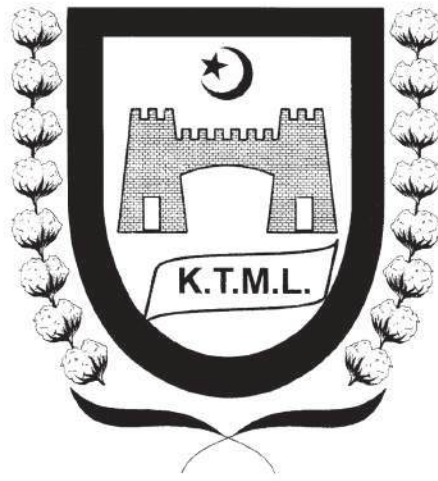


65th
ANNUAL REPORT
FOR THE YEAR
2026



Khyber Textile Mills Limited

بِسْمِ اللَّهِ الرَّحْمَنِ الرَّحِيمِ

شروع اللہ کے بابرکت نام سے جو بڑا مہربان اور نہایت رحم کرنے والا ہے

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COMPANY INFORMATION**CHAIRMAN**
CHIEF EXECUTIVEMr. Aurangzeb Khan
Mr. Adam Jadoon**DIRECTORS**Mr. Aurangzeb Khan
Mr. Amanullah Khan Jadoon
Mr. Adam Jadoon
Mr. Muhammad Bahauddin
Mrs. Aamna Jadoon
Mr. Hassan Ovais
Mr. Nusrat Iqbal**AUDIT COMMITTEE****CHAIRMAN**
MEMBER
MEMBERMr. Nusrat Iqbal
Mrs. Aamna Jadoon
Mr. Muhammad Bahauddin**HR & R COMMITTEE****CHAIRMAN**
MEMBER
MEMBERMr. Nusrat Iqbal
Mr. Muhammad Bahauddin
Mr. Adam Jadoon**SECRETARY**

Mr. Sadaqat Khan

CHIEF FINANCIAL OFFICER

Mr. Taj Muhammad

AUDITORSM/s Clarkson Hyde Saud Ansari
Chartered Accountants**SHARE REGISTRAR**F.D. Registrar Services
(SMC-Pvt) Ltd
Office No 1705, 17th Floor,
Saima Trade Tower-A,
I.I Chundrigar Road, Karachi
Email: info@fdregistrar.com**REGISTERED OFFICE**
& HEAD OFFICEKhyber Textile Mills Ltd.
Baldher, District Haripur,
Khyber Pakhtunkhwa**MILLS**Baldher, District Haripur,
Khyber Pakhtunkhwa**Website address:-****www.khybertextile.com****Email Address:-****info@khybertextile.com****Phone No:-****0995-655048**

VISION STATEMENT

To remain a contributor in the local market and to serve the needs of our valued customers with dedication by focusing on the requirements of the general public.

MISSION STATEMENT

The Company is committed to the following objectives:

1. To contribute to the economy through its business activities, thereby supporting both the local and national sectors.
2. To provide employment opportunities for residents of the surrounding areas, while improving their skills through training and development.

STATEMENT OF ETHICS AND BUSINESS PRACTICES

The Company, Khyber Textile Mills Limited (KTML) will be guided by the following principles in achieving its organizational objectives:

- Conducting the Company's affairs within the framework of applicable laws and regulations.
- Maintaining the accuracy and secure custody of the Company's books and records.
- Valuing employees, suppliers, agents, customers, and shareholders.
- Ensuring timely payments of amounts due to employees, agents, and suppliers.
- Maintaining a healthy and safe work environment.
- Safeguarding the Company's assets and resources.
- Striving to ensure the continued success and sustainability of the Company.

The Company's interactions with stakeholders, including government departments, regulatory bodies, and financial institutions, are conducted in accordance with sound business ethics. Furthermore, the Company adheres to the Companies Act 2017, the Code of Corporate Governance and other relevant corporate regulations in maintaining its accounting and financial policies and procedures.

KEY OPERATING AND FINANCIAL DATA

	(Rupees in '000)					
	<u>2026</u>	<u>2025</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>
<u>OPERATING:</u>						
Net Sales	22,787	20,684	18,355	27,104	14,592	9,618
Gross (Loss) Profit	7,154	5,975	5,045	7,677	3,776	1,672
Operating Profit/(Loss)	(5,858)	(7,105)	(5,754)	(4,528)	(6,245)	(9,880)
Pre Tax Profit/(Loss)	(5,858)	(7,105)	(5,754)	(4,528)	(6,245)	8,242
After Tax Profit/(Loss)	(7,851)	(5,825)	(4,662)	(3,915)	(5,210)	5,411
 Tangible Fixed Assets	 1,270,123	 1,280,757	 1,293,591	 952,750	 962,932	 973,973
Long Term Deposit	89	89	89	89	89	89
	<u>1,270,212</u>	<u>1,280,846</u>	<u>1,293,680</u>	<u>952,839</u>	<u>963,021</u>	<u>974,062</u>
 Current Assets	 21,616	 19,683	 15,996	 13,429	 11,382	 8,901
Current Liabilities	(5,053)	(6,033)	(7,122)	(8,353)	(10,626)	(28,207)
Working Capital	<u>16,563</u>	<u>13,650</u>	<u>8,873</u>	<u>5,076</u>	<u>756</u>	<u>(19,306)</u>
Share Capital	12,275	12,275	12,275	12,275	12,275	12,275
Accumulated Losses	<u>(5,332)</u>	<u>(6,560)</u>	<u>(10,562)</u>	<u>(13,117)</u>	<u>(16,700)</u>	<u>(19,607)</u>

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the 65th Annual General Meeting of the Shareholders of KHYBER TEXTILE MILLS LIMITED will be held on Wednesday the 28th October 2026, at 10:30 a.m. at the Registered Office of the Company, Baldher, District Haripur, Khyber Pakhtunkhwa to transact the following business.

Ordinary Business:

1. To receive, consider and adopt the Annual Audited Financial Statements of the Company for the year ended 30th June 2026 together with the Chairman's Review, Directors' and Auditors' Reports thereon.
2. To appoint Auditors of the Company for the financial year ending 30th June 2027 and to fix their remuneration. The Board of Directors has recommended the re-appointment of the retiring Auditors, M/s Clarkson Hyde Saud Ansari Chartered Accountants, who have consented to act and, being eligible, offer themselves for re-appointment as Auditors of the Company for the financial year ending 30th June 2027.
3. To transact any other ordinary business of the Company with the permission of the Chair.

BY ORDER OF THE BOARD

For Khyber Textile Mills Limited



Sadaqat Khan

Company Secretary

30th September 2026

NOTES:

1. The Share transfer books of the Company will remain closed from 20th October 2026 to 28th October 2026 (both days inclusive). Physical transfers and CDC Transaction IDs received at the Company's Registrar (F.D. Registrar Services) at close of business on 19th October 2026 shall be considered in time to determine the above-mentioned entitlement and to attend and vote at the meeting.
2. Members attending the Meeting shall bring along their original Computerized National Identity Card (CNIC) or Passport at the time of attending the Meeting.
3. A Member of the Company entitled to attend and vote at the General Meeting may only appoint another Member as proxy to attend and vote in place of the Member at the Meeting. Proxies in order to be effective must be received at the Company's registered office duly stamped and signed not later than 48 hours before the time of holding the Meeting. A Member cannot appoint more than one proxy. Copies of the Computerized National Identity Card or Passport of both the Member and the beneficial owner must be attached with the proxy form.
4. The CDC/sub account holders are required to follow the under mentioned guidelines:-
 - a) For attending the meeting.
 - i) In case of individuals, the account holder or sub-account holder and/ or the person, whose securities are in group account and their registration details are uploaded as per the regulations, shall authenticate identity by showing his/her original Computerized National Identity Card (CNIC) or original passport at the time of attending the meeting.
 - ii) In case of a corporate entity, the Board of Directors' resolution / power of attorney with specimen signature and an attested copy of the CNIC of the nominee must be submitted to the Company at least 48 hours prior to the meeting.

- b) For appointing proxies:
- i) In case of individuals, the account holder or sub-account holder and/or the person, whose securities are in a group account and their registration detail is uploaded as per the regulations, shall submit the proxy form as per the above requirement.
 - ii) The proxy form shall be witnessed by the two persons whose names, addresses and Computerized National Identity Card or Passport number shall be mentioned on the form.
 - iii) Copies of Computerized National Identity Card or Passport of the beneficial owners and the proxy shall be furnished with the proxy form.
 - iv) The proxy shall produce his/her original Computerized National Identity Card or original Passport at the time of the meeting.
 - v) In case of corporate entity, the Board of Directors' resolution/power of attorney with specimen signature shall be submitted to the Company along with proxy form.
5. Shareholders, who want to participate through video-link facility, should update their valid e-mail address with the Company's Share Registrar F.D. Registrar Services at info@fdregistrar.com by 19th October, 2026. Shareholders having updated their valid e-mail address with the Share Registrar and are interested to attend the Annual General Meeting electronically through video-link, may send their request no later than 48 hours before the Annual General Meeting date along with their Name, Folio Number, scanned copy of CNIC, Mobile Number and e-mail address to companysecretaryktml@gmail.com with the subject "Registration for Annual General Meeting". The video-link details will be shared with the registered participants who have provided their Name, Folio Number, scanned copy of CNIC, mobile number and e-mail address before the meeting. It may be noted that no person other than the Member or proxy holder can attend the Annual General Meeting through video-link.
6. Members are requested to promptly notify any change in their mailing address, e-mail and contact details to the Company's Share Registrar. Members, having physical shares, are advised to intimate any change in their registered address and shareholders who have not yet submitted photocopies of their CNIC are requested to send the same to the Company's Share Registrar (F.D. Registrar Services, Office No. 1705, 17th Floor Saima Trade Tower-A, I.I Chundrigar Road, Karachi).
7. Pursuant to Section 134 of the Companies Act, 2017, members holding in aggregate at least ten percent (10%) of the total paid-up share capital of the Company may request the provision of a video-link facility for attending the meeting by submitting a written request to the Company at least (7) days prior to the date of the Meeting. Such request shall contain the member's name, Folio Number/CDC Account Number, scanned copy of CNIC or Passport, mobile number and e-mail address for verification purposes.
8. Shareholders who wish to receive notice of the Annual General Meeting or Annual Report through e-mail are requested to provide to the Company, through a letter duly signed by them, their particulars, i.e. Name, Folio/CDC A/C No., e-mail address, contact number and copy of CNIC.
9. The notice of the Annual General Meeting and the Annual Report including the Annual Audited Financial Statements of the Company for the year ended 30th June 2026 have been placed on the Company's website at www.khybertextile.com.
10. Pursuant to Section 72 of the Companies Act, 2017, which requires all companies to replace shares issued by them in physical form with shares to be issued in the Book-Entry Form within a period not exceeding four years from the date of the promulgation of the Act. In order to ensure full compliance with the provisions of the aforesaid Section 72 and to benefit from the facility of holding shares in the Book-Entry-Form, the shareholders who still hold shares in physical form are requested to convert their shares in the Book-Entry-Form. For further information, please contact the Company's Share Registrar.
11. Pursuant to Companies (Postal Ballot) Regulations 2018, for the purpose of election of Directors and for any other agenda item subject to the requirements of Sections 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 or through any electronic mode, in accordance with requirements and procedure contained in the aforesaid regulations.

