium period, commencing from the date of disbursement of the funds); and

(c) Each tranche of the loan is to be repaid in 32 equal quarterly instalments.

(d) The facility is secured against exclusive charge over the assets imported utilizing the facility.

Since the facility carries an interest rate which is well below the market interest rate prevailing as on the date of disbursement of funds, therefore, in accordance with technical opinion issued by the Accounting Standards Board of the Institute of Chartered Accountants of Pakistan (ICAP) in November 2020, the financing is considered to contain an element of government grant as per the IAS 20 'Accounting for Government Grants and Disclosure of Government Assistance'. Accordingly, at initial recognition, the Company measures the loan liability at its fair value (determined on a present value basis) and recognizes the difference between the disbursement proceeds received from the bank and the said fair value, as deferred government grant in the statement of financial position. Subsequently, a portion of this deferred grant is recognized as income in profit or loss in proportion to the recognition of interest cost on the outstanding loan balance (based on the effective interest rate method).

		2026	2025
15.14	**Financing Scheme for Renewable Energy - secured**	Rupees	
	Opening carrying amount - net of deferred grant	**86,028,695**	83,041,511
	Interest recognized on unwinding of the liability	**18,195,061**	20,480,216
	Loan installments paid during the year	**(24,107,861)**	(17,493,032)
	Closing carrying amount - net of deferred grant	**80,115,895**	86,028,695
	Current maturity shown under current liabilities	**20,816,333**	20,121,004
	Non-current maturity shown under non-current liabilities	**59,299,562**	65,907,691
		80,115,895	86,028,695

15.14.1 During the year ended June 30, 2024, the Company has obtained a long term financing facility amounting to Rs. 159.9 million from M/s. Meezan bank limited under the State Bank of Pakistan's (SBP) Financing Scheme for Renewable Energy (REFF) notified vide IH & SMEFD Circular No. 10 of 2019 dated July 26, 2019. As at the reporting date, the facility available to the Company under the scheme amounted to Rs.160 million (2025: 160 million) and the drawn down amount is Rs. 134.7 million (2025: Rs. 151.6 million).

The principal terms and conditions of the facility are as follows:

(a) The applicable markup rate is 5% per annum (2025: 5%);

(b) The tenor of the facility is 10.5 years (including 6 months moratorium period, commencing from the date of disbursement of the funds); and

(c) Each tranche of the loan is to be repaid in 38 equal quarterly instalments.

(d) The facility is secured against First exclusive charge over solar power project of 4.02 megawatt with 25 % margin, to be imported under this facility .

Since the facility carries an interest rate which is well below the market interest rate prevailing as on the date of disbursement of funds, the financing is considered to contain an element of government grant as per the IAS 20 'Accounting for Government Grants and Disclosure of Government Assistance'. Accordingly, the Company measures the loan liability at its fair value (determined on a present value basis) and recognizes at initial recognition, the difference between the disbursement proceeds received from the bank and the said fair value as deferred income in the statement of financial position. Subsequently, this deferred income is recognized as other income in profit or loss in proportion to the recognition of interest cost on the outstanding loan balance (based on the effective interest rate method).

15.15 This represents long term finance facility (LTFF), under LTFF scheme of the State Bank of Pakistan, for import of machineries, to be repaid within 10 years, starting subsequent to the 2 year moratorium, and expiring in January 2032. The loan is secured against 1st exclusive charge over specific imported machinery of Rs. 1,334 million (2025: Rs. 1,334 million) with 25% margin . The rate of mark-up is SBP refinance rate plus 1% (2025: SBR refinance rate plus 1%) per annum.

15.16 This term finance facility has been sanctioned by Habib Metropolitan Bank Limited amounting to Rs. 789 million specifically for retirement of LCs opened for enhancement in the production capacity through the additions in Property, Plants and Equipment. The Company has utilized Rs. 521 million against sanctioned limit of the facility. The tenor of the loan is ten years inclusive of 2 years grace period and are repayable in equal quarterly installments commencing from the date of first disbursement. This term loan is secured by way of first exclusive charge over specific imported machinery of Rs. 1,334 million with 25% margin. The rate of markup is equal to 3M KIBOR plus 1% (2025: 3M KIBOR plus 1%). The facility is expiring in May 2033.

15.17 This represents long term finance facility (LTFF), under LTFF scheme of State Bank of Pakistan, for the import of machineries and financing for a period of 10 years against the purpose of retiring the import LC's of machinery. The loan amount is to be repaid in 10 years including 2 years grace period expiring in January 2032, the loan is secured against first parri passu charge over present and future fixed assets of the company along with 25% margin. Markup rate is SBP refinance rate with spread of 1% per annum.

16. DEFERRED LIABILITIES

	Note	**2026**	2025
		Rupees	
Deferred taxation-net	*16.1*	**1,376,541,575**	1,378,148,312
Staff retirement benefits-defined benefits plan (gratuity)	*16.2*	**315,265,515**	275,334,016
SIDC- Non current portion	*16.3*	**261,169,010**	476,155,561
Provision Gas Infrastructure Development Cess	*16.4*	**-**	158,730,932
Deferred income - Government grant	*16.5*	**475,087,890**	615,440,945
		2,428,063,990	2,903,809,766

16.1 Deferred taxation-net

	Balance at the beginning of the year	Charge / (income) recognized in statement of profit or loss	Charge / (income) recognized in other comprehensive income	Balance at the end of the year
	2026			
	(Rupees)			
Deferred tax liability arising from:				
- Accelerated depreciation allowance	**1,547,644,937**	**39,728,666**	**-**	**1,587,373,603**
- Surplus on revaluation of fixed assets	**401,434,701**	**(59,810,459)**	**-**	**341,624,242**
- SBP - TERFs and Solars	**324,227,196**	**(81,907,090)**	**-**	**242,320,106**
	2,273,306,834	**(101,988,883)**	**-**	**2,171,317,951**
Deferred tax assets arising from:				
- Provision for expected credit losses.	**(16,839,318)**	**(48,960,346)**	**-**	**(65,799,664)**
- Provision for slow moving items	**(2,731,258)**	**(758,120)**	**-**	**(3,489,378)**
- Gas infrastructure development cess liability	**(144,366,256)**	**(18,901,388)**	**-**	**(163,267,644)**
- Sindh infrastructure development cess liability	**(228,666,037)**	**91,271,487**	**-**	**(137,394,550)**
- Provision for gas rate difference	**(77,924,803)**	**3,996,144**	**-**	**(73,928,659)**
- Provision for Off the Grid (Captive Power Plants) Levy	**-**	**-**	**-**	**-**
- Deferred govt grant	**(317,250,584)**	**83,002,344**	**-**	**(234,248,240)**
- Provision for gratuity - net	**(107,380,266)**	**(30,313,406)**	**21,045,431**	**(116,648,241)**
	(895,158,522)	**79,336,715**	**21,045,431**	**(794,776,376)**
	1,378,148,312	**(22,652,168)**	**21,045,431**	**1,376,541,575**

	Balance at the beginning of the year	Charge / (income) recognized in statement of profit or loss	Charge / (income) recognized in other comprehensive income	Balance at the end of the year
	2025			
	(Rupees)			
Deferred tax liability arising from:				
- Accelerated depreciation allowance	1,418,363,735	129,281,202	-	1,547,644,937
- Surplus on revaluation of fixed assets	446,664,777	(45,230,076)	-	401,434,701
- SBP - TERFs and Solars	400,716,469	(76,489,273)	-	324,227,196
	2,265,744,981	7,561,853	-	2,273,306,834
Deferred tax assets arising from:				
- Provision for expected credit losses.	(12,155,627)	(4,683,691)	-	(16,839,318)
- Provision for slow moving items	(1,950,000)	(781,258)	-	(2,731,258)
- Gas infrastructure development cess liability	(126,030,545)	(18,335,711)	-	(144,366,256)
- Sindh infrastructure development cess liability	(153,686,988)	(74,979,049)	-	(228,666,037)
- Provision for gas rate difference	(77,924,803)	-	-	(77,924,803)
- Provision for Off the Grid (Captive Power Plants) Levy	-	-	-	-
- Deferred govt grant	(391,558,345)	74,307,761	-	(317,250,584)
- Provision for gratuity - net	(83,986,126)	(41,726,368)	18,332,228	(107,380,266)
	(847,292,434)	(66,198,316)	18,332,228	(895,158,522)
	1,418,452,547	(58,636,463)	18,332,228	1,378,148,312

16.2 Staff retirement benefits-defined benefits plan (gratuity)

The Company operates an unfunded gratuity scheme for its staff employees. The latest actuarial valuation has been carried out as at June 30, 2026, using the Projected Unit Credit Method.

16.2.1 Movement in defined benefit obligation	Note	2026	2025
		Rupees	
Opening defined benefit obligation		**275,334,016**	215,349,041
Current service cost	*16.2.2*	**159,073,787**	166,255,055
Interest cost	*16.2.2*	**27,834,817**	25,511,745
Curtailment / Settlement Gain		**(13,114,155)**	-
Benefits paid		**(76,983,406)**	(84,776,113)
Remeasurement gain - net	*16.2.3*	**(56,879,544)**	(47,005,712)
Closing defined benefit obligation		**315,265,515**	275,334,016

16.2.2 Expense recognized in the statement of profit or loss

Current service cost	**159,073,787**	166,255,055
Interest cost on defined benefit obligation	**27,834,817**	25,511,745
	186,908,604	191,766,800

16.2.3 Remeasurement gains recognized in other comprehensive income

Actuarial gains on defined benefit obligation due to:		
- Changes in demographic assumptions	**(757,792)**	(1,966,197)
- Changes in financial assumptions	**(26,066,245)**	4,155,533
- Experience adjustments	**(30,055,507)**	(49,195,048)
	(56,879,544)	(47,005,712)

16.2.4 Year end sensitivity analysis on defined benefit obligation

Discount Rate + 100 bps	**294,794,049**	235,697,287
Discount Rate - 100 bps	**333,717,234**	254,098,183
Salary increment rate + 100 bps	**334,834,682**	254,431,156
Salary increment rate -100 bps	**293,473,538**	235,211,706

16.2.5

As of the reporting date, the weighted-average duration of the defined benefit obligation was 6.20 years (2025: 3.54 years) .

16.2.6 Principal actuarial assumptions used	2026	2025
Discount rate used for interest cost in profit and loss	**11.75%**	14.75%
Discount rate used for year end obligation	**11.75%**	18.50%
Expected rate of increase in salary level (per annum)	**11.75%**	15.75%
Mortality rates	**SLIC 2001-05**	SLIC 2001-05

16.3 Sindh Infrastructure Development Cess	Note	2026	(Restated) 2025
		Rupees	
Opening balance		**586,323,173**	394,069,201
Recognized during the year	*28*	**148,127,571**	192,253,972
Payment made during the year		**(110,167,612)**	-
Effect of discounting of financial liability	*26*	**(261,776,871)**	-
Interest charged on unwinding	*25*	**8,830,361**	-
Closing balance		**371,336,622**	586,323,173
Current maturity shown under current liabilities		**110,167,612**	110,167,612
Non-current maturity shown under non-current liabilities	*16*	**261,169,010**	476,155,561
		371,336,622	586,323,173

		Note	2026	2025
			Rupees	
16.4	**Gas Infrastructure Development Cess**			
	Opening balance		**370,169,886**	323,155,244
	Effect of unwinding of the provision recognized during the year	*25*	**71,094,018**	47,014,642
	Closing balance		**441,263,904**	370,169,886
	Current maturity shown under current liabilities		**441,263,904**	211,438,954
	Non-current maturity shown under non-current liabilities	*16.4.1*	**-**	158,730,932
			441,263,904	370,169,886

16.4.1 In December 2011, the federal government, for the first time, imposed the levy of GIDC (the cess) through the promulgation of gas infrastructure development cess Act, 2011 (GIDC Act, 2011), which subsequently, was widely challenged on several legal grounds. In June 2013, the High Court of Peshawar, passed judgement whereby it struck down the GIDC Act , 2011 declaring the said law as unconstitutional. Subsequent to the decision , the GIDC Ordinance 2014 was promulgated which expired in May 2015. In the same month, the Supreme Court of Pakistan upheld the said judgement.

Following the judgement of Apex court, the GIDC ordinance , 2014 received presidential assent after having been passed by both the houses of parliament as GIDC Act, 2015. The GIDC Act,2015, provided for retrospective levy of cess for the period from January 2011 to May 2015.(as imposed under the struck down GIDC Act, 2011 and GIDC Ordinance, 2014) with different cess rates prescribed for each sector.

The Company along with several other petitioners filed review petitions before the Supreme Court of Pakistan challenging the applicability of the GIDC on the Company including the amount to be recovered including its retrospective application from the year 2011. The Supreme Court was pleased to clarify that the question as to the retrospective applicability of GIDC from 2011 to 2015 would remain open to be decided by the High Courts.

During the year ended June 30, 2021, the Supreme Court (SC) passed two judgements; one dated August 13, 2020, thereby upholding the levy of GIDC imposed vide GIDC Act, 2015, and preventing further levy with effect from August 13, 2020. The other judgement dated November 2, 2020 directed payment of amount levied till that date in 48 instalments instead of 24 instalments allowed in order dated August 13, 2020. In July 2020, Sui Southern Gas Company vide its gas bill charged an amount of Rs. 736.8 million against GIDC. The Company has recognized a provision based on the units consumed at applicable rates amounting to Rs. 441 million (2025: Rs. 441 million) and remaining amount of Rs. 295.6 million (2025: Rs. 295.6 million) has not been acknowledged as debt (refer note 20.1.1).

		Note	2026	2025
16.5	**Deferred income - Government grant**		Rupees	
	Opening balance		**813,463,036**	1,003,995,756
	Less: Amortization for the year	*26*	**(180,359,685)**	(190,532,720)
			633,103,351	813,463,036
	Less: Current maturity shown under current liabilities		**158,015,461**	198,022,091
	Closing balance	*16.5.1*	**475,087,890**	615,440,945

16.5.1 This represents the government grant recognized in respect of concessionary refinance facilities obtained by the Company under the State Bank of Pakistan's (SBP) Temporary Economic Refinance Facility (TERF) and Financing Scheme for Renewable Energy. These facilities carry markup rates below the prevailing market rates for similar borrowings. The resulting benefit has been accounted for as a government grant in accordance with IAS 20 – Accounting for Government Grants and Disclosure of Government Assistance and the relevant guidance issued by the Institute of Chartered Accountants of Pakistan (ICAP).

		Note	2026	(Restated) 2025
17.	**TRADE AND OTHER PAYABLES**		Rupees	
	Creditors	*40.4*	**553,985,349**	978,468,373
	Accrued liabilities		**565,124,221**	452,969,101
	Sales tax payable		**82,062,632**	21,944,593
	Workers' Profits Participation Fund	*17.1*	**52,462,534**	34,523,142
	Workers Welfare Fund	*17.2*	**45,029,188**	28,424,275
	Provision for gas rate difference	*17.3*	**199,807,186**	199,807,186
	Provision for Off the Grid (Captive Power Plants) Levy	*17.4*	**76,569,414**	58,361,581
	Advance from customers	*17.5*	**52,562,523**	13,682,136
	Retention money payable		**5,237,319**	8,073,971
	Withholding tax payable		**15,498,622**	8,657,879
	Other payable	*40.4*	**7,994,600**	10,933,429
			1,656,333,588	1,815,845,666

		2026	2025
17.1	**Workers' Profit Participation Fund**	Rupees	
	Opening balance	**34,523,142**	-
	Add:		
	- Charge for the year	**52,462,534**	34,523,142
	- Interest accrued	**1,915,324**	-
		54,377,858	34,523,142
	Less: Payment made during the year	**(36,438,466)**	-
		52,462,534	34,523,142

		2026	2025
17.2	**Workers' Welfare Fund**		
	Opening balance	**28,424,275**	47,553,419
	Add: Contribution for the year	**34,404,339**	13,357,714
	Less: Payment made during the year	**(17,799,426)**	(32,486,858)
		45,029,188	28,424,275

			2026	2025
17.3	**Provision for gas rate difference**			
	Provision under Suit 129 of 2017	*17.3.1*	**174,887,584**	174,887,584
	Provision under Suit 1790 of 2020 & 1798 of 2020	*17.3.2*	**24,919,602**	24,919,602
			199,807,186	199,807,186

17.3.1 On December 30, 2016, the Oil and Gas Regulatory Authority (OGRA) issued S.R.O. (1)/2016 whereby, with effect from December 15, 2016, the sale price of natural gas for gas consumers falling under the category 'Industrial' was increased to Rs. 600 per MMBTU (as against the previously applicable tariff of Rs. 488.23 per MMBTU notified vide S.R.O. 01(I)/2013 dated January 01, 2013). The said notification was widely challenged by companies operating in the textile industry (including the Company vide Suit No. 129 of 2017) before the Honourable High Court of Sindh ('the Court'). In its interim order dated January 18, 2017, the Court held that, till further orders of the Court, the plaintiffs (i.e. the gas consumers) shall continue to deposit their monthly bills at the rate of Rs. 488.23 per MMBTU and the differential amount of Rs. 111.77 per MMBTU shall be secured by providing post-dated cheques to the Nazir of the Court. Accordingly, until September 2018, the Company continued to pay its monthly gas bills at the rate of Rs. 488.23 per MMBTU and recognized a provision for the differential liability which, as at June 30, 2026, amounted to Rs. 174.887 million (2025: Rs. 174.887 million).

On September 06, 2024, the Sindh High Court declared the impugned notification void ab initio, a decision favorable to the Company. The Federation and Sui Southern Gas Company (SSGC) subsequently filed an appeal (H.C.A No. 336 of 2024), which the Court dismissed on February 03, 2025, while ordering that the Nazir of Sindh High Court returns the cheques of Rs. 174.88 million which was deposited with Nazir. The Company duly received the post dated cheques as per Court orders, however, the Federation and other parties then challenged this decision before the Honourable Supreme Court of Pakistan through C.P.L.A No. 1017 of 2025, which has been transferred out to Federal Constitutional Court that remains pending as of the reporting date. In this regard, the reversal of provision is not made as of matter of prudence.

17.3.2 In addition, on October 23, 2020, the OGRA issued S.R.O. No. 1107(I)/2020 whereby, with effect from September 01, 2020, the sale price of natural gas for the aforesaid class of gas consumers was increased to Rs. 819 per MMBTU (as against the previously applicable tariff of Rs. 786 per MMBTU). The said notification was also widely challenged by companies operating in the textile industry (including the Company vide Suit No. 1790 of 2020 & Suit No. 1798 of 2020) before the Court. In its interim order dated May 25, 2021 the Court held that, till further orders of the Court, the plaintiffs (i.e. the gas consumers) shall continue to deposit their monthly bills at the rate of Rs. 786 per MMBTU and the differential amount of Rs. 33 per MMBTU shall be secured by providing post-dated cheques to the Nazir of the Court. Accordingly, the Company had recognized a provision for the differential rate of Rs. 33 per MMBTU which, as at June 30, 2024, amounted to Rs. 8.66 million.

On February 18, 2023, the Court announced its final verdict in Suit No. 1790 of 2020 and Suit No. 1798 of 2020 (and several other connected suits on similar matters) upholding the validity of the aforesaid notification (i.e. S.R.O. 1107(I)/2020 dated October 23, 2020 issued by the OGRA). The said decision also discussed, at length, the issue of incremental tariff chargeable to gas consumers falling under the category 'Captive Power' and made it explicit that that the Company would fall into such category of gas consumers and, thus, would be subjected to the incremental tariff of Rs. 852 per MMBTU as specified in the S.R.O. 1107(I)/2020. In view of this development, the Company recognized a further provision of Rs. 66.17 million, which represents the difference between the tariff chargeable at the aforesaid rate of Rs. 852 per MMBTU and the rate of Rs. 819 per MMBTU chargeable to 'Industrial' gas consumers.

During the year ended June 30, 2024, the Company paid an amount of Rs. 49.423 million to Sui Southern Gas Company (along with monthly gas bills) in respect of the said provision.

17.4 During the year, the Company continued to recognize its liability in respect of the Off the Grid (Captive Power Plants) Levy on consumption of natural gas, levied under the Off the Grid (Captive Power Plants) Levy Ordinance, 2025, at the rate notified by the Federal Government from time to time.

The levy relating to the period from March 2025 to September 2025 has been paid by the Company. For the period from October 2025 onwards, pursuant to the order of the Honourable Islamabad High Court dated February 19, 2026, passed in Writ Petition No. 871 of 2026, the Company has been submitting post-dated cheques to Sui Southern Gas Company Limited as and when the applicable rate is notified by the Ministry of Energy for the respective months.

Further, the Company has recognized an accrual for the month of June 2026 based on the levy rate specified for May 2026, being the latest rate available to the Company at the reporting date.

17.5 Advance from customers

During the year, the performance obligations underlying the opening contract liability of Rs. 13.68 million were satisfied in full. Accordingly, the said liability was recorded as revenue during the year.

Information regarding the timing of satisfaction of performance obligations underlying the closing contract liability of Rs. 52.56 million is not presented since the expected duration of all the contracts entered into with the customers is less than one year.

18. ACCRUED MARKUP	**2026**	2025
	Rupees	
Markup accrued on:		
- Long term financing	**150,864,338**	111,172,718
- Short term borrowings	**181,683,792**	161,854,913
	332,548,130	273,027,631

19. SHORT TERM BORROWINGS - secured

	Note	2026	2025
		Rupees	
Bank Al-Habib Limited			
- Running finance	*19.1*	**958,921,116**	1,737,403,784
- Cash finance (Pledge)	*19.2*	**1,136,292,796**	-
- FE 25	*19.3*	**-**	337,379,310
- Export finance scheme	*19.4*	**1,937,675,304**	1,644,144,001
		4,032,889,216	3,718,927,095
Bank Al-Habib Limited (Islamic)			
- Export finance scheme	*19.5*	**255,058,468**	259,200,000
- Istisna finance (Hypo)	*19.6*	**-**	2,250,000,000
		255,058,468	2,509,200,000
Meezan Bank Limited			
- Istisna finance (Hypo)	*19.7*	**107,926,967**	-
- Istisna finance (Pledge)	*19.8*	**498,740,483**	498,880,246
- Running finance	*19.9*	**361,756,284**	-
- Export refinance facility	*19.10*	**-**	100,000,020
		968,423,734	598,880,266
MCB Islamic Bank Limited			
- Financing Musharka	*19.11*	**100,000,000**	100,000,000
- Financing Murabaha	*19.12*	**199,877,211**	199,987,812
		299,877,211	299,987,812
Bank Al-Falah Limited			
- Running finance	*19.13*	**496,862,717**	287,765,055
- Finance Against Imported Merchandise	*19.14*	**1,092,507,583**	783,075,310
		1,589,370,300	1,070,840,365
Habib Bank Limited			
- Running finance	*19.15*	**123,286,384**	109,907,052
- Cash finance (Pledge)	*19.16*	**300,000,000**	100,000,000
		423,286,384	209,907,052
Habib Metro Bank Limited			
- Finance Against Imported Merchandise	*19.17*	**-**	443,546,926
- Export refinance facility	*19.18*	**197,000,000**	200,000,000
		197,000,000	643,546,926
JS Bank Limited			
- Export finance scheme	*19.19*	**50,347,500**	-
- Running finance	*19.20*	**230,153,562**	-
		280,501,062	-
Soneri Bank Limited			
- Running finance	*19.21*	**499,820,727**	-
	19.22	**8,546,227,102**	9,051,289,516

19.1 This represents short term running finance facility amounting to Rs. 5,700 million (2025: Rs. 5,700 million) obtained from M/s. Bank Al-Habib Limited to meet working capital requirements of the Company. The facility carries markup at the rate of 1 month KIBOR plus 0.25% (2025: 1 month KIBOR plus 0.25%) per annum and is secured by registered hypothecation charge over stock and book debts of the company amounting to Rs. 11,894 million (2025: Rs. Rs. 11,894 million). Facility is further secured by the personal guarantees of directors amounting to Rs.6,000 million (2025:Rs. 6,000 million).