سالانہ عام اجلاس کانٹنس

اطلاع دی جاتی ہے کہ خیبر ٹیکسٹائل ملز لمیٹڈ کے شیئرز ہولڈرز کا 65 واں سالانہ اجلاس بدھ 28 اکتوبر 2026 کو صبح 10:30 بجے کمپنی کے رجسٹرڈ آفس، بلڈھر، ضلع ہری پور، خیبر پختونخواہ میں، کاروبار کے لیے منعقد ہوگا۔

عام کاروبار:

1. 30 جون، 2026 کو ختم ہونے والے سال کے لیے کمپنی کے سالانہ آڈٹ شدہ مالیاتی گوشواروں کو وصول کرنے، ان پر غور کرنے اور اس پر چیئرمین کا جائزہ ڈائریکٹرز اور آڈیٹرز کی رپورٹس کے ساتھ اپنانے کے لیے۔
 2. 30 جون 2027 کو ختم ہونے والے مالی سال کے لیے کمپنی کے آڈیٹرز کا تقرر کرنا اور ان کے معاوضے کا تعین کرنا۔ بورڈ آف ڈائریکٹرز نے ریٹائر ہونے والے آڈیٹرز، میسرز کلا ر کسن ہائیڈر سعود انصاری چارٹرڈ اکاؤنٹنٹس کی دوبارہ تقرری کی سفارش کی ہے، جنہوں نے کام کرنے کے لیے رضامندی ظاہر کی ہے اور اہل ہونے کے بعد، 30 جون 2027 کو ختم ہونے والے مالی سال کے لیے کمپنی کے آڈیٹرز کے طور پر دوبارہ تقرری کے لیے خود کو پیش کیا ہے۔
 3. چیئرمین کی اجازت سے کمپنی کے کسی دوسرے عام کاروبار کا لین دین کرنا۔
- بورڈ کے حکم سے

خیبر ٹیکسٹائل ملز لمیٹڈ کے لیے

(Signature)

صداقت خان

کمپنی سیکرٹری

30 ستمبر 2026

نوٹس:

1. کمپنی کی حصص کی منتقلی کی کتابیں 20 اکتوبر 2026 سے 28 اکتوبر 2026 (دونوں دن سمیت) بند رہیں گی۔ 19 اکتوبر 2026 کو کاروبار کے اختتام پر کمپنی کے رجسٹرڈ (F.D) رجسٹرار سرورسز) کو موصول ہونے والی فزیکل ٹرانسفرز اور CDC ٹرانزیکشن آئی ڈیز کو اوپر بیان کردہ استحقاق کا تعین کرنے اور مینٹنگ میں شرکت اور ووٹ دینے کے لیے وقت پر غور کیا جائے گا۔
2. مینٹنگ میں شرکت کرنے والے ممبران مینٹنگ میں شرکت کے وقت اپنا اصل کمپیوٹرائزڈ قومی شناختی کارڈ (CNIC) یا پاسپورٹ ساتھ لائیں۔
3. جنرل مینٹنگ میں شرکت کرنے اور ووٹ دینے کا حقدار کمپنی کا ممبر مینٹنگ میں ممبر کی جگہ پر کسی دوسرے ممبر کو پراکسی کے طور پر مقرر کر سکتا ہے۔ مؤثر ہونے کے لیے پراکسی مینٹنگ کے انعقاد کے وقت سے 48 گھنٹے پہلے کمپنی کے رجسٹرڈ آفس سے وصول کی جانی چاہئیں اور اس پر ممبر اور دستخط ہونا ضروری ہے۔ ایک رکن ایک سے زیادہ پراکسی مقرر نہیں کر سکتا۔ پراکسی فارم کے ساتھ ممبر اور فائدہ اٹھانے والے مالک دونوں کے کمپیوٹرائزڈ قومی شناختی کارڈ یا پاسپورٹ کی کاپیاں منسلک ہونی چاہئیں۔
4. سی ڈی سی / سب اکاؤنٹ ہولڈرز کو درج ذیل ہدایات پر عمل کرنے کی ضرورت ہے:-

(a) مینٹنگ میں شرکت کے لیے۔

- (i) افراد کے معاملے میں، اکاؤنٹ ہولڈر یا ذیلی اکاؤنٹ ہولڈر اور / یا وہ شخص، جس کی سیکیورٹیز گروپ اکاؤنٹ میں ہیں اور ان کی رجسٹریشن کی تفصیلات ضوابط کے مطابق اپ لوڈ کی گئی ہیں، مینٹنگ میں شرکت کے وقت اپنا اصل کمپیوٹرائزڈ قومی شناختی کارڈ (CNIC) یا اصل پاسپورٹ دکھا کر شناخت کی تصدیق کرے گا۔
 - (ii) کسی کارپوریٹ ادارے کی صورت میں، مینٹنگ کے وقت بورڈ آف ڈائریکٹرز کی قرارداد / پاور آف اٹارنی نامزد شخص کے دستخط کے ساتھ پیش کیا جائے گا۔ اور کمپیوٹرائزڈ قومی شناختی کارڈ کی تصدیق شدہ کاپی اجلاس سے 48 گھنٹے پہلے جمع کرنا ضروری ہے۔
- (b) پراکسیوں کی تقرری کے لیے:

- (i) افراد کے معاملے میں، اکاؤنٹ ہولڈر یا ذیلی اکاؤنٹ ہولڈر اور / یا وہ شخص، جس کی سیکیورٹیز ایک گروپ اکاؤنٹ میں ہیں اور ان کی رجسٹریشن کی تفصیل ضوابط کے مطابق اپ لوڈ کی گئی ہے، مندرجہ بالا ضرورت کے مطابق پراکسی فارم جمع کرائے گا۔

(ii) پراکسی فارم پر دو افراد گواہ ہوں گے جن کے نام، پتے اور کمپیوٹرائزڈ قومی شناختی کارڈ یا پاسپورٹ نمبر فارم پر درج ہوگا۔

(iii) کمپیوٹرائزڈ قومی شناختی کارڈ یا فائدہ اٹھانے والے مالکان کے پاسپورٹ کی کاپیاں اور پراکسی کو پراکسی فارم کے ساتھ پیش کیا جائے گا۔

(iv) پر کسی میٹنگ کے وقت اپنا اصل کمپیوٹر انڈسٹریل کارڈ یا اصل پاسپورٹ پیش کرے گا۔

(v) کارپوریٹ ادارے کی صورت میں، بورڈ آف ڈائریکٹرز کی قرارداد / پاور آف اٹارنی پر کسی فارم کے ساتھ نمونہ دستخط کے ساتھ کمپنی کو جمع کرایا جائے گا۔

5. شیئر ہولڈرز، جو ویڈیو لنک کی سہولت کے ذریعے شرکت کرنا چاہتے ہیں، اپنے درست ای میل ایڈریس کو کمپنی کے شیئر رجسٹرار F.D کے ساتھ اپ ڈیٹ کریں، 19 اکتوبر 2026

تک info@fdregistrar.com پر۔ شیئر ہولڈرز جنہوں نے اپنا درست ای میل ایڈریس شیئر رجسٹرار کے ساتھ اپ ڈیٹ کیا ہوا ہے اور وہ ویڈیو لنک کے ذریعے سالانہ

جنرل میٹنگ میں شرکت کرنے میں دلچسپی رکھتے ہیں، وہ اپنی درخواست سالانہ جنرل میٹنگ سے 48 گھنٹے پہلے بھیج سکتے ہیں، اپنے موبائل نمبر کے ساتھ، CNIC کی کاپی کے ساتھ

فولیو نمبر اور ای میل ایڈریس companysecretaryktml@gmail.com پر Subject لائن میں "سالانہ جنرل میٹنگ کے لیے رجسٹریشن" کے ساتھ۔

ویڈیو لنک کی تفصیلات رجسٹرڈ شرکاء کے ساتھ شیئر کی جائیں گی جنہوں نے میٹنگ سے پہلے اپنا نام، فولیو نمبر، CNIC کی اسکین شدہ کاپی، موبائل نمبر اور ای میل پتہ فراہم کیا ہے۔ واضح

رہے کہ ممبر یا پر کسی ہولڈر کے علاوہ کوئی بھی شخص ویڈیو لنک کے ذریعے سالانہ اجلاس عام میں شرکت نہیں کر سکتا۔

6. اراکین سے درخواست کی جاتی ہے کہ وہ اپنے میٹنگ ایڈریس، ای میل اور رابطے کی تفصیلات میں کسی بھی تبدیلی کی فوری طور پر کمپنی کے شیئر رجسٹرار کو مطلع کریں۔ فزیکل شیئر ز رکھنے

والے ممبران کو مشورہ دیا جاتا ہے کہ وہ اپنے رجسٹرڈ ایڈریس میں کسی قسم کی تبدیلی سے آگاہ کریں اور جن شیئر ہولڈرز نے ابھی تک اپنے CNIC کی فوٹو کاپی جمع نہیں کرائی ہے ان سے

درخواست کی جاتی ہے کہ وہ اسے کمپنی کے شیئر رجسٹرار (F.D) رجسٹرار سر و سز، آفس نمبر 1705، 17 ویں منزل صائمہ ٹریڈ ٹاور -A، (I.I.Chundrigar Rd.) کو بھیجیں۔

7. کمپنیز ایکٹ، 2017 کے سیکشن 134 کے مطابق، کمپنی کے کل ادا شدہ حصص کمپنل کام از کم دس فیصد (10%) رکھنے والے ممبران میٹنگ میں شرکت کے لیے ویڈیو لنک کی

سہولت فراہم کرنے کی درخواست کر سکتے ہیں کمپنی کو تحریری درخواست جمع کر کے کم از کم سات (7) دن پہلے۔ اس طرح کی درخواست میں تصدیقی مقاصد کے لیے ممبر کا نام، فولیو نمبر / سی

ڈی سی اکاؤنٹ نمبر، CNIC یا پاسپورٹ کی اسکین شدہ کاپی، موبائل نمبر اور ای میل ایڈریس شامل ہونا چاہیے۔

8. شیئر ہولڈرز جو ای میل کے ذریعے جنرل میٹنگ یا سالانہ رپورٹ کانوٹس وصول کرنا چاہتے ہیں ان سے درخواست کی جاتی ہے کہ وہ اپنے دستخط شدہ خط کے ذریعے اپنی تفصیلات، یعنی نام،