19.2 This represents short term running finance facility amounting to Rs. 3,000 million (2025: Nil) obtained from M/s. Habib Bank Limited for conversion of Bank's approved limits allowed against hypothecation over stocks. The facility carries markup at the rate of 1 month KIBOR plus 0.25% and is secured against ranking hypothecation charge over specific Plant and Machinery over solar project, pledge over local / imported raw cotton, VSF and PSF, dyed cotton & yarn under the control of Bank's approved mucaddam at Company's factory premises with 10% margin. It is further secured by first equitable mortgage charge over fixed assets amounting to Rs. 7,000 million over property located at Plot # 60, 61, 76 and 77 at Deh Kale Kohar, Tehsil Thana Bola Khan, District Dadu, Nooriabad, Sindh.

19.3 This represents short term finance facility amounting to Rs. 1,200 million (2025: Rs. 1,200 million) obtained from M/s. Bank Al Habib Limited for processing of export orders and to finance Usance period of export bills in order to meet urgent working capital requirement. The facility carries mark up at the rate offered by BAHL treasury and is secured by Lien over export Documents under LC Sight /Usance /DP /DA / including documents prior to acceptance.

19.4 This represents short term finance facility amounting to Rs. 1,937 million (2025: Rs. 1,644 million) obtained from M/s. Bank Al Habib Limited for processing of export orders and to finance usance period of export bills sent on Collection under the EFS scheme of the State Bank of Pakistan announced vide SBP IH&SMEFD Circular No. 03 of 2022 dated February 16, 2022. The facility carries mark up at the rate of SBP Refinance rate plus 1% per annum and is secured by Lien over foreign bills/Export LCs/ contracts and bank acceptance.

19.5 This represents short term finance facility amounting to Rs. 300 million (2025: Rs. 300 million) obtained from M/s. Bank Al Habib Limited for processing of export orders and to finance Usance period of export bills sent on Collection under the EFS scheme of the State Bank of Pakistan announced vide SBP IH&SMEFD Circular No. 03 of 2022 dated February 16, 2022. The facility carries mark up at the rate of SBP Refinance Rate Plus 1 % per annum and is secured by Lien over export Documents under LC Sight /Usance /DP /DA / including documents prior to acceptance.

19.6 This represents short term Istisna finance facility of Rs. 2,850 million (2025: 2,850 million) obtained from M/s. Bank Al Habib Limited Islamic to facilitate the manufacturing of different types of yarn. The facility carries mark up at the rate of 3 months KIBOR plus 0.25% (2025: 3 months KIBOR plus 0.25%) per annum and is secured by Registered ranking hypothecation charge over book debts and moveables of the company amounting to Rs. 3,000 million (2025+B1483: Rs.3,000 million).

19.7 This represents Istisna finance (hypo) facility amounting to Rs. 500 million (2025: Rs. 500 million) obtained from M/s. Meezan Bank Limited for manufacturing of goods of the Company. The facility carries markup at the relevant KIBOR rate plus 0.25% (2025: relevant KIBOR rate plus 0.25%) per annum and is secured by PP charge over stocks and receivable registered with SECP with 25% margin.

19.8 This represents Istisna finance (pledge) facility amounting to Rs. 700 million (2025: Rs. 700 million) obtained from M/s. Meezan Bank Limited for manufacturing of goods of the Company. The facility carries markup at the rate of 6 months KIBOR plus 0.25% (2025: 6 months KIBOR Plus 0.25%) per annum and is secured by pledge of Local raw Cotton under effective control of Mucaddam and charge with approved margin duly registered with SECP with 10% margin at factory of the company situated at Plot # 58, 60 , 61 and 76, 77, 78 main super highway Nooriabad.

19.9 This represents short term running finance facility amounting to Rs. 500 million (2025: Rs. Nil) obtained from M/s. Meezan Bank Limited to meet working capital requirements of the Company. The facility carries markup at the relevant KIBOR rate plus 0.25% per annum and is secured by PP charge over stock and receivable be registered with SECP with 25% margin. Facility is further secured by lien over local LC documents LC of "A rated Bank" on Meezan Bank Limited's approved panel.

19.10 This represents short term finance facility amounting to Rs. 500 million (2025: Rs. 500 million) obtained from M/s. Meezan bank limited for working capital requirements of the company under the EFS scheme of the State Bank of Pakistan announced vide SBP IH&SMEFD Circular No. 03 of 2022 dated February 16,2022. The facility carries mark up at the rate of SBP Refinance Rate Plus 1 % per annum and is secured by Lien over export documents and pari passu charge on current assets (stock and book debt) of the company with 25% margin.

19.11 This represents Running Finance Musharika facility amounting to Rs. 100 million (2025: Rs.100 million) obtained from M/s. MCB Islamic bank limited to finance the working capital requirements of the Company. The facility carries markup at the rate of 3 month KIBOR plus 0.25% (2025: 3 month KIBOR plus 0.25%) and is secured by first pari passu hypothecation charge over stocks and book debts with 25% margin, amounting to Rs. 133.33 million (2025: first pari passu hypothecation charge over stocks and book debts with 25% margin, amounting to Rs. 133.33 million).

19.12 This represents Running Finance Murabaha facility amounting to Rs. 200 million (2025: Rs. 300 million) obtained from M/s. MCB Islamic bank limited for retirement of import documents drawn under SLC. The facility carries markup at the rate of 1 month KIBOR plus 0.25% (2025: 1 month KIBOR plus 0.25%) and is secured by Effective pledge over cotton, yarn, raw material and finished goods to be stored in Custom/Public/Private/Rented/Shared warehouse/factory premises under control ,and supervision of MCB Islamic nominated Mucaddum duly registered with SECP. (Import Murabaha). Effective pledge over imported goods to be stored in Custom/Public/Private/Rented/Shared warehouse/ factory premises under control and supervision of MCB Islamic nominated Mucaddum, duly registered with SECP. (AAFM) and overall registered Pledge will be of Rs. 333.33 million according to 10% margin & PP/JPP Charge over fixed asset of the Company to the extent of Rs 400M.

19.13 This represents short term running finance facility amounting to Rs. 500 million (2025: Rs. 300 million) obtained from M/s. Bank Al-Falah Limited to finance the working capital requirements of the Company. The facility carries markup at the rate of 1 month KIBOR plus 0.25% (2025: 1 month KIBOR plus 0.25%) and is secured by first pari passu charge over stocks and receivables with 25% margin, amounting to Rs. 933.33 million (2025:Rs. 533.34 million).

19.14 This represents short term finance facility amounting to Rs. 1,350 million (2025: Rs. Rs. 1,350 million) obtained from M/s. Bank Al-Falah for Retirement of Raw material LCs of the Company. The facility carries markup at the rate of 1 month KIBOR plus 0.25% (2025: 1 month KIBOR plus 0.5%) and is secured Pledge of local cotton/imported cotton/polyester fiber with 10% margin on market value & 10% Margin on Invoice to be kept in Pucca Godown/Open Pledge under the custody of Muccadum to be released only against cash payment against delivery orders.

19.15 This represents short term running finance facility amounting to Rs. 125 million (2025: Rs. 125 million) obtained from M/s. Habib Bank Limited to finance the working capital requirements of the Company. The facility carries markup at the rate of 1 month KIBOR plus 0.25% (2025: 1 month KIBOR plus 0.25%) and is secured by first pari passu hypothecation charge over stocks and book debts of the company with 25% margin, amounting to Rs. 166.67 million (2025: Rs. 166.67 million).

19.16 This represents short term running finance facility amounting to Rs. 500 million (2025: Rs. 500 million) obtained from M/s. Habib Bank Limited for procurement of raw material LCs. The facility carries markup at the rate of 1 month KIBOR plus 0.25% (2025: 1 month KIBOR plus 0.25%) and is secured against pledge of raw cotton/polyester staple fiber, and dyed cotton under lock and key of HBL mucaddam; 10% margin. (Pledge charge to be registered with SECP).

19.17 This represents short term finance facility amounting to Rs. 900 million (2025: Rs. 900 million) obtained from M/s. Habib Metropolitan Bank for retirement of import documents of the Company. The facility carries markup at the rate of 3 month KIBOR plus 0.25% (2025: 3 month KIBOR plus 1%) and is secured by pledge charge of Rs. 1,112 million over imported/local raw material with 10% margin, duly insured & to be registered with SECP & pledge goods to be kept in covered godowns/warehouses under the effective control of bank approved mucaddam. However clear demarcation through stacking to be maintained distinguishing our pledge goods with other banks. (10% margin to be maintained at all the time), comprehensively insured with bank mortgage clause.

19.18 This represents short term finance facility amounting to Rs. 200 million (2025: Rs. 200 million) obtained from M/s. Habib Metro Bank Limited for working capital requirements of the company under the EFS scheme of the State Bank of Pakistan announced vide SBP IH&SMEFD Circular No. 03 of 2022 dated February 16,2022. The facility carries mark up at the rate of SBP Refinance rate Plus 1 % per annum (2025: SBP Refinance rate Plus 1 % per annum) and is secured against lien on export documents under L/C of first class bank or firm contract.

19.19 This represents short term finance facility amounting to Rs. 100 million (2025: NIL) obtained from M/s. JS Bank Limited for processing of export orders and to finance usance period of export bills sent on Collection under the EFS scheme of the State Bank of Pakistan announced vide SBP IH&SMEFD Circular No. 03 of 2022 dated February 16, 2022. The facility carries mark up at the rate of SBP Refinance rate plus 1% per annum and is secured by registered hypothecation charge over stock and book debts of the company amounting to Rs. 2,000 million with 25% margin. Facility is further secured by lien over export Letter of Credits / Contract and its proceeds.

19.20 This represents short term running finance facility amounting to Rs. 300 million (2025: NIL) obtained from M/s. JS Bank Limited to meet working capital requirements of the Company. The facility carries markup at the rate of 3 month KIBOR plus 0.15% per annum and is secured by registered hypothecation charge over stock and book debts of the company amounting to Rs. 2,000 million with 25% margin. Facility is further secured by lien over export Letter of Credits / Contract and its proceeds.

19.21 This represents short term running finance facility amounting to Rs. 500 million (2025: NIL) obtained from M/s. Soneri Bank Limited to meet working capital requirements of the Company. The facility carries markup at the rate of 3 month KIBOR plus 0.25% per annum and is secured by hypothecation charge over Company's current assets to be duly registered with SECP for total amount of Rs. 934 million with 25% margin.

19.22 As at June 30, 2026, the Company had unavailed short term financing facilities amounting to Rs. 19,079 million (2025: Rs. 10,179 million).

20. CONTINGENCIES AND COMMITMENTS

20.1 Contingencies

20.1.1 The Company has not recognized the additional amount of cess in respect of GIDC amounting to Rs. 295.6 million (being the difference of Rs. 441 million recognized in books as mentioned in note 16.4, and Rs. 736.8 million as notified to the Company through monthly gas bills upto July 2020).

20.1.2 During the year ended June 30, 2025, the Off the Grid (Captive Power Plants) Levy Ordinance, 2025 was promulgated by the President on January 31, 2025 and, within 120 days, was approved by Parliament. Under this Act, every captive power plant is required to pay a levy to the Federal Government on the consumption of natural gas or RLNG at the rate prescribed under section 4 of the Act, as notified by the Federal Government from time to time. On March 07, 2025, the Federal Government, through a notification, set the levy at Rs. 791 per MMBTU and directed its recovery retrospectively for the month of February 2025 and part of March 2025 (up to the date of notification).

The Company, along with other affected parties, filed a constitutional petition (C.P. No. 1802 of 2025) before the Honourable Sindh High Court, Karachi, challenging the retrospective application of the notification. Pursuant to the Court's interim order, the Company submitted a bank guarantee of Rs. 58.361 million and recognized a provision for the corresponding amount as a matter of prudence in the prior year.

During the current year, the Honourable Sindh High Court granted relief to the Company in the aforesaid petition, holding against the retrospective application of the levy for the said period, consequent to which the bank guarantee submitted by the Company was released. The Federation has, however, filed an appeal against the said judgement before the Honourable Supreme Court of Pakistan, which is currently pending adjudication. Based on the facts of the case and the opinion of the Company's legal counsel, the management is confident of a favourable outcome, and accordingly, no provision has been recognized in respect of this matter in these financial statements.

20.2 Previously reported contingency, resolved during the year

20.2.1 In April 2017, the Provincial Assembly of Sindh passed the Sindh Development and Maintenance of Infrastructure Cess Act, 2017 ('the Act') whereby, with effect from July 01, 1994, a cess was levied on the goods entering or leaving the Province of Sindh from or outside the country by air or sea, at the rate determined on the basis of their assessed value, net weight and distance in accordance with the Schedule annexed to the Act.

The constitutionality of the Act was challenged by the Company, along with several other petitioners, before the Honorable Sindh High Court ('SHC'). In the instant petitions, SHC passed interim orders whereby the concerned authority was restrained from taking any coercive action against the petitioners.

On June 4, 2021, SHC passed an order whereby it declared the Act as a valid law within the competence of the Provincial Legislature under the Constitution which is applicable retrospectively, and disposed off all listed petitions, and allotted a 90 day period for encashment of bank guarantees deposited by the plaintiffs (including the Company).

However, the Company filed an appeal against SHC's decision in the Supreme Court (SC), which, vide its order announced on September 19, 2021, granted interim relief, based on its opinion that the law, prima facie, suffers from constitutional and legal defects including competence of the provincial legislature to legislate on the subject, and directed that till further orders, operation of the impugned judgement of SHC dated June 04, 2021 and recovery of the impugned levy shall remain suspended. Further, the petitioners were directed to keep the bank guarantees already submitted by them pursuant to the orders of SHC valid, operative and enforceable, and to furnish fresh bank guarantees equivalent to the amount of levy claimed by the respondents, against release of future consignments of imported goods.

During the year, the Provincial Assembly of Sindh passed the Sindh Development and Maintenance of Infrastructure Cess (Amendment) Act, 2026 (the 2026 Amendment Act), which, among other changes, introduced a Settlement Agreement framework under sections 10A to 10F of the Act, enabling entities with pending litigation against the levy to settle their outstanding liability through a structured installment plan in exchange for withdrawal of litigation and a reduced prospective cess rate. Pursuant to this framework, the Company entered into a settlement agreement dated April 23, 2026 with the Government of Sindh, whereby the Company's total liability in respect of the cess as at that date was admitted and settled at Rs. 734,480,744. As per the terms of the settlement agreement, 15% of the admitted liability amounting to Rs. 110,167,612 was paid on the date of signing, and a further 15% each is payable on October 15, 2026 and July 15, 2027 respectively. The remaining balance is payable in 48 equal quarterly installments commencing from July 15, 2028. Further, pursuant to the settlement, the applicable cess rate on a prospective basis has been reduced from 1.85% to 0.85%.

Since the amount is payable in installments extending beyond twelve months, the liability has been discounted to its present value in accordance with the applicable accounting standards. The non-current and current portion of the discounted liability has been disclosed in note 16.3.

20.2.2 The Company had not recorded a provision for Super Tax under section 4C of the Income Tax Ordinance, 2001 for the tax year 2024, in accordance with the opinion of its legal counsel, which stated that Super Tax under section 4C does not apply to income of the Company that is subject to the Final Tax Regime, and that imposing Super Tax on income not recognized under normal tax principles would contravene the provisions of the Ordinance. The matter was pending before the Islamabad High Court, with the ultimate outcome expected to be in favour of the Company.

During the year, the Federal Constitutional Court of Pakistan, vide its detailed judgement dated January 27, 2026 passed in C.A. 1243/2020 and other connected appeals/petitions (including those of Premium Textile Mills Limited and other taxpayers), held that section 4C of the Income Tax Ordinance, 2001 validly applies to all categories of income enumerated in sub-section (2) thereof, without distinction between the normal, final, minimum, and separate regimes of the Ordinance, and set aside the findings of the Islamabad High Court to the extent they had read down section 4C to exclude income taxed under the Final Tax Regime.

In light of the aforesaid judgement, the matter no longer remains contingent, and the Company has recognized and paid the Super Tax liability for the tax year 2024 pursuant to the demand raised by the Federal Board of Revenue dated January 29, 2026, amounting to Rs. 61,434,094 in aggregate (comprising Rs. 8.1 million already paid in prior periods and Rs. 53.32 million paid during the current year), and the previously disclosed contingency stands resolved.

		Note	**2026**	2025
20.3	**Commitments**		Rupees	
	Commitments in respect of capital expenditure		**391,175,794**	168,278,899
	Commitments in respect of Organic cotton project		**31,709,256**	53,973,263
	Letter of credits:			
	- In respect of purchase of raw material and store items		**2,228,740,100**	174,575,076
	Letters of guarantee against:			
	- Sindh Infrastructure Development Cess		**-**	635,000,000
	- Electric connection		**15,942,340**	15,942,340
	- Employees' fuel card		**2,400,000**	2,300,000
	- Off the Grid (Captive Power Plants) Levy		**-**	58,361,680
	- Nazir of High Court of Sindh		**10,496,534**	10,496,534
	- Sui Southern Gas Company Limited		**199,929,500**	199,929,500
	- Standby letter of credit - Habib Bank Limited		**8,700,000**	-
	- Super tax in respect of tax year 2022		**18,862,461**	18,862,461
	Post dated cheques issued in respect of Off the Grid levy		**73,456,745**	-
21.	**SALES - net**			
	Local sales	*21.1*	**574,086,249**	993,172,690
	Export sales - indirect	*21.2*	**18,735,063,887**	21,479,341,239
	Export sales - direct	*21.3*	**5,528,488,748**	6,662,766,787
	Wastage sales	*21.4*	**28,294,264**	25,919,432
	Raw material sales	*21.5*	**109,566,183**	53,663,194
			24,975,499,331	29,214,863,342
	Less:			
	Commission and brokerage		**(122,583,576)**	(202,255,946)
	Discount and claims		**(2,824)**	(192,585)
			(122,586,400)	(202,448,531)
			24,852,912,931	29,012,414,811

		Note	2026	2025
			Rupees	
21.1	**Local sales**			
	Gross Sales			
	- Yarn		**666,237,704**	1,142,510,278
	- Socks		**11,184,069**	31,075,996
			677,421,773	1,173,586,274
	Less: sales tax		**(103,335,524)**	(180,413,584)
			574,086,249	993,172,690
21.2	**Export sales - indirect**			
	Gross Sales			
	- Yarn		**21,841,826,206**	25,298,344,166
	- Fabrics		**265,549,179**	47,278,495
			22,107,375,385	25,345,622,661
	Less: sales tax		**(3,372,311,498)**	(3,866,281,422)
			18,735,063,887	21,479,341,239
21.3	**Export sales - direct**			
	- Yarn		**1,267,422,987**	2,910,727,607
	- Socks		**4,237,737,604**	3,752,039,180
	- Knitted fabric		**19,666,647**	-
	- Others		**3,661,510**	-
			5,528,488,748	6,662,766,787
21.4	**Wastage sales**			
	Gross sales		**33,364,717**	30,829,033
	Less: sales tax		**(5,070,453)**	(4,909,601)
			28,294,264	25,919,432
21.5	**Raw material sales**			
	Gross sales		**128,866,441**	61,704,160
	Less: Sales tax		**(19,300,258)**	(8,040,966)
			109,566,183	53,663,194
22.	**COST OF SALES**			
	Raw materials consumed	*22.1*	**13,951,326,643**	17,383,128,130
	Stores and spares consumed	*22.2*	**1,060,011,961**	1,054,743,043
	Packing materials consumed	*22.3*	**642,417,649**	684,813,564
	Conversion costs	*22.4*	**5,877,706,762**	6,719,365,997
			21,531,463,015	25,842,050,734
	Work in process:			
	- Opening stock		**111,106,463**	220,482,559
	- Closing stock	*7*	**(174,462,451)**	(111,106,463)
			(63,355,988)	109,376,096
	Cost of goods manufactured		**21,468,107,027**	25,951,426,830
	Cost of goods purchased for sale		**100,941,679**	39,533,779
	Opening stock of finished goods and waste material		**1,202,660,383**	1,065,301,346
	Cost of goods available for sale		**22,771,709,089**	27,056,261,955
	Closing stock of finished goods and waste material	*7*	**(836,913,550)**	(1,202,660,383)
	Intercompany transfers		**(1,246,372,387)**	(722,219,018)
	Cost of goods sold		**20,688,423,152**	25,131,382,554

22.1 Raw materials consumed	Note	2026	2025
		Rupees	
Opening stock - in hand		**4,355,603,197**	3,799,041,219
Purchases			
from external parties		**12,374,429,910**	17,287,841,687
Intercompany transfers		**1,246,372,387**	722,219,018
		13,620,802,297	18,010,060,705
Sale of raw materials		**(100,941,679)**	(39,533,779)
Issued for sampling purposes		**(37,913,161)**	(30,836,818)
Closing stock - in hand	*7*	**(3,886,224,011)**	(4,355,603,197)
		13,951,326,643	17,383,128,130

22.2 Stores and spares consumed

Opening stock - in hand		**763,738,051**	719,680,667
Purchases		**839,132,738**	1,098,800,427
		1,602,870,789	1,818,481,094
Closing stock - in hand	*6*	**(542,858,828)**	(763,738,051)
		1,060,011,961	1,054,743,043

22.3 Packing materials consumed

Opening stock		**98,388,956**	117,173,260
Purchases		**658,495,041**	666,029,260
		756,883,997	783,202,520
Closing stock	*7*	**(114,466,348)**	(98,388,956)
		642,417,649	684,813,564

22.4 Conversion costs

Salaries, wages and other benefits	*22.4.1*	**1,934,988,423**	2,018,575,112
Fuel and power	*22.4.2*	**2,090,063,380**	2,944,003,638
Depreciation	*4.1.1*	**1,431,079,225**	1,428,578,410
Processing charges		**85,594,913**	23,771,481
Dyeing charges		**28,364,861**	11,398,871
Insurance		**90,196,891**	93,886,551
Vehicle running and maintenance		**51,965,315**	49,985,611
Repairs and maintenance		**50,538,256**	52,029,502
Water charges		**61,082,380**	55,418,500
Freight		**10,119,332**	15,259,235
Other manufacturing expenses		**43,713,786**	26,459,086
		5,877,706,762	6,719,365,997

22.4.1 This includes an amount of Rs. 147.504 million (2025: Rs. 147.57 million) in respect of staff retirement benefits.