فولیو / CDC A/C نمبر، ای میل پتہ، رابطہ نمبر اور CNIC کی کاپی فراہم کریں۔

9. سالانہ جنرل میٹنگ کانوٹس اور سالانہ رپورٹ بشمول 30 جون 2026 کو ختم ہونے والے سال کے لیے کمپنی کے سالانہ آڈٹ شدہ مالیاتی گوشواروں کو کمپنی کی ویب سائٹ

www.khybertextile.com پر رکھا گیا ہے۔

10. کمپنیز ایکٹ، 2017 کے سیکشن 72 کے مطابق، جس کے تحت تمام کمپنیوں کو ایکٹ کے نفاذ کی تاریخ سے چار سال سے زیادہ کی مدت کے اندر بک - انٹری - فارم میں جاری کیے جانے

والے حصص کے ساتھ فزیکل شکل میں جاری کردہ شیئر ز کو تبدیل کرنے کی ضرورت ہے۔ مذکورہ دفعہ 72 کی دفعات کی مکمل تعمیل کو یقینی بنانے اور بک - انٹری - فارم میں حصص رکھنے کی

سہولت سے مستفید ہونے کے لیے، وہ شیئر ہولڈرز جو ابھی بھی فزیکل شکل میں حصص رکھتے ہیں ان سے درخواست کی جاتی ہے کہ وہ اپنے حصص کو بک - انٹری - فارم میں تبدیل کریں۔

مزید معلومات کے لیے، براہ کرم کمپنی کے شیئر رجسٹرار سے رابطہ کریں۔

11. کمپنیز (پوسٹل بیلٹ) ریگولیشنز 2018 کے مطابق، ڈائریکٹرز کے انتخاب کے مقصد کے لیے اور کمپنیز ایکٹ 2017 کے سیکشن 143 اور 144 کے تقاضوں سے مشروط کسی دوسرے

ایجنڈے کے لیے، ممبران کو پوسٹل بیلٹ کے ذریعے اپنا حق رائے دہی استعمال کرنے کی اجازت ہوگی، جو کہ کسی بھی پوسٹل بیلٹ یا الیکٹرونک طریقہ کار کے ذریعے ووٹنگ کی ضرورت ہے۔

مذکورہ ضوابط میں شامل ہے۔

CHAIRMAN'S REVIEW

Respected Shareholders,

I am pleased to welcome you to the 65th Annual General Meeting of Khyber Textile Mills Limited (the Company) and to present the Annual Audited Report for the year ended 30th June 2026. The significant aspects for evaluating the Company's performance, audited financial results, and financial highlights during the fiscal year have been elaborated in the Annual Report together with key operating and financial data.

During the period under review, the Company generated significant revenue and positive returns from its agricultural livestock business. The Company also earned additional income through the rental of its vacant buildings and warehouses. However, the Company's textile production operations remained closed due to restrictions on access to credit facilities arising from the ongoing banking litigation. The financial results and the factors affecting the Company's overall financial performance are discussed in the Directors' Report.

The overall performance of the Board of Directors of the Company remained satisfactory during the year. The Board is comprised of experienced and knowledgeable individuals with diverse backgrounds, who continue to play an important role in providing strategic guidance and making constructive and effective decisions for the Company. Additionally, the Board's Committees have operated efficiently and assisted the Board of Directors in fulfilling its responsibilities.

On behalf of the Board, I would like to thank all stakeholders for their continued engagement and support for the Company. We remain committed to enhancing stakeholder value and pursuing opportunities that contribute to the Company's long-term sustainability and growth. I would also like to express my sincere appreciation to the management and staff for their dedication, commitment and hard work, which have been essential in contributing to the Company's progress and improvement.



Mr. Aurangzeb Khan
Chairman

Baldher, Haripur

30th September 2026

چیئر مین کا جائزہ

معزز شیئر ہولڈرز،

مجھے خیبر ٹیکسٹائل ملز لمیٹڈ (کمپنی) کے 65 ویں سالانہ اجلاس میں آپ کا خیر مقدم کرتے ہوئے 30 جون 2026 کو ختم ہونے والے سال کی سالانہ آڈٹ شدہ مالیاتی رپورٹس پیش کرتے ہوئے خوشی ہو رہی ہے۔ کمپنی کی کارکردگی، آڈٹ شدہ مالیاتی نتائج، اور مالی اہم نکات کا جائزہ لینے کے لیے اہم پہلوؤں کو سالانہ رپورٹ میں تفصیل سے بیان کیا گیا ہے، ساتھ ہی اہم آپریٹنگ اور مالیاتی ڈیٹا بھی شامل کیا گیا ہے۔

زیر جائزہ مدت کے دوران، کمپنی نے اپنے زرعی موبیلیٹیوں کے کاروبار سے نمایاں آمدنی اور مثبت منافع حاصل کیا۔ کمپنی نے اپنی خالی عمارتوں اور گوداموں کے کرائے کے ذریعے اضافی آمدنی بھی حاصل کی۔ تاہم، جاری بینکنگ قانونی چارہ جوئی سے پیدا ہونے والی کریڈٹ سہولیات تک رسائی پر پابندیوں کی وجہ سے کمپنی کے ٹیکسٹائل پروڈکشن آپریشنز بند رہے۔ تفصیلی مالیاتی نتائج اور کمپنی کی مجموعی مالی کارکردگی کو متاثر کرنے والے عوامل پر ڈائریکٹرز کی رپورٹ میں بحث کی گئی ہے۔

سال کے دوران کمپنی کے بورڈ آف ڈائریکٹرز کی مجموعی کارکردگی تسلی بخش رہی۔ بورڈ متنوع پس منظر کے حامل تجربہ کار اور با شعور افراد پر مشتمل ہے، جو کمپنی کے لیے رہنمائی فراہم کرنے اور تعمیری اور موثر فیصلے کرنے میں اہم کردار ادا کرتے رہتے ہیں۔ مزید برآں، بورڈ کی کمیٹیوں نے موثر طریقے سے کام کیا ہے اور اپنی ذمہ داریوں کو نبھانے میں بورڈ آف ڈائریکٹرز کی مدد کی ہے۔

بورڈ کی جانب سے، میں کمپنی کے لیے ان کی مسلسل محنت اور تعاون کے لیے تمام اسٹیک ہولڈرز کا شکریہ ادا کرنا چاہوں گا۔ ہم اسٹیک ہولڈرز کی قدر کو بڑھانے اور کمپنی کی طویل مدتی پائیداری اور ترقی میں تعاون کرنے والے مواقع کی تلاش کے لیے پر عزم ہیں۔ میں انتظامیہ اور عملے کی ان کی لگن، عزم اور محنت کے لیے اپنی مخلصانہ تعریف کا اظہار کرنا چاہوں گا، جو کمپنی کی ترقی اور بہتری میں اہم کردار ادا کر رہے ہیں۔



اورنگزیب خان

چیئر مین

بلدیہ، ہری پور

30 ستمبر 2026

DIRECTORS' REPORT TO THE SHAREHOLDERS

Dear Members,

The Board of Directors welcomes you to the 65th Annual General Meeting of your Company and is pleased to present the Annual Audited Accounts together with the Auditors' Reports and other relevant statements as required by the Code of Corporate Governance of Pakistan Stock Exchange for the year ended 30th June, 2026.

Financial Results:

During the period under review, the Company generated revenue and positive returns from its agricultural livestock business, while additional income was earned from the rental of vacant buildings and warehouses. However, the Company's textile production remained closed due to restrictions on credit facilities imposed by the banks. Despite positive contributions from the current business operations, the Company incurred a net loss for the fiscal year due to the substantial depreciation charged on idle plant and equipment.

	Note	2026 Rupees	2025 Rupees
SALES		22,787,000	20,684,000
Less: COST OF SALES	17	(15,633,179)	(14,709,097)
GROSS PROFIT		7,153,821	5,974,903
Less: Administrative Expenses	18	(21,148,498)	(22,206,665)
Financial Expenses - Bank Charges		(2,059)	(2,788)
		(13,996,736)	(16,234,550)
Other Operating Income - Rent		7,913,350	8,909,757
Agriculture Income		225,750	220,110
LOSS BEFORE TAXATION AND LEVIES		(5,857,636)	(7,104,683)
Minimum tax differential		-	-
LOSS BEFORE INCOME TAX		(5,857,636)	(7,104,683)
Income tax			
Current tax - for the year		(1,835,897)	(935,982)
Deferred tax - for the year		(157,945)	2,215,477
		(1,993,842)	1,279,495
NET LOSS FOR THE YEAR		(7,851,478)	(5,825,188)
LOSS PER SHARE - BASIC AND DILUTED	22	(6.40)	(4.75)

Dividend

In view of the net losses incurred during the year, the Board of Directors has not recommended any dividend or issuance of bonus shares for the year.

Law Suits against the Company:

NBP vs. KTML: A suit for recovery was filed by NBP in the Peshawar High Court (PHC) and following adjudication in 2014, the Hon'ble Banking Judge of the PHC dismissed the suit in favour of KTML. However, NBP filed an appeal against the judgment and in April 2025, the Appellate Bench of the PHC remanded the case to the Banking Judge for a fresh decision in accordance with the law. KTML's position is that the finance facilities were restructured and settled; therefore, no outstanding liability remains. KTML's management and attorneys will continue to vigorously defend the Company's position and remain optimistic that the suit will be decided in its favour. For further information, refer to Note 16.

ICP, NBP & Others vs. KTML: A suit for recovery was filed by ICP, NBP & Others in the Sindh High Court (SHC). The Hon'ble Banking Judge granted KTML's Leave to Defend Application. KTML's position is that this suit is time-barred, and that these loans have been repaid. Furthermore, NBP has initiated separate

suits for recovery of the same finance in two different jurisdictions, which is against the provisions of law. KTML's management and attorneys will continue to vigorously defend the Company's position and remain optimistic that the suit will be decided in its favour. For further information, refer to Note 16.

Litigation Implications:

The Banks maintained their credit squeeze by continuing the banking litigation in the Courts, thereby ensuring that KTML's adverse credit status is maintained on the SBP CIB Report, thus maintaining pressure on the Company to accept disputed liabilities. The Company is firm in its stance that it does not owe any outstanding amounts to the Banks. However, the restrictive actions taken by the Banks have unfortunately resulted in the continued closure of textile production, while the re-initiation of operations will require a substantial investment to complete balancing, modernization and replacement/refurbishment (BMR) of machinery, together with securing access to working capital. Nonetheless, it is the Board of Directors and Management's intention to rehabilitate the textile unit once the banking litigation has reached finality and credit facilities are restored.