22.4.2 Fuel and power	2026	2025
	Rupees	
Sui Gas	**893,215,505**	2,483,808,513
Electricity	**1,193,330,375**	456,383,875
Others	**3,517,500**	3,811,250
	2,090,063,380	2,944,003,638

23.	ADMINISTRATIVE EXPENSES	Note	2026	2025
			Rupees	
	Salaries, allowances and other benefits	*23.1*	**303,587,425**	276,512,303
	Depreciation	*4.1.1*	**64,337,236**	70,034,782
	Directors' remuneration		**51,327,346**	59,416,143
	Software charges		**81,006,007**	41,762,666
	Fees and Subscription		**31,479,415**	30,553,034
	Insurance		**21,697,384**	24,693,372
	Travelling and conveyance		**40,688,340**	20,229,159
	Vehicle running and maintenance		**19,001,590**	19,040,881
	Legal and professional		**10,928,404**	12,192,138
	Entertainment expense		**9,308,515**	10,552,757
	Computer and related accessories		**4,848,287**	7,778,243
	Utilities		**7,368,354**	7,690,808
	Repairs and maintenance		**7,988,529**	7,797,731
	Postage and telephone		**4,217,597**	4,235,265
	Printing and stationery		**1,894,273**	2,967,684
	Auditors' remuneration	*23.2*	**4,297,200**	3,897,800
	Meeting fees		**3,000,000**	3,450,000
	Rent, rates and taxes		**1,686,280**	6,139,652
	Advertisement		**-**	436,324
	Newspaper and periodicals		**95,731**	104,815
	Others		**13,339,065**	8,810,132
			682,096,978	618,295,689

23.1 This includes an amount of Rs. 26.86 million (2025: Rs. 44.20 million) in respect of staff retirement benefits.

23.2	Auditors' remuneration	Note	2026	2025
			Rupees	
	Audit fee		**3,298,100**	2,860,000
	Half yearly review fee		**847,000**	770,000
	Out of pocket		**152,100**	267,800
			4,297,200	3,897,800

24.	DISTRIBUTION COSTS	Note	2026	2025
	Freight and handling charges:			
	- Local		**111,836,894**	133,939,494
	- Export		**152,036,779**	169,059,794
			263,873,673	302,999,288
	Salaries, allowances and other benefits		**110,880,414**	98,670,557
	Sampling Expense	*22.1*	**65,008,744**	54,200,971
	Marketing Expense		**4,385,725**	2,416,810
	Other Expenses		**10,774,244**	4,189,021
			454,922,800	462,476,647

25.	FINANCE COSTS	Note	2026	2025
	Markup and interest charges on:			
	- Long term finances		**755,843,474**	843,909,474
	- Short term borrowings		**741,764,079**	1,387,848,778
	- Workers' Profit Participation Fund		**1,915,324**	-
	Unwinding of Sindh Infrastructure Cess Provision	*16.3*	**8,830,361**	-
	Unwinding of Gas Infrastructure Cess Provision	*16.4*	**71,094,018**	47,014,642
	Mark up on letter of credits		**165,138,680**	100,944,143
	Bank charges on export receipts		**9,325,917**	9,505,014
	Bank charges		**51,822,471**	47,604,142
			1,805,734,324	2,436,826,193

26. OTHER INCOME

	Note	2026	2025
		Rupees	
Exchange gain on export receivables:			
- Realized		**91,905,283**	119,964,780
- Unrealized		**-**	1,377,835
		91,905,283	121,342,615
Amortization of deferred government grant		**180,359,685**	190,532,720
Gain on disposal of operating fixed assets		**-**	31,496,008
Realized exchange gain on import of fixed assets and raw material		**-**	7,763,863
Unrealized exchange income on bank balance		**2,068,973**	226,265
Interest income on TDRs		**2,595,720**	-
Effect of discounting of financial liability		**261,776,871**	-
Others		**3,680,158**	2,919,675
		542,386,690	354,281,146

27. OTHER EXPENSES

	Note	2026	2025
Exchange loss on export receivables:			
- Realized		-	-
- Unrealized		**7,450,855**	-
		7,450,855	-
Exchange loss on payables		**7,230,000**	-
Provision for doubtful debt		**134,659,193**	12,009,463
Provision for slow moving on stocks		**14,753,335**	2,003,226
Loss on disposal of property, plant and equipment		**7,971,613**	-
Unrealized exchange loss on bank balance		-	-
Charity and donations	*27.1*	**420,000**	1,420,250
Others		**-**	11,819,094
		172,484,996	27,252,033

27.1 None of the directors or their spouse had any interest in the donees. Further, the particulars of the parties to whom donation paid exceeds Rs. 1 million or 10% of the total donation, whichever is higher, are as follows:

	Note	2026	2025
		Rupees	
Saylani Welfare International		-	1,000,000

28. LEVIES

	Note	2026	(Restated) 2025
		Rupees	
Excess of minimum tax over normal tax	*39*	**-**	175,372,675
Workers' Welfare Fund		**34,404,339**	13,357,714
Workers' Profit Participation Fund		**52,462,534**	34,523,142
Sindh infrastructure development cess	*16.3 & 39*	**148,127,571**	192,253,972
		234,994,444	240,134,828
		234,994,444	415,507,503

29. TAXATION

	Note	2026	2025
Current		**488,735,777**	255,265,915
Prior		**33,721,274**	22,673,898
Deferred	*39*	**(22,652,168)**	(58,636,463)
	29.1	**499,804,883**	219,303,350

		2026	(Restated) 2025
29.1	**Relationship between income tax expense and accounting profit before taxation**	Rupees	
	Profit before levies and taxation	**1,591,637,371**	690,462,841
	Tax at the applicable rate of 29%	**461,574,838**	200,234,224
	Tax effects of:		
	- admissible deductions	**(731,363,601)**	(620,848,943)
	- inadmissible deductions	**633,207,674**	610,427,835
	- super tax	**125,316,866**	65,452,799
	- prior tax	**33,721,274**	22,673,898
	- deferred tax	**(22,652,168)**	(58,636,463)
		38,230,045	19,069,126
		499,804,883	219,303,350

30. EARNINGS / (LOSS) PER SHARE - BASIC AND DILUTED

30.1 Basic earnings / (loss) per share

	2026	2025
Profit after taxation	**856,838,044**	55,651,988
	Number	
Weighted average number of ordinary shares outstanding	**6,163,000**	6,163,000
Earnings / (loss) per share - basic and diluted	**139.03**	9.03

30.2 Diluted earnings per share

There is no dilutive effect on the basic earnings per share of the Company, since there were no potential outstanding convertible instruments in issue as at June 30, 2026 and June 30, 2025.

31. CASH AND CASH EQUIVALENTS

Cash and cash equivalents at the end of the reporting period as shown in the statement of cash flows are reconciled to the related items in the statement of financial position as follows:

	Note	**2026**	2025
		Rupees	
Cash and bank balances	*12*	**118,084,358**	190,022,898
Short term borrowings - running finance		**(2,670,800,790)**	(2,135,075,891)
		(2,552,716,432)	(1,945,052,993)

32. REMUNERATION OF THE CHIEF EXECUTIVE, DIRECTORS AND EXECUTIVES

	CHIEF EXECUTIVE		DIRECTOR		EXECUTIVES		TOTAL	
	2026	2025	**2026**	2025	**2026**	2025	**2026**	2025
	Rupees							
Managerial remuneration	**14,520,000**	13,880,000	**11,520,000**	11,013,332	**211,833,737**	197,113,853	**237,873,737**	222,007,185
House rent	**5,804,400**	5,552,000	**4,604,400**	4,405,333	**84,404,696**	78,726,742	**94,813,496**	88,684,075
Meeting fee	**300,000**	300,000	**2,700,000**	3,825,000	**-**	-	**3,000,000**	4,125,000
Conveyance allowance	**3,600**	3,600	**3,600**	3,600	**328,800**	266,400	**336,000**	273,600
Utilities	**1,452,000**	1,388,000	**1,152,000**	1,101,333	**21,183,375**	19,711,384	**23,787,375**	22,200,717
Fuel allowance	**-**	-	**-**	-	**11,078,602**	**20,912,651**	**11,078,602**	20,912,651
Other benefits	**5,651,350**	10,005,167	**3,615,996**	7,938,778	**75,658,467**	127,050,414	**84,925,813**	144,994,359
	27,731,350	31,128,767	**23,595,996**	28,287,376	**404,487,677**	443,781,444	**455,815,023**	503,197,587
Number of persons	**1**	1	**6**	6	**92**	74		

32.1 The Chief Executive, Director and total 68 executives (2025: 61 executives) have also been provided with free use of the Company maintained cars.

		2026	2025
33.	**PLANT CAPACITY AND ACTUAL PRODUCTION**	Number	

33.1 Spinning Division

	2026	2025
Number of spindles / rotors installed	**88,552**	88,552
Number of spindles / rotors operated	**80,210**	79,547
Installed capacity in Kgs. after conversion into 20 single count	**33,151,411**	34,506,826
Actual production of yarn in Kgs. after conversion into 20 single count	**29,554,174**	30,890,978

33.2 Sock Division

	2026	2025
Number of Knitting Machines installed	**354**	270
Number of Knitting Machines operated	**354**	270
Installed capacity of socks in Dozen	**3,294,338**	2,943,614
Actual production of socks in Dozen	**2,913,836**	2,586,707

33.3 Actual production is less than the installed capacity due to planned maintenance shut down and gap between market demand and supply.

34. FINANCIAL INSTRUMENTS

34.1 Financial risk management

The Board of Directors of the Company has overall responsibility for the establishment and oversight of the Company's risk management framework. The Company has exposure to the following risks from its use of financial instruments:

- Credit risk
- Liquidity risk
- Market risk

34.1.1 Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation.

A financial asset is regarded as credit impaired as and when it falls under the definition of a 'defaulted' financial asset. For the Company’s internal credit management purposes, a financial asset is considered as defaulted when it is past due for 90 days or more.

The Company writes off a defaulted financial asset when there remains no reasonable probability of recovering the carrying amount of the asset through available means.

Maximum exposure to credit risk

The maximum exposure to credit risk at the reporting date is as follows:

		June 30, 2026		June 30, 2025	
	Note	**Carrying amount**	**Maximum exposure**	Carrying amount	Maximum exposure
		(Rupees)			
Long term loans and deposits		**42,919,051**	42,919,051	**46,927,847**	46,927,847
Trade debts	*(a)*	**7,103,235,379**	7,103,235,379	**6,722,387,168**	6,722,387,168
Deposit and other receivables		**15,720,634**	15,720,634	**44,591,355**	44,591,355
Bank balances	*(b)*	**116,874,778**	116,874,778	**188,530,178**	188,530,178
		7,278,749,842	**7,278,749,842**	**7,002,436,548**	**7,002,436,548**

Note (a) - Credit risk exposure on trade debts

To reduce the exposure, the Company closely evaluates the credit risk of customers and follows up for over due payments. Management continuously monitors the credit exposure towards them and makes provisions against those balances considered doubtful of recovery.

As of the reporting date, the ageing analysis of trade debts was as follows:

	2026		2025	
	Gross carrying amount	**Life time expected credit losses**	Gross carrying amount	Life time expected credit losses
		(Rupees)		
Not past due	**4,821,020,211**	**-**	4,079,664,176	-
Past due 1 to 30 days	**1,352,999,368**	**4,102,396**	1,387,357,077	3,129,778
Past due 31 to 60 days	**708,094,761**	**3,455,293**	604,188,657	1,439,105
Past due 61 to 90 days	**67,735,426**	**1,082,808**	200,288,254	843,421
Past due 91 to 150 days	**105,793,133**	**2,923,651**	494,066,742	37,765,434
Past due 151 to 365 days	**225,429,411**	**166,272,783**	-	-
	7,281,072,310	**177,836,931**	6,765,564,906	43,177,738

Note (b) - Credit risk exposure on bank balances

The Company's credit risk on liquid funds is limited because the counter parties are banks with reasonably high credit ratings. As of the reporting date, the external credit ratings of the Company's bankers were as follows:

Banks / other institutions	**Short term rating**	**Credit rating agency**	**2026**	2025
			Rupees	
Meezan Bank Limited	A1+	JCR-VIS	**1,351,204**	10,246,136
Habib Metropolitan Bank Limited	A1+	PACRA	**4,723,862**	13,463,295
Bank Al-Habib Limited	A1+	PACRA	**102,873,953**	158,937,271
National Bank of Pakistan	A1+	JCR-VIS	**445,461**	839,436
MCB Bank Limited	A1+	PACRA	**2,543,816**	119,900
Bank Alfalah Limited	A1	JCR-VIS	**4,031,725**	4,112,200
Askari Bank Limited	A1+	PACRA	**605,623**	557,538
United Bank Limited	A1+	JCR-VIS	**294,134**	249,402
Central Depository Company	-	-	**5,000**	5,000
			116,874,778	188,530,178

Concentration of credit risk

Concentration of credit risk arises when a number of financial instruments or contracts are entered into with the same party, or when counter parties are engaged in similar business activities, or activities in the same geographic region, or have similar economic features that would cause their ability 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.

34.1.2 Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. Prudent liquidity risk management implies maintaining sufficient cash balances and the availability of adequate funds through committed credit facilities. The Company finances its operations through equity, borrowings and working capital with a view to maintaining an appropriate mix between various sources of finance to minimize risk. The management aims to maintain flexibility in funding by keeping regular committed credit lines.

The following are the contractual maturities of financial liabilities, including estimated interest payments (in case of long term loan):

	2026						
	Carrying amount	**Contractual cash flows**	**Payable on demand**	**Three month or less**	**Six month or less**	**Twelve months or less**	**More than One years**
				Rupees			
Non-derivative financial liabilities							
Long term financing (including markup)	**8,836,346,509**	**9,766,772,554**	**-**	**361,798,951**	**360,697,387**	**719,385,429**	**8,324,890,787**
Trade and other payables	**1,132,341,489**	**1,132,341,489**	**-**	**1,132,341,489**	**-**	**-**	**-**
Short term borrowings	**8,546,227,102**	**8,546,227,102**	**2,670,800,790**	**5,875,426,312**	**-**	**-**	**-**
Accrued markup	**332,548,130**	**332,548,130**	**-**	**332,548,130**	**-**	**-**	**-**
	18,847,463,230	**19,777,889,275**	**2,670,800,790**	**7,702,114,882**	**360,697,387**	**719,385,429**	**8,324,890,787**

	2025						
	Carrying amount	Contractual cash flows	Payable on demand	Three month or less	Six month or less	Twelve months or less	More than One years
Non-derivative financial liabilities				Rupees			
Long term financing (including markup)	7,740,111,617	8,882,522,196	-	480,674,371	369,501,653	739,003,306	7,293,342,866
Trade and other payables	1,450,444,874	1,450,444,874	-	1,450,444,874	-	-	-
Short term borrowings	9,051,289,516	9,051,289,516	2,135,075,891	6,916,213,625	-	-	-
Accrued markup	273,027,631	273,027,631	-	273,027,631	-	-	-
	18,514,873,638	19,657,284,217	2,135,075,891	9,120,360,501	369,501,653	739,003,306	7,293,342,866

34.1.3 Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk.

(a) Foreign currency risk

Foreign currency risk arises mainly where receivables and payables exist due to transaction in foreign currency. The Company's exposure to foreign currency risk is as follows:

Exposure to foreign currency risk

The Company, as at reporting date, is exposed to foreign currency risk on trade debts and bank balances that are denominated in a currency other than the respective functional currency of the Company. Those transactions are denominated in US Dollars and Euros.

	June 30, 2026				June 30, 2025			
	Rupees	**EURO**	**CAD Dollar**	**US Dollars**	Rupees	EURO	CAD Dollar	US Dollars
Trade debts	**826,699,685**	**-**	**676,892**	**2,497,543**	965,478,838	-	205,152	3,254,360
Bank balance	**52,982,245**	**396**	**-**	**190,256**	63,662,647	428	-	223,979

The following significant exchange rates applied during the year:

	2026		2025	
	Average rate	**Reporting date rate**	**Average rate**	**Reporting date rate**
		Rupees		
US Dollar	**280.22**	**278.05**	279.48	283.60
CAD Dollar	**202.58**	**195.39**	200.01	207.37
EURO	**326.37**	**316.95**	304.82	332.25

Sensitivity analysis

As of the reporting date, 5% strengthening / (weakening) of the Pak Rupee against the US Dollars and Euros would have decreased / (increased) the profit before tax of the Company by the amount shown below. This analysis assumes that all other variables, in particular interest rates, remain constant.

	Effect on profit before tax
	—— Rupees ——
As at June 30, 2026	43,984,097
As at June 30, 2025	51,457,074

(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 changes in market interest rates. Majority of the interest rate exposure arises from short and long term borrowings from banks. At the reporting date, the interest rate profile of the Company's interest-bearing variable rate financial instruments was as follows:

	2026	2025	2026	2025
	Effective interest rate (%)		Carrying amount (Rs.)	
Financial liabilities				
Short term borrowings	**2% to 23.09%**	2% to 21.1%	**8,546,227,102**	9,051,289,516
Long term borrowings	**7.10% to 26.09%**	7.10% to 21.85%	**2,673,158,875**	3,212,292,885

Sensitivity analysis

A change of 100 basis points in interest rates at the reporting date would have increased / (decreased) profit before tax by Rs. 112.194 million (2025: Rs. 122.636 million). This analysis assumes that all other variables remain constant.

(c) Price risk

Other price risk represents the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in the market prices (other than those arising from interest/ mark up rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all or similar financial instruments traded in the market. As of the reporting date, the Company was not exposed to any price risk.

35. FAIR VALUE OF FINANCIAL ASSETS AND LIABILITIES

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Consequently, differences can arise between carrying values and the fair value estimates.

The Company measures fair values using the following fair value hierarchy that reflects the significance of the inputs used in making the measurements:

Level 1: Quoted market price (unadjusted) in an active market.

Level 2: Valuation techniques based on observable inputs.

Level 3: Valuation techniques using significant unobservable inputs. This category includes all instruments where the valuation technique includes inputs not based on observable data.

If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

For assets and liabilities that are recognised in the financial statements at fair value on a recurring basis, the management recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred. However, during the year, there were no transfers between the levels of the fair value hierarchy.

35.1 Fair value hierarchy

Following is the fair value hierarchy of the assets carried at fair value:

	Level 1	Level 2	Level 3	Total
June 30, 2026		**Rupees**		
- Plant and machinery	**-**	**9,139,747,401**	**-**	**9,139,747,401**
- Electric instruments and installations	**-**	**2,512,747,799**	**-**	**2,512,747,799**
June 30, 2025				
- Plant and machinery	-	9,350,304,001	-	9,350,304,001
- Electric instruments and installations	-	2,301,995,712	-	2,301,995,712

There were no transfers between levels 1, 2 and 3 during the year and there were no changes in valuation techniques during the years.

35.2 Valuation techniques and inputs used to determine fair value

The Company obtains independent valuations for its certain classes of property, plant and equipment. The following table summarizes the inputs used in the fair value measurement:

Description	2026 Rupees	2025 Rupees	Inputs used in fair value measurement
	---- Written down value (WDV) ----		
Plant and machinery	**9,139,747,401**	9,350,304,001	To determine the fair value of the plant and machinery, following significant inputs are used: 1) Cost of acquisition of similar plant and machinery with similar level of technology keeping in view the make, model, capacity, country of origin and other specification. 2) Physical condition of the plant and machinery - To arrive at commensurable value, the new installed values have been depreciated accordingly, keeping in view the present condition of the plant and machinery.;
Electric instruments and installations	**2,512,747,799**	2,301,995,712	To determine the fair value of the electric instruments and installations, following significant inputs are used: 1) Cost of acquisition of similar electric instruments and installations with similar level of technology keeping in view the make, model, capacity, country of origin and other specification. 2) Physical condition of the plant and machinery - To arrive at commensurable value, the new installed values have been depreciated accordingly, keeping in view the present condition of the electric instruments and installations.;

35.3 Financial instruments by categories

	2026	2025
	Rupees	
FINANCIAL ASSETS - at amortized cost		
Long term deposits	**42,919,051**	46,927,847
Trade debts	**7,103,235,379**	6,722,387,168
Deposits and other receivables	**15,720,634**	44,591,355
Cash and bank balances	**116,874,778**	188,530,178
	7,278,749,842	7,002,436,548
FINANCIAL LIABILITIES- at amortized cost		
Long term financing (including markup)	**8,836,346,509**	7,740,111,617
Trade and other payables	**1,132,341,489**	1,450,444,874
Accrued markup on short term borrowings	**332,548,130**	273,027,631
Short term borrowings	**-**	-
	10,301,236,128	9,463,584,122

36. CAPITAL MANAGEMENT

The Company's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The management closely monitors the return on capital along with the level of distributions to ordinary shareholders.

The management seeks to maintain a balance between higher returns that might be possible with higher levels of borrowings and the advantages and security afforded by a sound capital position.

Following is the quantitative analysis of what the Company manages as capital:

	2026	2025
Borrowings:	Rupees	
Long term financing	**8,685,482,171**	7,628,938,899
Shareholders' equity:		
- Issued, subscribed and paid up capital	**61,630,000**	61,630,000
- Unappropriated profit	**7,151,771,625**	6,176,015,582
	7,213,401,625	6,237,645,582
Total capital managed by the Company	**15,898,883,796**	13,866,584,481

37. RELATED PARTY TRANSACTIONS AND BALANCES

Related party comprise of associated company, key management personnel of the Company (including directors) and their close family members. Remuneration of the Chief Executive and Directors is disclosed in note 31 to these financial statements. Transactions entered into and balances held, with related party during the year, is as follows:

Name of the related party	Basis of relationship	Transactions during the year and year-end balances	2026	2025
			Rupees	
Pinnacle Fiber (Private) Limited	Associated company by virtue of common directorship	*Transactions during the year*		
		Purchase of goods	**284,753,664**	1,071,539,850
		Payment made during the year	**363,866,788**	1,003,775,055
		Sales made during the year	**7,231,314**	-
		Receipts during the year	**4,284,335**	-
		Balance outstanding		
		Trade payable	**921,462**	80,034,586
		Trade receivable	**2,946,979**	-

38. OPERATING SEGMENT RESULTS

	30-Jun-26		30-Jun-25		Premium Textile Mills Limited	
	Spinning	Socks	Spinning	Socks	30-Jun-26	30-Jun-25
Exports						
United States of America	**972,211,311**	**3,238,924,269**	2,775,165,360	3,405,652,922	**4,211,135,580**	6,180,818,282
Portugal	**211,590,887**	-	46,702,061	-	**211,590,887**	46,702,061
Italy	**10,019,741**	-	3,968,561	19,725,806	**10,019,741**	23,694,367
United Kingdom	-	**27,308,231**	-	27,318,755	**27,308,231**	27,318,755
Canada	-	**373,075,138**	-	235,717,109	**373,075,138**	235,717,109
Netherland	-	**115,972,281**	-	25,830,199	**115,972,281**	25,830,199
Autstralia	-	**224,180,221**	-	-	**224,180,221**	-
Spain	-	**27,620,442**	-	5,792,606	**27,620,442**	5,792,606
Turkey	-	-	-	-	-	-
Germany	**603,430**	-	127,861	14,606,735	**603,430**	14,734,596
New Zealand	**72,924,675**	-	-	-	**72,924,675**	-
Lithuania	**19,666,654**	-	61,623,500	-	**19,666,654**	61,623,500
Bangladesh	**72,755**	-	-	-	**72,755**	-
Belgium	-	-	-	14,803,078	-	14,803,078
Polland	-	-	-	1,646,824	-	1,646,824
Slovenia	-	**234,318,713**	-	24,085,410	**234,318,713**	24,085,410
	1,287,089,453	**4,241,399,295**	2,887,587,343	3,775,179,444	**5,528,488,748**	6,662,766,787
Local	**22,925,306,045**	**21,722,271**	26,594,789,931	16,952,197	**22,947,028,316**	26,611,742,128
	24,212,395,498	**4,263,121,566**	**29,482,377,274**	**3,792,131,641**	**28,475,517,064**	**33,274,508,915**
Commission and brokerage	**(122,583,576)**	-	(195,263,036)	(6,992,910)	**(122,583,576)**	(202,255,946)
Discount and claims	**(2,824)**	-	(192,585)	-	**(2,824)**	(192,585)
Sales tax	**(3,499,470,892)**	**(546,841)**	(4,059,331,533)	(314,040)	**(3,500,017,733)**	(4,059,645,573)
	(3,622,057,292)	**(546,841)**	(4,254,787,154)	(7,306,950)	**(3,622,604,133)**	(4,262,094,104)
Sales - net	**20,590,338,206**	**4,262,574,725**	25,227,590,120	3,784,824,691	**24,852,912,931**	29,012,414,811
Cost of sales	**(17,332,909,711)**	**(3,355,513,441)**	(22,167,348,657)	(2,964,033,897)	**(20,688,423,152)**	(25,131,382,554)
Gross profit	**3,257,428,495**	**907,061,284**	3,060,241,463	820,790,794	**4,164,489,779**	3,881,032,257
Administrative expenses	**(307,308,784)**	**(374,788,194)**	(468,157,688)	(150,138,001)	**(682,096,978)**	(618,295,689)
Distribution costs	**(267,813,996)**	**(187,108,804)**	(307,168,819)	(155,307,828)	**(454,922,800)**	(462,476,647)
Operating Resuls	**2,682,305,715**	**345,164,286**	2,284,914,956	515,344,965	**3,027,470,001**	2,800,259,921
Finance costs	**(1,627,757,257)**	**(177,977,067)**	(2,329,822,039)	(107,004,154)	**(1,805,734,324)**	(2,436,826,193)
Other income	**459,579,884**	**82,806,806**	263,123,879	91,157,267	**542,386,690**	354,281,146
Other expenses	**(172,484,996)**	-	(11,527,910)	(15,724,123)	**(172,484,996)**	(27,252,033)
Profit / (loss) before levies and taxation	**1,341,643,346**	**249,994,025**	206,688,886	483,773,955	**1,591,637,371**	690,462,841