Business Activities:

Pursuant to the Board of Directors' and Members' approval in prior years, the Company has continued to invest in its revised principal activity of agriculture on its available land, separate from the textile unit. Over the years, the Company has invested in developing and expanding its agricultural operations through the construction of housing capacity for cattle, the acquisition of livestock, the planting and cultivation of crops, improvement of the water piping system, water storage, tube well and irrigation systems, along with the installation of a solar power system to improve operational efficiency, enhance agricultural activities and reduce costs. In addition, Management has utilized the Company's empty land by transforming and developing the area for agricultural cultivation. The majority of crops cultivated have been utilized to support the Company's livestock farm; this has reduced fodder purchases from the market, decreasing input costs and increasing the profitability of the agricultural business. Nevertheless, despite restrictions on access to credit and inflation in the Country, the Company has managed to improve the agricultural operations. Additionally, the Company has made successful sales of cattle, resulting in profitable returns for the agricultural business as reflected in the financial accounts annexed herewith.

Moreover, Management has continued to generate additional revenue for the Company through the rental of available buildings and warehouses, using this financial stream to reinvest in the Company's current operations. Hence, through successful sales of livestock and rental income, Management has demonstrated that the business model for the Company is viable, as it is generating revenue and maintaining a positive cash flow. Further, current assets have increased, while current liabilities have decreased, reflecting a sustained improvement in the Company's financial position. The Company also remains an active taxpayer, contributing advance tax to the national exchequer. Lastly, the periodic revaluation of property, plant and equipment undertaken by management has emphasized the underlying value of the Company.

Future Plans

Moving forward, Management will continue to rehabilitate vacant buildings on the Company's property for warehousing and rental purposes, thereby utilizing the excess areas for the generation of additional revenue for the Company. Management also intends to further develop cultivable land and continue investing in the Company's agricultural livestock operations to increase efficiency and revenue. The income derived from these business activities will be used for maintaining the Company's assets, meeting expenses, and fulfilling the requirements under the Companies Act 2017. Finally, Management is hopeful that due to our Company's location near the E-35 Motorway, access to the CPEC will present further business opportunities.

Statement of Corporate and Financial Reporting Framework:

The Board of Directors further state that:

1. The financial statements under review have been prepared in accordance with the provisions of the Companies Act 2017 and the International Accounting Standards as applicable in Pakistan.
2. Appropriate accounting policies have been consistently applied in preparation of financial statements and accounting estimates are based on reasonable and prudent judgment.
3. Proper books of account have been maintained by the Company, accordingly the financial statements fairly present the Company's state of affairs, result of its operations, cash flows and changes in equity.

4. The system of internal control of the Company is satisfactory in design and has been effectively implemented and continues to be monitored for improvement.
5. As a result of overall effort being made to control cost and maximize revenue, there are no significant doubts about the Company's ability to continue as a going concern and therefore no adjustment is required in the recorded assets and liabilities.
6. There has been no material departure from the best practices of corporate governance, as detailed in the listing regulations and as applicable to the Company for the year ended 30th June 2026
7. Key operating and financial results for the last 6 years in a summarized form, are annexed.
8. The Audit Committee assists the Board in discharging its duties and responsibilities, ensuring good compliance with Code of Corporate Governance including review of reports, Company's financial results and internal control procedures for Management decisions and evolving strategy for safeguarding Company's assets and its business potentials.
9. The Audit Committee meets before Board Meetings and its report is presented in the Board Meeting.

Board of Directors Composition:

Currently, the Board comprises of seven directors, all of them possess diversified experience and suitable skill sets with competencies for safeguarding the interests of stakeholders and the Company. During the period under report 4 (four) meetings of the Board of Directors were held.

Composition of Board

No. of Meetings Attended

EXECUTIVE DIRECTOR

Mr. Adam Jadoon	4
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NON-EXECUTIVE DIRECTORS

Mr. Aurangzeb Khan	4
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Mr. Amanullah Khan Jadoon	4
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Mr. Muhammad Bahauddin	4
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Mrs. Aamna Jadoon	4
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INDEPENDENT DIRECTORS

Mr. Hassan Ovais	4
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Mr. Nusrat Iqbal	4
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Directors' Training:

Five Directors, Mr. Muhammad Bahauddin, Mr. Adam Jadoon, Mr. Hassan Ovais, Mrs. Aamna Jadoon and Mr. Nusrat Iqbal, have successfully completed the Directors Training Program. The remaining two Directors are exempt from the Directors Training Program due to their experience on the Board.

Chairman's Review:

The Directors hereby endorse the Chairman's review on the performance of the Company.

Remuneration of Directors and Chief Executive:

No remuneration was paid to the Directors and Chief Executive.

Auditors:

The auditors M/s Clarkson Hyde Saud Ansari, Chartered Accountants have a satisfactory rating under the Quality Control Review program of the Institute of Chartered Accountants of Pakistan (ICAP) and compliance with the International Federation of Accountants' (IFAC) Guidelines on Code of Ethics, as adopted by the Institute of Chartered Accountants of Pakistan. They also possess a satisfactory rating from the Audit Oversight Board (AOB). The present auditors, M/s Clarkson Hyde Saud Ansari Chartered Accountants, retire and being eligible, offer themselves for re-appointment. As required by the CCG, the Audit Committee has suggested the name of M/s Clarkson Hyde Saud Ansari, Chartered Accountants to act as auditors of the Company for the Financial Year ending 30th June 2027.

Pattern Of Shareholding:

The pattern of shareholding as on 30th June 2026 and its disclosure as required by the Act and Code of Corporate Governance is annexed with this report. There was no other reported transaction of sale or

purchase of shares of the Company by Directors, Chief Executive Officer, Company Secretary, Chief Financial Officer, Chief Internal Auditor, Chief Operating Officer and their spouses or minor children during the year under review, except as given in the Pattern of Shareholding.

Compliance with Code of Corporate Governance:

The requirements of the Code of Corporate Governance set out by the Pakistan Stock Exchange in their Listing Regulations relevant for the year ended 30th June 2026 have been adopted by the Company and have been duly complied with. A statement of compliance is annexed to the report.

Material Changes:

There have been no material changes since year ending 30th June, 2025 till date of the report except as disclosed in this annual report and the Company has not entered into any commitment which would affect its financial position except for those mentioned in audited financial statements of the Company for the year ended 30th June, 2026.

Statutory Compliance:

During the year the Company has complied with all applicable provisions, filed all returns/forms, and furnished all the relevant particulars as required under the Companies Act 2017 and allied rules, the Securities and Exchange Commission of Pakistan (SECP) Regulations and the listing requirements.

Related Party Transactions:

All transactions with related parties including pricing policies applied upon recommendation of the Audit Committee and as disclosed in notes to the annual audited financial statements thereon are reviewed and approved by the Board.

Gender Pay Gap:

During the reporting period, due to the ongoing credit restrictions, the non-operation of the textile unit and the Company's focus on its revised principal business of agriculture, the Company maintained a significantly reduced workforce, none of whom were female. As a result, a gender pay gap analysis is not applicable for the financial year under review. However, the Company remains committed to fostering an inclusive and equitable workplace. Equal opportunity principles will guide future recruitment as business activities evolve.

Web Presence:

Updated information can be accessed at the Company's website www.khybertextile.com. The website contains the latest financial results of the Company along with the Company's profile.

Corporate Social Responsibility:

The Company is committed to its corporate and social responsibility. In this regard, we have invested in improved agricultural practices, natural resource conservation and sustainable cultivation. The Company has also installed a solar power system to support its farming operations, improve energy efficiency and promote environmentally responsible practices. Further, we provide spacious, clean and safe conditions for our livestock, ensuring they receive healthy nutrition from our fodder and appropriate veterinary care. The Company's focus is to promote sustainable farming methods while supporting the local community. This approach enhances our operations while positively contributing to the environment and society.

Acknowledgement:

The Board would like to express its appreciation to the shareholders for their continued confidence and trust in the Company. The Board also extends its gratitude to the Company's employees for their dedication and valuable contributions towards the Company's operations and progress during the year.

On behalf of the Board of Directors



Aurangzeb Khan
Director



Adam Jadoon
Director/CEO

ڈائریکٹرز کی رپورٹ

معزز ممبران،

بورڈ آف ڈائریکٹرز آپ کو آپ کی کمپنی کے 65 ویں سالانہ جنرل اجلاس میں خوش آمدید کہتے ہیں اور 30 جون 2026 کو ختم ہونے والے سال کے لیے پاکستان اسٹاک ایکسچینج کے کوڈ آف کارپوریٹ گورننس کے مطابق آڈیٹر کی رپورٹس اور دیگر متعلقہ اسٹیٹمنٹس کے ساتھ آڈٹ شدہ سالانہ اکاؤنٹس پیش کرتے ہوئے خوش محسوس کرتے ہیں۔

مالیاتی نتائج:

زیر جائزہ مدت کے دوران، کمپنی نے اپنے زرعی مویشیوں کے کاروبار سے آمدنی اور مثبت منافع حاصل کیا، جبکہ اضافی آمدنی خالی عمارتوں اور گوداموں کے کرائے سے حاصل کی گئی۔ تاہم، بینکوں کی طرف سے قرض کی سہولتوں پر پابندیوں کی وجہ سے کمپنی کی ٹیکسٹائل کی پیداوار بند رہی۔ موجودہ کاروباری کارروائیوں سے مثبت شراکت کے باوجود، کمپنی کو مالی سال کے لیے نقصان اٹھانا پڑا جس کی وجہ غیر استعمال شدہ پلانٹ اور آلات پر کافی حد تک کمی کا باعث بنا۔

	Note	2026 Rupees	2025 Rupees
SALES		22,787,000	20,684,000
Less: COST OF SALES	17	(15,633,179)	(14,709,097)
GROSS PROFIT		7,153,821	5,974,903
Less: Administrative Expenses	18	(21,148,498)	(22,206,665)
Financial Expenses - Bank Charges		(2,059)	(2,788)
		(13,996,736)	(16,234,550)
Other Operating Income - Rent		7,913,350	8,909,757
Agriculture Income		225,750	220,110
LOSS BEFORE TAXATION AND LEVIES		(5,857,636)	(7,104,683)
Minimum tax differential		-	-
LOSS BEFORE INCOME TAX		(5,857,636)	(7,104,683)
Income tax			
Current tax - for the year		(1,835,897)	(935,982)
Deferred tax - for the year		(157,945)	2,215,477
		(1,993,842)	1,279,495
NET LOSS FOR THE YEAR		(7,851,478)	(5,825,188)
LOSS PER SHARE - BASIC AND DILUTED	22	(6.40)	(4.75)

ڈیویڈنڈ:

سال کے دوران ہونے والے نقصانات کے پیش نظر، بورڈ آف ڈائریکٹرز نے سال کے لیے کوئی ڈیویڈنڈ یا بونس شیئرز جاری کرنے کی سفارش نہیں کی ہے۔ کمپنی کے خلاف قانونی مقدمہ:

NBP: KTML vs NBP کی طرف سے پشاور ہائی کورٹ (PHC) میں ریکوری کا مقدمہ دائر کیا گیا تھا اور 2014 میں فیصلے کے بعد، PHC کے معزز بینکنگ جج نے KTML کے حق میں مقدمہ خارج کر دیا تھا۔ تاہم، NBP نے فیصلے کے خلاف اپیل دائر کی اور اپریل 2025 میں، PHC کے ایپلٹ جج نے قانون کے مطابق نئے فیصلے کے لیے کیس کو بینکنگ جج کے پاس واپس بھیج دیا۔ کے ٹی ایم ایل کا موقف یہ ہے کہ مالیاتی سہولیات کی تنظیم نو کی گئی تھی۔ لہذا، کوئی بقایا ذمہ داری باقی نہیں رہتی ہے۔ KTML کی انتظامیہ اور وکلاء کمپنی کے موقف کا بھرپور طریقے سے دفاع کرتے رہیں گے اور پرامید رہیں گے کہ مقدمہ کا فیصلہ اس کے حق میں ہوگا۔ مزید معلومات کے لیے نوٹ نمبر 16 ملاحظہ کریں۔

(ICP, NBP & Others vs. KTML) سندھ ہائی کورٹ (SHC) میں آئی سی پی، این بی پی اور دیگر کی جانب سے ریکوری کا مقدمہ دائر کیا گیا تھا۔ معزز بینکنگ نے درخواست کے دفاع کے لیے KTML کی اجازت دے دی۔ کے ٹی ایم ایل کا موقف یہ ہے کہ یہ مقدمہ وقتی پابندی ہے، اور یہ قرضے ادا کر دیے گئے ہیں۔ مزید برآں، NBP نے دو مختلف دائرہ اختیار میں ایک ہی فنانس کی وصولی کے لیے الگ الگ مقدمے شروع کیے ہیں، جو کہ قانون کی دفعات کے خلاف ہے۔ KTML کی انتظامیہ اور وکلاء کمپنی کے موقف کا بھرپور طریقے سے دفاع کرتے رہیں گے اور پرامید رہیں گے کہ مقدمہ کا فیصلہ اس کے حق میں ہوگا۔ مزید معلومات کے لیے نوٹ نمبر 16 ملاحظہ کریں۔

قانونی چارہ جوئی کے مضمرات:

بینکوں نے عدالتوں میں بینکنگ قانونی چارہ جوئی کو جاری رکھ کر اپنے کریڈٹ پابندی کو برقرار رکھا، اس طرح اس بات کو یقینی بنایا کہ KTML کی منفی کریڈٹ اسٹیٹس کو SBP CIB رپورٹ پر برقرار رکھا جائے، اس طرح کمپنی پر تنازعہ واجبات کو قبول کرنے کا دباؤ برقرار رہے۔ کمپنی اپنے موقف پر قائم ہے کہ اس پر بینکوں کی کوئی بھاری قلم واجب الادا نہیں ہے۔ تاہم، بینکوں کی جانب سے کیے جانے والے پابندیوں کے اقدامات کے نتیجے میں بد قسمتی سے ٹیکسٹائل کی پیداوار کی مسلسل بندش ہوئی ہے، جب کہ آپریشنز کے دوبارہ آغاز کے لیے کام کرنے والے سرمائے تک رسائی کو حاصل کرنے کے ساتھ ساتھ مشینری کی توازن، جدید کاری اور تبدیلی / تجدید کاری (BMR) کو مکمل کرنے کے لیے کافی سرمایہ کاری کی ضرورت ہوگی۔ بہر حال، یہ بورڈ آف ڈائریکٹرز اور انتظامیہ کا ارادہ ہے کہ ٹیکسٹائل یونٹ کی بحالی کے بعد جب بینکنگ قانونی چارہ جوئی مکمل ہو جائے اور قرض کی سہولیات بحال ہو جائیں۔

کاروباری سرگرمیاں:

پچھلے سالوں میں بورڈ آف ڈائریکٹرز اور ممبران کی منظوری کے مطابق، کمپنی نے ٹیکسٹائل یونٹ سے الگ اپنی دستیاب زمین پر زرعی کاروبار اپنی نظر ثانی شدہ بنیادی سرگرمی میں سرمایہ کاری جاری رکھی ہے۔ گزشتہ برسوں کے دوران، کمپنی نے مویشیوں کے لیے رہائش کی گنجائش کی تعمیر، مویشیوں کے حصول، فصلوں کی پودے لگانے اور کاشت، پانی کے پائپنگ کے نظام کو بہتر بنانے، پانی ذخیرہ کرنے، ٹیوب ویل اور آبپاشی کے نظام کے ساتھ ساتھ شمسی توانائی کے نظام کی تنصیب کے ذریعے اپنے زرعی کاموں کو بڑھانے میں سرمایہ کاری کی ہے تاکہ پیداواری صلاحیت کو بہتر بنایا جاسکے۔ مزید برآں، انتظامیہ نے کمپنی کی خالی زمین کو کاشت کے لیے تبدیل اور ترقی دے کر استعمال کیا ہے۔ زیادہ تر کاشت شدہ فصلوں کو کمپنی کے لائیو سٹاک فارم کی مدد کے لیے استعمال کیا گیا ہے۔ اس سے بازار سے چارے کی خریداری میں کمی آئی ہے، ان پٹ لاگت کم ہوئی ہے، اور زرعی کاروبار کے منافع میں اضافہ ہوا ہے۔ ملک میں قرض اور افراط زر تک رسائی پر پابندیوں کے باوجود، کمپنی زرعی فارم اور آپریشنز کو بہتر بنانے میں کامیاب رہی ہے۔ مزید برآں، کمپنی نے مویشیوں کی کامیاب فروخت کی ہے، جس کے نتیجے میں زرعی کاروبار کے لیے منافع ہوا ہے جیسا کہ اس کے ساتھ منسلک مالی کھاتوں سے ظاہر ہوتا ہے۔

مزید برآں، مینجمنٹ نے دستیاب عمارتوں اور گوداموں کے کرایے کے ذریعے کمپنی کے لیے اضافی آمدنی حاصل کرنا جاری رکھا ہے، اس مالیاتی سلسلے کو کمپنی کے موجودہ آپریشنز میں دوبارہ سرمایہ کاری کرنے کے لیے استعمال کیا جا رہا ہے۔ اس لیے، مویشیوں کی کامیاب فروخت اور کرائے کی آمدنی کے ذریعے، مینجمنٹ نے ثابت کیا ہے کہ کمپنی کے لیے کاروباری ماڈل قابل عمل ہے، کیونکہ یہ آمدنی پیدا کر رہا ہے اور مثبت نقد بہاؤ کو برقرار رکھتا ہے۔ مزید، موجودہ اثاثوں میں اضافہ ہوا ہے، جبکہ موجودہ واجبات میں کمی آئی ہے، جو کمپنی کی مالی حالت میں مسلسل بہتری کی عکاسی کرتی ہے۔ کمپنی ایک فعال ٹیکس دہندہ بھی ہے، جو قومی خزانے میں ایڈوانس ٹیکس کا حصہ ہے۔ آخر میں، مینجمنٹ کی طرف سے کی جانے والی جائیداد، پلانٹ اور آلات کی متواتر تجدید نے کمپنی کی بنیادی قدر پر زور دیا ہے۔

مستقبل کے منصوبے

آگے بڑھتے ہوئے، مینجمنٹ کمپنی کی جائیداد پر خالی عمارتوں کو گودام اور کرائے کے مقاصد کے استعمال کرنا جاری رکھے گی، اس طرح کمپنی کے لیے اضافی آمدنی کے لیے اضافی جگہوں کو استعمال کرے گی۔ انتظامیہ قابل کاشت زمین کو مزید ترقی دینے اور کمپنی کے زرعی لائیو سٹاک آپریشنز میں سرمایہ کاری جاری رکھنے کا ارادہ رکھتی ہے تاکہ کارکردگی اور آمدنی میں اضافہ ہو سکے۔ ان کاروباری سرگرمیوں سے حاصل ہونے والی آمدنی کمپنی کے اثاثوں کو برقرار رکھنے، اخراجات کو پورا کرنے اور کمپنیز ایکٹ 2017 کے تحت ضروریات کو پورا کرنے کے لیے استعمال کی جائے گی۔ آخر میں، انتظامیہ پر امید ہے کہ E-35 موٹر وے کے قریب ہماری کمپنی کے مقام کی وجہ سے، CPEC تک رسائی مزید کاروباری مواقع فراہم کرے گی۔

کارپوریٹ اور مالیاتی رپورٹنگ فریم ورک کا بیان:

بورڈ آف ڈائریکٹرز کا مزید کہنا ہے کہ:

1. زیر جائزہ مالی بیانات کمپنیز ایکٹ 2017 کی دفعات اور پاکستان میں لاگو ہونے والے بین الاقوامی اکاؤنٹنگ معیارات کے مطابق تیار کیے گئے ہیں۔
2. مالیاتی گوشواروں کی تیاری میں مناسب اکاؤنٹنگ پالیسیوں کا مسلسل اطلاق کیا گیا ہے اور اکاؤنٹنگ کے تخمینے معقول اور دانشمندانہ فیصلے پر مبنی ہیں۔
3. کمپنی کی طرف سے اکاؤنٹ کی مناسب کتابیں برقرار رکھی گئی ہیں، اس کے مطابق مالیاتی بیانات کمپنی کی حالت، اس کے کاموں کے نتیجے، کیش فلو اور ایکویٹی میں تبدیلی کو اچھی طرح سے پیش کرتے ہیں۔

4. کمپنی کا اندرونی کنٹرول کا نظام تسلی بخش ڈیزائن میں ہے اور اسے مؤثر طریقے سے نافذ کیا گیا ہے اور بہتری کے لیے اس کی نگرانی جاری ہے۔

5. لاگت کو کنٹرول کرنے اور آمدنی کو زیادہ سے زیادہ کرنے کے لیے کی جانے والی مجموعی کوششوں کے نتیجے میں، کمپنی کی جاری تشویش کے طور پر جاری رکھنے کی صلاحیت کے بارے میں کوئی خاص شک نہیں ہے اور اس لیے ریکارڈ شدہ اثاثوں اور واجبات میں کسی قسم کی ایڈجسٹمنٹ کی ضرورت نہیں ہے۔

6. کارپوریٹ گورننس کے بہترین طریقوں سے کوئی مادی اخراج نہیں ہوا ہے، جیسا کہ فہرست سازی کے ضوابط میں تفصیل سے بتایا گیا ہے اور جیسا کہ 30 جون 2026 کو ختم ہونے والے سال کے لیے کمپنی پر لاگو ہے۔

7. پچھلے 6 سالوں کے کلیدی آپریٹنگ اور مالیاتی نتائج کو خلاصہ شکل میں منسلک کیا گیا ہے۔