	30-Jun-26		30-Jun-25		30-Jun-26	30-Jun-25
	Spinning	Socks	Spinning	Socks	Premium Textile Mills limited	
Segment Assets	**24,891,788,532**	**5,521,201,549**	25,158,793,433	4,208,223,142	**30,412,990,081**	29,367,016,575
Unallocated Assets	-	-	-	-	-	-
Segment Liabilites	**19,637,189,418**	**2,731,421,153**	17,700,768,354	4,502,214,868	**22,368,610,571**	22,202,983,222
Unallocated Liabilities	-	-	-	-	-	-

38.1 Inter unit current account balances of respective businesses have been eliminated from the total.

38.2 Addition during the year:

Operating fixed asset:

	Spinning	Socks	Total
Direct Additions	545,463,536	120,988,258	666,451,794
Through CWIP Additon	696,390,711	154,465,135	850,855,846

Capital work in process:

	Spinning	Socks	Total
Machinery	224,021,343	49,689,760	273,711,103
Civil works	20,507,842	4,548,806	25,056,648
Electrical instruments and installations	382,544,109	84,851,401	467,395,510

38.3 Depreciation and amortisation:

For the year ended June, 30 2026		For the year ended June, 30 2025		Premium Textile Mills Limited	
Spinning	**Socks**	Spinning	Socks	**June, 30 2026**	June, 30 2025
1,046,213,879	**449,202,582**	1,210,025,049	288,588,143	**1,495,416,461**	1,498,613,192

38.4 Finance cost on:

	For the year ended June, 30 2026		For the year ended June, 30 2025		Premium Textile Mills Limited	
	Spinning	**Socks**	Spinning	Socks	**June, 30 2026**	June, 30 2025
Long term financing	**651,450,265**	**104,393,209**	843,909,474	-	**755,843,474**	843,909,474
Short term borrowing	**692,309,277**	**49,454,802**	1,294,533,007	93,315,771	**741,764,079**	1,387,848,778

38.5 Type of product sold:

Spinning	Socks
Mélange yarns.	Low Impact Fibres / Anti-Slip Grips
Injection yarns.	Lifestyle socks.
Snow-effect yarn.	Specialty / Technical / Engineered socks.
Marled yarns.	Sports / Active-recreation socks.
Speckled yarns.	Functional Engineering (low-cut / sneaker style socks).
Heather-Grey yarns.	Health & Wellness / Diabetic socks (non-restrictive materials, improved circulation)
Fancy yarns.	Thermal / insulating socks (cold weather etc.)

38.6 Other information:

(a) Revenue earned from major customer, of more than 10% of total sales amounted to Rs. Nil million (2025: Rs. Nil).

(b) As at June 30, 2026 and June 30, 2025 , all non-current assets of the Company were located in Pakistan.

39. PRIOR PERIOD ADJUSTMENTS

(a) Recognition of Sindh Development and Maintenance of Infrastructure Cess (SIDC)

During the year, the Company entered into a settlement agreement dated April 23, 2026 with the Government of Sindh under the Sindh Development and Maintenance of Infrastructure Cess (Amendment) Act, 2026, whereby the Company's liability in respect of Sindh Development and Maintenance of Infrastructure Cess was admitted and settled at Rs. 734,480,744.

Based on the requirements of IAS 37 Provisions, Contingent Liabilities and Contingent Assets, management reassessed the obligation and concluded that the liability relating to cess on imports made in prior years met the recognition criteria for a provision in the respective years. Accordingly, in accordance with *IAS 8 'Accounting Policies, Changes in Accounting Estimates and Errors'* , the financial statements have been restated to recognize the liability in the respective years to which it relates. The restatement has resulted in an increase in cess expense of Rs. 192.254 million for the year ended June 30, 2025, while an amount of Rs. 315.069 million relating to years prior to June 30, 2025 has been recognized through opening retained earnings. Consequently, the cess liability has increased by Rs. 507.323 million as at June 30, 2025, with Rs. 192.254 million relating to the year ended June 30, 2025 and Rs. 315.069 million relating to prior years. The Company has also recognized a deferred tax asset of Rs. 197.856 million on the additional liability recorded in prior year, resulting in deferred tax income of Rs. 74.979 million for the year ended June 30, 2025 and an increase in opening retained earnings of Rs. 122.877 million in respect of prior years charge.

(b) Change in Accounting Policy – Deferred Tax on Minimum Taxes

In the prior year, in accordance with Approach (a) of the ICAP Accounting Standards Board's guidance titled "IAS 12 Application Guidance on Accounting for Minimum Taxes and Final Taxes", the Company did not recognize deferred tax on temporary differences arising between the tax bases and carrying amounts of its assets and liabilities. This treatment was based on management's assessment that the Company's current tax liability would continue to be determined under minimum tax provisions, either under section 113 or section 154(1A) of the Income Tax Ordinance, 2001, and that, accordingly, the related temporary differences were not expected to be realizable or adjustable against taxable income in the foreseeable future. However, deferred tax was recognized at the effective rate of 10% to the extent that the related temporary differences were expected to be adjustable in determining taxable income for the purpose of super tax.

During the current year, while computing the Company's tax liability, management reassessed the assumptions underlying the application of Approach (a) and determined that the Company's tax liability was expected to be subject to the standard corporate tax rate of 29%. Based on this reassessment, management concluded that Approach (b) of the aforesaid ICAP guidance provides more relevant and reliable information regarding the Company's tax position. Accordingly, the Company has changed its accounting policy for the recognition of levies and taxation and has applied Approach (b), under which deferred tax is recognized on temporary differences arising between the tax bases and carrying amounts of the Company's assets and liabilities on effective tax rate.

The change in accounting policy has been accounted for retrospectively in accordance with IAS 8 *Accounting Policies, Changes in Accounting Estimates and Errors* , and the comparative information has been restated accordingly.

As a result of the change in accounting policy, the deferred tax liability as at June 30, 2024, previously reported at Rs. 395.212 million has been increased to Rs. 1,572.139 million and the change in liability is recorded in opening retained earning by Rs. 1,176.927 million. Similarly, the deferred tax liability as at June 30, 2025, previously reported at Rs. 398.267 million has been increased to Rs. 1,606.814 million resulting in the recognision of change of Rs. 17.988 million in statement of profit and loss for the year ended June 30, 2025 and charge of Rs. 13.632 million in statement of comprehensive income.

(b) Recognition of provision against FBR demand

During the year, the Company received a demand notice dated May 30, 2026 from the Federal Board of Revenue (FBR) amounting to Rs. 97.106 million in respect of tax year 2022. The Company has appealed against the demand before the Appellate Tribunal, which is pending adjudication. On a prudent basis, the Company has recognized a provision for the demand and, being a prior period matter, the financial statements have been restated retrospectively in accordance with IAS 8.

The retrospective effects on the corresponding figures presented in these financial statements are as follows:

Effects on the statement of financial position

	As at June 30, 2025			As at June 30, 2024		
	As previously reported	As restated	Change	As previously reported	As restated	Change
	(Rupees)			(Rupees)		
Tax refunds due from government						
Income tax (payable) / refundable	38,622,357	(58,484,162)	(97,106,519)	23,535,792	(73,570,727)	(97,106,519)
Share capital and reserves						
Unappropriated profits	7,760,326,066	6,176,015,582	(1,584,310,484)	7,422,728,578	5,987,313,012	(1,435,415,566)
Deferred liabilities						
Sindh Infrastructure Development Cess - non current portion	-	261,169,010	261,169,010	-	476,155,561	476,155,561
Deferred taxation-net	398,267,520	1,378,148,312	979,880,792	395,212,701	1,418,452,547	1,023,239,846
Trade and other payables						
Provision for Sindh Infrastructure Development Cess	79,000,000	-	(79,000,000)	79,000,000	-	(79,000,000)
Current portion of Sindh Infrastructure Development Cess	-	110,167,612	110,167,612	-	110,167,612	110,167,612

Effects on the statement of profit or loss

	For the year ended June 30, 2025		
	As previously reported	As restated	Change
	(Rupees)		
Sales - net	29,012,414,811	29,012,414,811	-
Cost of sales	(25,131,382,554)	(25,131,382,554)	-
Gross profit	3,881,032,257	3,881,032,257	-
Administrative expenses	(618,295,689)	(618,295,689)	-
Distribution costs	(462,476,647)	(462,476,647)	-
	(1,080,772,336)	(1,080,772,336)	-
Operating profit	2,800,259,921	2,800,259,921	-
Finance costs	(2,436,826,193)	(2,436,826,193)	-
Other income	354,281,146	354,281,146	-
Other expenses	(27,252,033)	(27,252,033)	-
	(2,109,797,080)	(2,109,797,080)	-
Profit before levies and taxation	690,462,841	690,462,841	-
Levies	(413,066,647)	(415,507,503)	(2,440,856)
Profit before taxation	277,396,194	274,955,338	(2,440,856)
Taxation - net	(86,480,945)	(219,303,350)	(132,822,405)
Profit after taxation	**190,915,249**	**55,651,988**	**(135,263,261)**
Other Comprehensive income			
Items that will not be reclassified subsequently to statement of profit or loss			
Actuarial losses on defined benefit obligation	42,305,141	28,673,484	(13,631,657)
Total comprehensive (loss) / income for the year	**233,220,390**	**84,325,472**	**(148,894,918)**
Loss per share - basic and diluted	**30.98**	**9.03**	**(21.95)**

40. GENERAL

40.1 Shariah compliance disclosure

	Note	2026 Conventional	2026 Shariah Compliant	2026 Total	2025 Conventional	2025 Shariah Compliant	2025 Total
Statement of Financial Position		----------	Rs.	----------	----------	Rs.	----------
Short-term investments	*9*	9,453,333	-	9,453,333	-	-	-
Cash and bank balances	*12*	62,623,584	54,251,194	116,874,778	83,497,602	105,032,576	188,530,178
Lease Liabilities		-	-	-	-	-	-
Long-term borrowings	*15*	7,727,007,796	958,474,375	8,685,482,171	6,691,943,097	936,995,802	7,628,938,899
Accrued interest / mark-up	*18*	302,572,064	29,976,066	332,548,130	257,592,081	15,435,550	273,027,631
Short-term borrowings	*19*	7,022,867,689	1,523,359,413	8,546,227,102	5,643,221,438	3,408,068,078	9,051,289,516
Statement of profit or loss							
Sales - net	*21*	-	24,852,912,931	24,852,912,931	-	29,012,414,811	29,012,414,811
Foreign exchange loss (net)	*27*	-	7,450,855	7,450,855	-	-	-
Late payments or liquidated damages				-			
Gain / (loss) or dividend earned on Shariah compliant							
Investments or share of profit / (loss) from Shariah-compliant associate		-	-	-	-	-	-
Exchange gains earned using conventional derivative financial instruments		-	-	-	-	-	-
Profit on bank deposits		-	-	-	-	-	-
Income from investments	*26*	2,595,720	-	2,595,720			
Income on intercompany balance due from associate		-	-	-			
Foreign exchange gain (net)	*26*	-	91,905,283	91,905,283			121,342,615
Scrap sales		-	-	-	-	-	-
Gain on disposal of operating assets	*26*	-	-	-	-	31,496,008	31,496,008
Gain on disposal of right-of-use asset		-	-	-	-	-	-
Gain on lease modification		-	-	-	-	-	-
Other income	*26*	-	447,885,687	447,885,687	-	201,442,523	201,442,523
Finance costs	*25*	1,434,470,534	371,263,790	1,805,734,324	1,127,727,419	678,006,905	1,805,734,324

Other Disclosure Requirements

Relationship with Shariah-Compliant financial Instituitions, including banks, takaful operators and their windows, etc.