8. آڈٹ کمیٹی اپنے فرائض اور ذمہ داریوں کو ادا کرنے میں بورڈ کی مدد کرتی ہے جس میں کوڈ آف کارپوریٹ گورننس کی اچھی تعمیل کو یقینی بنایا جاتا ہے جس میں رپورٹس کا جائزہ، کمپنی کے مالیاتی نتائج اور انتظامی فیصلوں کے لیے اندرونی کنٹرول کے طریقہ کار اور کمپنی کے اثاثوں اور اس کے کاروباری امکانات کی حفاظت کے لیے حکمت عملی تیار کرنا شامل ہے۔

9. آڈٹ کمیٹی بورڈ میٹنگز سے پہلے میٹنگ کرتی ہے، اور اس کی رپورٹ بورڈ میٹنگ میں پیش کی جاتی ہے۔

بورڈ آف ڈائریکٹرز کی ساخت:

فی الحال، بورڈ سات ڈائریکٹرز پر مشتمل ہے، ان سبھی کے پاس متنوع تجربہ اور اسٹیک ہولڈرز اور کمپنی کے مفادات کے تحفظ کے لیے قابلیت کے ساتھ مناسب مہارت ہے۔ زیر رپورٹ مدت کے دوران بورڈ آف ڈائریکٹرز کے 4 (چار) اجلاس منعقد ہوئے۔

بورڈ کی تشکیل
حاضری کی تعداد
ایگزیکٹو ڈائریکٹرز:

جناب آدم جدون : 4

غیر ایگزیکٹو ڈائریکٹرز

جناب اورنگزیب خان : 4

جناب امان اللہ خان جدون : 4

جناب محمد بہاؤ الدین : 4

مسز آمنہ جدون : 4

آزاد ڈائریکٹرز:

جناب حسن اولیس : 4

جناب نصرت اقبال : 4

ڈائریکٹرز کی تربیت:

پانچ ڈائریکٹرز، جناب محمد بہاؤ الدین، جناب آدم جدون، جناب حسن اولیس، مسز آمنہ جدون اور جناب نصرت اقبال، نے ڈائریکٹرز کا تربیتی پروگرام کامیابی سے مکمل کیا۔ باقی دو ڈائریکٹرز بورڈ میں اپنے تجربے کی وجہ سے ڈائریکٹرز ٹریننگ پروگرام سے مستثنیٰ ہیں۔

چیئرمین کا جائزہ:

ڈائریکٹرز اس طرح کمپنی کی کارکردگی پر چیئرمین کے جائزے کی توثیق کرتے ہیں۔

ڈائریکٹرز اور چیف ایگزیکٹو کے معاوضے:

ڈائریکٹرز اور چیف ایگزیکٹو کو کوئی معاوضہ ادا نہیں کیا گیا۔

آڈیٹرز:

انسٹی ٹیوٹ آف چارٹرڈ اکاؤنٹنٹس آف پاکستان (ICAP) کے کوالٹی کنٹرول ریویو پروگرام کے تحت آڈیٹرز کے میسرز گلارکسن ہائیڈر سعود انصاری، چارٹرڈ اکاؤنٹنٹس کو اطمینان بخش درجہ بندی حاصل ہے اور انسٹی ٹیوٹ آف چارٹرڈ اکاؤنٹنٹس آف پاکستان کی طرف سے اپنائے گئے کوڈ آف ایٹھکس پر انٹر میڈیٹل فیڈریشن آف اکاؤنٹنٹس (IFAC) کے رہنما اصولوں کی تعمیل کرتے ہیں۔ ان کے پاس آڈٹ اور سائیٹ بورڈ (AOB) کی طرف سے اطمینان بخش درجہ بندی بھی ہے۔ موجودہ آڈیٹرز، میسرز گلارکسن ہائیڈر سعود انصاری، چارٹرڈ اکاؤنٹنٹس، ریٹائر ہوئے اور اہل ہونے کے بعد، خود کو دوبارہ تفری کے لیے پیش کرتے ہیں۔ جیسا کہ CCG کی ضرورت ہے، آڈٹ کمیٹی نے میسرز گلارکسن ہائیڈر سعود انصاری، چارٹرڈ اکاؤنٹنٹس کا نام تجویز کیا ہے کہ وہ 30 جون 2027 کو ختم ہونے والے مالی سال کے لیے کمپنی کے آڈیٹر کے طور پر کام کریں۔

شیئر ہولڈنگ کا پیٹرن:

30 جون 2026 تک شیئر ہولڈنگ کا پیٹرن اور اس کا انکشاف جیسا کہ ایکٹ اور کوڈ آف کارپوریٹ گورننس کی ضرورت ہے اس رپورٹ کے ساتھ منسلک ہے۔ زیر جائزہ سال کے دوران

ڈائریکٹرز، چیف ایگزیکٹو آفیسر، کمپنی سیکرٹری، چیف فنانشل آفیسر، چیف انٹرل آڈیٹر، چیف آپریٹنگ آفیسر اور ان کی شریک حیات یا نابالغ بچوں کے ذریعہ کمپنی کے شیئرز کی فروخت یا

خریداری کا کوئی دوسرا لین دین نہیں ہوا، سوائے شیئر ہولڈنگ کے پیٹرن کے مطابق۔

کوڈ آف کارپوریٹ گورننس کی تعمیل:

پاکستان اسٹاک ایکسچینج کی جانب سے 30 جون 2026 کو ختم ہونے والے سال کے لیے متعلقہ فہرست سازی کے ضابطوں میں کوڈ آف کارپوریٹ گورننس کے تقاضوں کو کمپنی نے اپنایا ہے اور ان کی مناسب تعمیل کی گئی ہے۔ تعمیل کا بیان رپورٹ کے ساتھ منسلک ہے۔

مادی تبدیلیاں:

سال کے اختتام 30 جون 2025 سے رپورٹ کی تاریخ تک کوئی بھی مادی تبدیلیاں نہیں ہوئی ہیں سوائے اس سالانہ رپورٹ کے جس کا انکشاف کیا گیا ہے اور کمپنی نے کوئی ایسا عہد نہیں کیا ہے جس سے اس کی مالی پوزیشن متاثر ہوتی ہو سوائے 30 جون 2026 کو ختم ہونے والے سال کے لیے کمپنی کے آڈٹ شدہ مالیاتی گوشواروں میں بیان کردہ۔

قانونی تعمیل:

سال کے دوران کمپنی نے تمام قابل اطلاق شرائط کی تعمیل کی ہے، تمام ریٹرن / فارمز داخل کیے ہیں، اور کمپنیز ایکٹ 2017 اور اس سے منسلک قواعد، سیکیورٹیز اینڈ ایکسچینج کمیشن آف پاکستان (SECP) کے ضوابط اور فہرست سازی کے تقاضوں کے تحت تمام متعلقہ تفصیلات فراہم کی ہیں۔

متعلقہ پارٹی لین دین:

متعلقہ فریقوں کے ساتھ تمام لین دین بشمول آڈٹ کمیٹی کی سفارش پر لاگو قیمتوں کی پالیسیاں اور جیسا کہ اس پر سالانہ آڈٹ شدہ مالیاتی گوشواروں کے نوٹوں میں انکشاف کیا گیا ہے بورڈ کے ذریعہ جائزہ لیا جاتا ہے اور اس کی منظوری دی جاتی ہے۔

صنفی تنخواہ میں فرق:

رپورٹنگ کی مدت کے دوران، جاری قرضوں کی پابندیوں، ٹیکسٹائل یونٹ کے کام نہ کرنے اور زراعت کے اپنے نظر ثانی شدہ پرنسپل کاروبار پر کمپنی کی توجہ کی وجہ سے، کمپنی نے افرادی قوت کو نمایاں طور پر کم کیا، جن میں سے کوئی بھی خاتون نہیں تھی۔ نتیجے کے طور پر، صنفی تنخواہ کے فرق کا تجزیہ زیر نظر مالی سال کے لیے لاگو نہیں ہوتا ہے۔ تاہم، کمپنی ایک جامع اور مساوی کام کی جگہ کو فروغ دینے کے لیے پرعزم ہے۔ یکساں مواقع کے اصول مستقبل میں بھرتی کی رہنمائی کریں گے کیونکہ کاروباری سرگرمیاں تیار ہوتی ہیں۔

ویب کی موجودگی:

اپ ڈیٹ شدہ معلومات کمپنی کی ویب سائٹ www.khybertextile.com پر حاصل کی جاسکتی ہیں۔ ویب سائٹ کمپنی کے پروفائل کے ساتھ کمپنی کے تازہ ترین مالیاتی نتائج پر مشتمل ہے۔

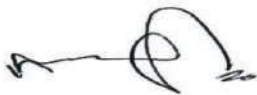
کارپوریٹ سماجی ذمہ داری:

کمپنی اپنی کارپوریٹ اور سماجی ذمہ داری کے لیے پرعزم ہے۔ اس سلسلے میں، ہم نے بہتر زرعی طریقوں، قدرتی وسائل کے تحفظ اور پائیدار کاشت میں سرمایہ کاری کی ہے۔ کمپنی نے اپنے کاشتکاری کے کاموں کو سپورٹ کرنے، توانائی کی کارکردگی کو بہتر بنانے اور ماحولیاتی ذمہ دارانہ طریقوں کو فروغ دینے کے لیے ایک شمسی توانائی کا نظام بھی نصب کیا ہے۔ اس کے علاوہ، ہم اپنے مویشیوں کے لیے وسیع، صاف اور محفوظ حالات فراہم کرتے ہیں، اس بات کو یقینی بناتے ہوئے کہ وہ ہمارے چارے اور مناسب ویٹرنری دیکھ بھال سے صحت مند غذائیت حاصل کریں۔ کمپنی کی توجہ مقامی کمیونٹی کی مدد کرتے ہوئے پائیدار کاشتکاری کے طریقوں کو فروغ دینا ہے۔ یہ نقطہ نظر ماحول اور معاشرے میں مثبت کردار ادا کرتے ہوئے ہمارے کاموں میں اضافہ کرتا ہے۔

اعتراف:

بورڈ حصص یافتگان کی کمپنی پر مسلسل اعتماد اور بھروسے کے لیے اپنی تعریف کا اظہار کرنا چاہتا ہے۔ بورڈ کمپنی کے ملازمین کا سال بھر کے دوران کمپنی کے آپریشنز اور پیشرفت کے لیے ان کی لگن اور گراں قدر تعاون کے لیے بھی شکریہ ادا کرتا ہے۔

بورڈ آف ڈائریکٹرز کی جانب سے



جناب اورنگزیب خان (ڈائریکٹر)



جناب آدم جدون (ڈائریکٹر چیف ایگزیکٹو)

بالذمہ بری پور

تاریخ: 30 ستمبر 2026

Statement of Compliance with Listed Companies (Code of Corporate Governance) Regulations, 2019; Year Ended June 30, 2026 for Khyber Textile Mills Limited

The Company has complied with the requirements of the Listed Companies (Code of Corporate Governance) Regulations, 2019, (Regulations) in the following manner: -