<u>Name</u>	<u>Relationship</u>
Meezan Bank Limited	Bank Deposit / Borrowing
Bank Al-Habib Limited (Islamic)	Bank Deposit / Borrowing
MCB Bank Limited (Islamic)	Borrowing

40.2 Non - adjusting event after balance sheet date

Subsequent to year ended June 30, 2026, the Board of Directors in their meeting held on September 07th, 2026 has proposed a final cash dividend of Rs. 15 per share (2025: Rs. 2 per share) for approval of the members at the Annual General Meeting to be held on 28th, October, 2026. The financial statements do not reflect this appropriation.

40.3 Number of employees

	2026	2025
	Number	
Total employees of the Company at the year end	**2,355**	2,282
Average employees of the Company during the year	**2,477**	2,477

40.4 Reclassification of corresponding figures

In these financial statements, the following corresponding figures have been rearranged and reclassified, for the purposes of comparison and better presentation.

Reclassified from component	**Reclassified to component**	*Note*	**Rupees**
Other payables (Trade and other payables)	Creditors (Trade and other payables)	*17*	16,068,706
Current maturity of loan to vendor (Loan, advances, deposits, prepayments and other receivables)	Current maturity of loan to vendor (Long term loan, advances and deposits)	*5 & 11*	6,000,000
Minimum tax (Levies)	Current tax (Taxation)	*29*	189,813,116

40.5 Date of authorization for issue of the financial statements

These financial statements have been authorized for issue by the Board of Directors of the Company in their meeting held on **September 07th, 2026**.

40.6 Level of rounding

Figures in these financial statements have been rounded off to the nearest rupee.

Chief Executive Officer

Director

Chief Financial Officer

PATTERN OF SHAREHOLDING

As At June 30, 2026

Number of Share Holders	Share Holding From	Share Holding To	Total Shares Held
483	1	100	32,651
92	101	500	28,073
38	501	1000	32,300
55	1001	5000	148,633
17	5001	10000	134,954
5	10001	15000	58,499
5	15001	20000	93,196
3	20001	25000	71,980
3	25001	30000	86,996
3	35001	40000	108,160
1	40001	45000	40,450
2	45001	50000	96,760
2	50001	55000	103,548
1	60001	65000	61,104
1	65001	70000	70,000
2	70001	75000	145,402
1	80001	85000	80,850
5	110001	115000	553,500
1	120001	125000	121,858
1	130001	135000	134,600
1	240001	245000	240,523
1	295001	300000	297,075
1	615001	620000	615,623
1	2805001	2810000	2,806,265
725			**6,163,000**

CLASSIFICATION OF SHARES BY CATEGORIES

As At June 30, 2026

NAME		HOLDING	%
Associate Companies / Group Companies		3,051,788	49.52%
	TRUSTEES OF ABDUL KADIR ADAM BENEFICIARY TRUST	2,811,265	
	TRUSTEES OF NABILA AND ABDUL KADIR ADAM BENEFICIARY TRUST	240,523	
Bank		455	0.01%
	NATIONAL BANK OF PAKISTAN		
DIRECTORS, CHIEF EXECUTIVE OFFICER, THEIR SPOUSE, MINOR CHILDREN AND RELATIVES		1,148,152	18.63%
	ABDUL KADIR ADAM	19,386	
	ABDUS SAMAD PAREKH	30,000	
	FARHEEN	110,700	
	LUBNA ASIF BALAGAMWALA	110,700	
	MR.KHIZAR YUSUF SATTAR	3,000	
	MUHAMMAD ASLAM PAREKH	12,700	
	MUHAMMAD SOHAIL TABBA	100	
	MUHAMMAD YASIN SIDDIK	298,075	
	MUNIZA IRFAN	110,700	
	NABILA YASEEN SIDDIQUE	121,858	
	NABILA YASIN SIDDIK	11,790	
	NEELAM ASLAM PAREKH	110,700	
	RAZIA ALTAF ADAM	110,700	
	SAADIA YASIN SADIK	10,000	
	SAIRA ADAM	70,343	
	ZAID SIDDIK	17,400	
Individuals		**1,089,883**	17.68%
NIT / ICP		**616,123**	10.00%
	CDC - TRUSTEE NATIONAL INVESTMENT (UNIT) TRUST	615,623	
	INVESTMENT CORP. OF PAKISTAN	500	
Others		**256,599**	4.17%
	A.M.MANSUR LLP	10	
	AL HAYY TRADING (PRIVATE) LIMITED	25,000	
	CDC - TRUSTEE AKD OPPORTUNITY FUND	10,000	
	CDC - TRUSTEE GOLDEN ARROW STOCK FUND	23,400	
	FIKREES (PRIVATE) LIMITED	381	
	FREEDOM ENTERPRISES (PVT) LTD	1,000	
	MANNOO CAPITAL (PRIVATE) LIMITED	7,000	
	MAPLE LEAF CAPITAL LIMITED	1	
	MERIN (PRIVATE) LIMITED	300	
	MUHAMMAD AHMAD NADEEM SEC(SMC-PVT)LTD (ISB)	500	
	PAKISTAN MEMON EDUCATIONAL & WELFARE SOC	2,000	
	PREMIER FASHIONS (PVT) LTD	70,000	
	TRUST SECURITIES & BROKERAGE LIMITED - MF	5,000	
	TRUSTEE NATIONAL BANK OF PAKISTAN EMP BENEVOLENT FUND TRUST	2,597	
	TRUSTEE NATIONAL BANK OF PAKISTAN EMPLOYEES PENSION FUND	74,010	
	YOUSUF YAQOOB KOLIA AND COMPANY (PVT) LTD	35,400	
Grand Total		**6,163,000**	**100.00%**

M/s.Premium Textile Mills Ltd,
1st floor, Haji Adam Chamber,
Altaf Hussain Road, New Challi,
Karachi.

Bank Mandate Form

I Mr. / Ms./Mrs.________________________ S/o, D/o, w/o, ____________________________ hereby authorize Premium Textile Mills Ltd to send /directly credit cash dividends declared by it, in my bank account as detailed below:

(i) Shareholder's details	
Name of the Shareholder	
Participant & Account # CDC Investor #	
CNIC NO. / NTN	
Passport No. (in case of foreign shareholder)	
Landline / Cell Number of the Shareholder	

(ii) Shareholder's Bank detail	
Bank's Name	
Branch Name and Address	
Branch Code Number.	
Title of Bank Account	
Account Number	
IBAN	
Shareholder's details	

It is stated that the above particulars given by me are correct to the best of my knowledge and I shall keep the Company/ Share Registrar informed in case of any changes in the said particulars in future.

Signature of the shareholder

Note: Bank mandate details must be verified by the concerned Bank Branch to avoid any error.

Mr./ Mrs. / M/s

Dear Shareholder,

ELECTRONIC PAYMENT OF CASH DIVIDENDS INSTEAD OF PHYSICAL DIVIDEND WARRANTS

Pursuant to Section 242 of the Companies Act-2017 and notification by the Security Exchange Commission of Pakistan (SECP) that all listed companies must pay future cash dividends electronically mode into the bank accounts of the shareholders instead of issuing physical dividend warrants.

We have reviewed and found that you have not yet provided a bank mandate. In this regard, you are required to provide bank mandate details with IBANs otherwise future dividends could be withheld according to the section 242 and directives of SECP.

CDC shareholders may submit their bank mandate details to their investor account services or their brokers where shares are placed electronically.

For any query/ problem/information, the investors may contact the company, and / or the Share Registrar at the following phone Numbers, email address:

F.D.Registrar Services (SMC-Pvt) Ltd. 17th Floor, Saima Trade Tower-A, I.I.Churdrigar Road, Karachi. Ph-0213-2271905-6	Premium Textile Mills Pvt Ltd. 1 st Floor, Haji Adam Chamber Altaf Hussain Road, New Challi, Karachi.74000. Tel: 32400405-8, 32416380 Fax: 32417908 e-mail: premhead@premiumtextile.com

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Annual General Meeting

The Company Secretary
Premium Textile Mills Limited
1st Floor, Haji Adam Chamber,
Altaf Hussain Road, New Challi,
Karachi

I/We___________________________ of _____________________ being member(s) of Premium Textile Mills Limited holding _______________ Ordinary shares as per Register Folio No/CDC /A/c No. _____________________hereby appoint ______________________________ of __________________________ or failing him __________________________ of ________________________ of as my / our proxy to attend, act and vote for me / us and on my / our behalf at the Annual General Meeting of the Company to be held on October 09, 2026 and / or any adjournment thereof.

As witness my / our hand / seal this ____ day of ___________ 2026 signed by ________________________ in the presence of (name & address)

Witness:

1. Name: ______________________
   Address: ______________________
   CNIC or: ______________________
   Passport No: ______________________
   Signature: ______________________

Witness:

2. Name: ______________________
   Address: ______________________
   CNIC or: ______________________
   Passport No: ______________________
   Signature: ______________________

Signature on Rs. 50/-
Revenue Stamp

The Signature should agree with the specimen registered with the Company

Important Note:

A member of the Premium Textile Mills Limited ("Company") entitled to attend and vote may appoint another member as his / her proxy to attend and vote instead of him / her.

The proxy form, duly completed and signed, must be received at the registered office of the company situated at 1st Floor, Haji Adam Chamber, Altaf Hussain Road, New Challi, Karachi not less than 48 hours before the time of holding the meeting.

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

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

The Form of proxy must be submitted with the Company within the stipulated time, duly witnessed by two persons whose names, address and CNIC numbers must be mentioned on the form, along with attested copies of CNIC or the Passport of the beneficial owner and the proxy. In case of a corporate entity, the Board of Directors' Resolution / Power of Attorney along with the specimen signature shall be submitted (unless it has been provided earlier along with the proxy form to the Company).

Corporate Office:

1st Floor, Haji Adam
Chambers, Altaf Hussain, Road , New Challi, Karachi, Pakistan.
T: 92 21 32400405-8
F: 92 21 32417908
M: www.premiumtextile.com

Factory Address:

Plots # 22, 23, 59, 60, 61, 76, 77, 78, 140, 142, 157, and 208/1,
Main Super Highway, Nooriabad, District Jamshoro, Sindh, Pakistan.