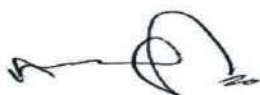
1. The total number of directors are 7 as per the following,-
 - a. Male: 6
 - b. Female: 1
2. The composition of the Board of Directors is as follows:
 - i. Independent director**
Mr. Hassan Ovais
Mr. Nusrat Iqbal
 - ii. Female directors**
Mrs. Aamna Jadoon
 - iii. Non-executive directors**
Mr. Aurangzeb Khan
Mr. Amanullah Khan Jadoon
Mr. Muhammad Bahauddin
Mrs. Aamna Jadoon
 - iv. Executive directors**
Mr. Adam Jadoon
3. The directors have confirmed that none of them is serving as a director on more than seven listed companies, including this Company;
4. The Company has prepared a code of conduct and has ensured that appropriate steps have been taken to disseminate it throughout the Company along with its supporting policies and procedures;
5. The Board has developed a vision/mission statement, overall corporate strategy and significant policies of the Company. The Board has ensured that complete record of particulars of the significant policies along with their date of approval or updating is maintained by the Company;
6. All the powers of the Board have been duly exercised and decisions on relevant matters have been taken by the Board/ shareholders as empowered by the relevant provisions of the Act and these Regulations;
7. The meetings of the Board were presided over by the Chairman and, in his absence, by a director elected by the Board for this purpose. The Board has complied with the requirements of the Act and the Regulations with respect to frequency, recording and circulating minutes of meeting of the Board;
8. The Board has a formal policy and transparent procedures for remuneration of directors in accordance with the Act and these Regulations;
9. Currently five members of the Board have completed the Directors' Training program from authorized institutions. While the two other Directors are exempt from Directors Training Program due to their experience on the Board.
10. The Board has approved the appointment of Chief Financial Officer (CFO), 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. The 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 the Members given below.-
 - a) Audit Committee**
Mr. Nusrat Iqbal (Chairman)
Mr. Muhammad Bahauddin
Mrs. Aamna Jadoon

b) HR and Remuneration Committee

Mr. Nusrat Iqbal (Chairman)
 Mr. Muhammad Bahauddin
 Mr. Adam Jadoon

13. The terms of reference of the aforesaid committees have been formed, documented and shared with relevant Committees for compliance;
14. The frequency of meetings of the committees was as per following,-
 a) Audit Committee; Four Quarterly Meetings during the financial year ended June 30, 2026.
 b) HR and Remuneration Committee: One meeting during the financial year ended June 30, 2026.
15. The Board has set up an effective internal audit function who are suitably qualified and experienced for the purpose and are conversant with the policies and procedures of the Company;
16. The statutory auditors of the company have confirmed that they have been given a satisfactory rating under the Quality Control Review program of the Institute of Chartered Accountants of Pakistan and registered with the Audit Oversight Board of Pakistan, that they and all their partners are in compliance with International Federation of Accountants (IFAC) guidelines on code of ethics as adopted by the Institute of Chartered Accountants of Pakistan and that they and the partners of the firm involved in the audit are not a close relative (spouse, parent, dependent and non-dependent children) of the Chief Executive Officer, Chief Financial Officer, Head of Internal Audit, Company Secretary or Director of the Company;
17. The statutory auditors or the persons associated with them have not been appointed to provide other services except in accordance with the Act, these Regulations or any other regulatory requirement and that 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 have been complied with.

S. No.	Requirement	Explanation of Non-Compliance	Regulation Number
1.	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.	Currently, the Board has not constituted a separate nomination committee and its functions are being performed by the Human Resource and Remuneration committee	29
2.	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.	Currently, the Board has not constituted a risk management committee. The senior officers of the Company perform the requisite functions and apprise the Board accordingly.	30



MR. AURANGZEB KHAN
CHAIRMAN

**INDEPENDENT AUDITOR'S REVIEW REPORT
TO THE MEMBERS OF KHYBER TEXTILE MILLS LIMITED
Review Report on the Statement of Compliance Contained in the Listed
Companies (Code of Corporate Governance) Regulations, 2019**

We have reviewed the enclosed Statement of Compliance with the Listed Companies (Code of Corporate Governance) Regulations, 2019 (the Regulations) prepared by the Board of Directors of KHYBER 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.



**CLARKSON HYDE SAUD ANSARI.,
CHARTERED ACCOUNTANTS**

**LAHORE; September 26, 2026
UDIN: CR202610618SXY7CrL0q**

**INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF KHYBER TEXTILE MILLS LIMITED**

Report on the Audit of the Financial Statements

Opinion:

We have audited the annexed financial statements of KHYBER 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 other comprehensive income, the statement of changes in equity, the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information, and we state that we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of the audit.

In our opinion and to the best of our information and according to the explanations given to us, the statement of financial position, statement of profit or loss, the statement of other comprehensive income, the statement of changes in equity and the statement of cash flows together with the notes forming part thereof conform with the accounting and reporting standards as applicable in Pakistan and give the information required by the Companies Act, 2017 (XIX of 2017), in the manner so required and respectively give a true and fair view of the state of the Company's affairs as at June 30, 2026 of the profit and other comprehensive income, the changes in equity and its cash flows for the year then ended.

Basis for Opinion

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

Emphasis of Matter

We draw attention to Note 2.3 to the financial statements, which states that these financial statements have been prepared on going concern basis, yet there were factors which had affected the Company's ability to continue as a going concern in the past. Textile operations have been suspended since July 2007. However, the Company changed its line of operations few years back and has been able to generate net cash inflows. The Company is solvent and the management has concluded that no material uncertainty exists which cast significant doubt on the Company's ability to continue as going concern. A detailed explanation is given in the aforesaid note. Our opinion is not modified in respect of this matter.

Key Audit Matters

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 year. These matters were addressed in the context of our audit of the financial statements as a whole and, in forming our opinion thereon, and we do not provide a separate opinion on these matters. Following is the key audit matter:

S. No.	Key Audit Matter	How the matter was addressed in our Audit
a)	Contingencies and Commitments As stated in Note 16 in the financial statements, the Company is subject to material litigations involving different Courts pertaining to recovery, which requires management to make assessment and judgments with respect to likelihood and	Our audit procedures amongst others, included the following: Discussed legal cases with the management to understand their point of view and obtained and reviewed the litigation documents in order to assess the facts and circumstances;

impact of such litigations on the financial statements of the Company. We have identified this as a key audit matter, because the nature and amounts involved in such cases and the Banking Courts at which these are pending, the ultimate outcome and the resultant effect on the financial statements is subject to significant judgment, which can change over time as new facts emerge and each legal case progresses.	• Obtained independent opinion of legal counsel's dealing with such cases in form of confirmation; and • Evaluated the possible outcome of these legal cases in line with the requirements of IAS 37: Provisions, Contingent Liabilities and Contingent Assets. The disclosures of legal exposures and provisions were assessed for completeness and accuracy.
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Information Other than the Financial Statements and Auditors' Report Thereon

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

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

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

Responsibilities of Management and Board of Directors for the Financial Statements

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

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

Auditors' Responsibilities for the Audit of the Financial Statements

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

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

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

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

From the matters communicated with the Board of Directors, we determine those matters that were of most significance in the audit of the financial statements of the current year and are therefore the key audit matters.

We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

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

- a) proper books of account have been kept by the Company as required by the Companies Act, 2017 (XIX of 2017);
- b) the statement of financial position, the statement of profit or loss, the statement of other comprehensive income, the statement of changes in equity and the statement of cash flows together with the notes thereon have been drawn up in conformity with the Companies Act, 2017 (XIX of 2017) and are in agreement with the books of account and returns;
- c) investments made, expenditure incurred and guarantees extended during the year were for the purpose of the Company's business; and
- d) no Zakat was deductible at source under the Zakat and Ushr Ordinance, 1980 (XVIII of 1980).
- e) The engagement partner on the audit resulting in this independent auditors' report is Fatima Shumaila.



CLARKSON HYDE SAUD ANSARI.,
CHARTERED ACCOUNTANTS
LAHORE; September 26, 2026
UDIN: AR202610618EqY0kd2J

STATEMENT OF FINANCIAL POSITION
AS AT JUNE 30, 2026

	Note	2026 Rupees	2025 Rupees
NON CURRENT ASSETS			
Property, Plant and Equipment	4	1,270,123,259	1,280,756,896
Bearer Plants (Biological Assets)	5	209,450	182,450
Long Term Deposits		88,983	88,983
		<u>1,270,421,692</u>	<u>1,281,028,329</u>
CURRENT ASSETS			
Inventory - Livestock (Biological Assets)	6	-	-
Inventory - Animal Feed		825,710	707,000
Stores and Spares	7	-	-
Advances and Other Receivables	8	1,325,201	1,925,801
Cash and Bank Balances	9	19,464,844	17,050,510
		<u>21,615,755</u>	<u>19,683,311</u>
		<u>1,292,037,447</u>	<u>1,300,711,640</u>
SHARE CAPITAL AND RESERVES			
Share Capital	10	12,275,030	12,275,030
		<u>12,275,030</u>	<u>12,275,030</u>
Capital Reserve			
Statutory Reserve		257,782	257,782
Revaluation Surplus on Property, Plant & Equipment	11	1,235,874,836	1,244,978,331
Revenue Reserve			
Accumulated Loss		(5,331,717)	(6,560,109)
		<u>1,243,075,931</u>	<u>1,250,951,034</u>
NON CURRENT LIABILITIES			
Loan from Shareholder / Director	12	16,500,757	16,500,757
Deferred Taxation	13	27,407,755	27,226,185
		<u>43,908,512</u>	<u>43,726,942</u>
CURRENT LIABILITIES			
Short Term Loan from Director	14	4,499,718	5,559,718
Trade and Other Payables	15	553,286	473,946
Provision for Taxation		-	-
		<u>5,053,004</u>	<u>6,033,664</u>
CONTINGENCIES AND COMMITMENTS			
	16	-	-
		<u>1,292,037,447</u>	<u>1,300,711,640</u>

The annexed notes form an integral part of these financial statements



CHIEF FINANCIAL OFFICER



DIRECTOR



CHIEF EXECUTIVE

**STATEMENT OF PROFIT OR LOSS
FOR THE YEAR ENDED JUNE 30, 2026**

	Note	2026 Rupees	2025 Rupees
SALES		22,787,000	20,684,000
Less: COST OF SALES	17	<u>(15,633,179)</u>	<u>(14,709,097)</u>
GROSS PROFIT		7,153,821	5,974,903
Less: Administrative Expenses	18	(21,148,498)	(22,206,665)
Financial Expenses - Bank Charges		(2,059)	(2,788)
		<u>(13,996,736)</u>	<u>(16,234,550)</u>
Other Operating Income - Rent		7,913,350	8,909,757
Agriculture Income		225,750	220,110
LOSS BEFORE TAXATION		<u>(5,857,636)</u>	<u>(7,104,683)</u>
Minimum tax differential		-	-
LOSS BEFORE INCOME TAX		<u>(5,857,636)</u>	<u>(7,104,683)</u>
Income tax			
Current tax - for the year		(1,835,897)	(935,982)
Deferred tax - for the year		(157,945)	2,215,477
		<u>(1,993,842)</u>	<u>1,279,495</u>
NET LOSS FOR THE YEAR		<u><u>(7,851,478)</u></u>	<u><u>(5,825,188)</u></u>
LOSS PER SHARE - BASIC AND DILUTED	22	<u><u>(6.40)</u></u>	<u><u>(4.75)</u></u>

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



CHIEF FINANCIAL OFFICER



DIRECTOR



CHIEF EXECUTIVE

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED JUNE 30, 2026**

	Note	2026 Rupees	2025 Rupees
NET LOSS FOR THE YEAR		(7,851,478)	(5,825,188)
OTHER COMPREHENSIVE INCOME			
<i>Items that may not be subsequently reclassified to profit or loss</i>			
Revaluation Surplus on Revaluation Property, Plant & Equipment	11	-	-
Less: Related Deferred Tax	11	-	-
		-	-
TOTAL COMPREHENSIVE LOSS FOR THE YEAR		<u>(7,851,478)</u>	<u>(5,825,188)</u>

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



CHIEF FINANCIAL OFFICER



DIRECTOR



CHIEF EXECUTIVE

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED JUNE 30, 2026**

	Issued, Subscribed & Paid Up Capital	Capital Reserves		Accumulated Loss	Total
		Statutory Reserve	Revaluation Surplus		
		* ----- Rupees -----			
Balance as at July 1, 2024	12,275,030	257,782	1,254,829,867	(10,561,588)	1,256,801,091
<i>Total Comprehensive Income for the Year</i>					
Net Loss for the year	-			(5,825,188)	(5,825,188)
Other Comprehensive Income			-	-	-
	-	-	-	(5,825,188)	(5,825,188)
<i>Transfer due to Incremental Depreciation on Revaluation of Property, Plant and Equipment</i>					
			(9,826,667)	9,826,667	-
<i>Deferred Tax on Depreciation on Cost of Building</i>					
			(24,869)		(24,869)
				-	
Balance as at June 30, 2025	12,275,030	257,782	1,244,978,331	(6,560,109)	1,250,951,034
<i>Total Comprehensive Income for the Year</i>					
Net Loss for the year	-			(7,851,478)	(7,851,478)
Other Comprehensive Income			-	-	-
	-	-	-	(7,851,478)	(7,851,478)
<i>Transfer due to Incremental Depreciation on Revaluation of Property, Plant and Equipment</i>					
			(9,079,870)	9,079,870	-
<i>Deferred Tax on Depreciation on Cost of Building</i>					
			(23,625)		(23,625)
Balance as at June 30, 2026	12,275,030	257,782	1,235,874,836	(5,331,717)	1,243,075,931



CHIEF FINANCIAL OFFICER



DIRECTOR



CHIEF EXECUTIVE

CASH FLOW STATEMENT FOR THE YEAR ENDED JUNE 30, 2026

	2026 Rupees	2025 Rupees
CASH FROM OPERATING ACTIVITIES		
Loss before Taxation	(5,857,636)	(7,104,683)
Adjustments for:		
Depreciation	11,895,637	12,834,519
Loss / (Gain) arising from changes in fair value of Livestock	-	-
Financial Expenses	2,059	2,788
Operating profit before working capital changes	6,040,060	5,732,624
(Increase)/Decrease in Operating Assets		
Inventory - Livestock	-	-
Inventory - Animal Feed	(118,710)	(68,490)
Rent Receivable	(74,400)	(16,060)
	5,846,950	5,648,074
Increase/(Decrease) in Operating Liabilities		
Trade and Other Payables	79,340	10,788
Cash generated from operations	5,926,290	5,658,862
Financial Expenses	(2,059)	(2,788)
Tax deducted at source/Paid	(1,160,897)	(1,328,484)
Net Cash generated from Operating Activities	4,763,334	4,327,590
CASH FROM INVESTING ACTIVITIES		
Purchase of Bearer Plants	(27,000)	(17,500)
Purchase of Solar Power System	(1,262,000)	-
Net Cash used in Investing Activities	(1,289,000)	(17,500)
CASH FROM FINANCING ACTIVITIES		
Loan from Directors	(1,060,000)	(1,100,000)
Net Cash used in Financing Activities	(1,060,000)	(1,100,000)
NET INCREASE IN CASH AND CASH EQUIVALENTS	2,414,334	3,210,090
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	17,050,510	13,840,420
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	19,464,844	17,050,510



CHIEF FINANCIAL OFFICER



DIRECTOR



CHIEF EXECUTIVE

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2026****1 CORPORATE AND GENERAL INFORMATION****1.1 Legal status and operation**

Khyber Textile Mills Limited is a Public Limited Company, incorporated on 26th August, 1961 under the Companies Act, 1913 (Now the Companies Act, 2017). Its shares are quoted on the Pakistan Stock Exchange Limited. The activities of the Company were the manufacture and sale of cotton, polyester yarn and cloth, however due to external factors the production was halted. Consequently the Company has been operating an agricultural livestock business on its vacant land since 2017, as a revised principal line of business of the Company that is agricultural, which was approved by the Registrar of Companies in 2019. It has also been carrying on alternative business activities of renting excess buildings for warehousing and rental purposes since 2016.

The geographical location and address of the Company's premises are as under:

The registered office of the Company, the production facility, agricultural farms and warehouses are located at Baldher, District Haripur, Khyber Pakhtunkhwa.

2. BASIS OF PRESENTATION**2.1 Statement of Compliance**

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

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

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

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

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

2.2 Basis of Measurement

These accounts have been prepared under the historical cost convention, as modified by the revaluation of certain items of property, plant and equipment and inventory of livestock, which is carried at fair value. In these financial statements, except for the amounts reflected in the cash flow statement, all transactions have been accounted for under the accrual basis of accounting.

2.3 Going Concern Assumption

These financial statements have been prepared on a going concern basis, yet there were factors that have affected the Company's ability to continue as a going concern in the past, the primary issue being that the textile operations have been suspended since FY 2008. The principal factor contributing to this situation is the ongoing banking litigation and subsequent credit restriction as referred to in Note 16. Consequently, the Company continues to appear on the State Bank of Pakistan's Credit Information Bureau Report with an adverse credit status, which completely restricts its access to institutional credit facilities. The continued litigation has also limited the Company's ability to realize certain assets for BMR activities and to obtain the working capital required for the recommencement of textile operations. In addition, the viability of restarting textile manufacturing operations continues to be affected by increased energy tariffs, electrical load shedding and restrictions relating to industrial gas connections and generators. The Board of Directors and Management's objective is to revive the textile operations upon the restoration of access to financing facilities. To this end, the Company continues to actively defend its position in the pending banking litigation so that the matters may reach finality and financing facilities may be restored. As such, there is a legal obligation to keep the entity in existence till the final decision of the litigation as disclosed in Note 16.

Subsequent to the closure of textile operations, the Company made investments in an agricultural livestock farm, dedicating a substantial portion of the Company's vacant land to the livestock farm and the production of crops for its cattle. The Company has also invested in supporting infrastructure, including irrigation facilities, water storage systems and a solar power system, to facilitate agricultural activities. As a result of these efforts, the Company's agricultural business has been successful in reducing costs and making positive returns. In addition, the Company has rented some of its excess vacant buildings and warehouses to businesses and distributors, generating further revenue for the Company.

Financial support is also available from the Directors, who have financially assisted the Company in the past and stand ready to do so in the future. The Company's equity is positive, and it has been generating positive cash flows from operations through its livestock business and the rental of empty buildings and warehouses. Further, the Company's current assets exceed its current liabilities, resulting in a positive working capital position. It should be noted that the principal cause of the loss reported for the year is the depreciation charged on idle items of plant and equipment that were revalued upward in FY2024. This is a non-cash expense and does not affect the liquidity position of the Company. Consequently, the Company is solvent, and Management has concluded that no material uncertainty exists which casts significant doubt on the Company's ability to continue as a going concern.

2.5 Use of Estimates and Judgments

The preparation of financial statements in conformity with the approved accounting standards as applicable in Pakistan, requires management to make judgements, estimates and assumptions that affect the application of policies and the reported amounts of assets, liabilities, income and expenses.

The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making judgements about the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods. The estimates and judgements that have a significant effect on the financial statements, are included in the following:-

Depreciable amount and useful lives of Property, Plant and Equipment

In accordance with the accounting policy, the management carries out an annual assessment of depreciation amount and useful lives of assets. Further, the Company reviews the value of assets for possible impairment on an annual basis. Any change in the estimates in the future might affect the carrying amount of respective items of property, plant and equipment, with a corresponding effect on the depreciation charge and impairment. Useful lives, residual values and depreciation method of property, plant and equipment are stated in notes 3.1 and 4.

Biological Assets – Livestock

The fair value of the biological assets (livestock) is determined annually by the management of the Company which is based on market conditions and physical attributes of livestock existing at the end of each reporting period, which is subject to change at each period end due to market conditions - notes 3.3 & 6.

Stores and Spares

The Company reviews the net realisable value and impairment of stores and spares to assess any diminution in the respective carrying value and wherever required provision for impairment is made. The calculation of provision involves the use of estimates with regard to future estimated use and past consumption of stores and spares along with holding period - notes 3.4 & 7.

Income Taxes

In making the estimates for income tax currently payable by the Company, the management takes into account the current income tax law and the decisions of appellate authorities on certain issues in the past. The difference between the potential and actual charge of income tax levies, if any is disclosed as a contingent liability -note 3.9.

2.6. Initial application of a standard, amendment or an interpretation to an existing standard

Amendments to published accounting and reporting standards which are effective for the year ended June 30, 2026.

There were certain amendments to published accounting and reporting standards that became applicable to the Company during the year but are not considered to be relevant or did not have any significant effect on the Company's operations and have therefore not been disclosed in these financial statements.

Standard, amendments to published accounting and reporting standards and interpretations that are not yet effective and have not been early adopted by the Company

There are certain new standards and amendments to published accounting and reporting standards that will be applicable to the Company for its annual periods beginning on or after July 1, 2026. The new standards include IFRS 18 Presentation and Disclosure in Financial Statements with applicability date of January 1, 2027, as per IASB. The overall amendments include those made to IFRS 7 and IFRS 9 which clarify the date of recognition and derecognition of a financial asset or financial liability which are **applicable** for period beginning on or after January 1, 2026. The Company's management at present is in the process of assessing

the full impact of the new standard and the amendments to IFRS 7 and IFRS 9 and is expecting to complete the assessment in due course.

3 MATERIAL ACCOUNTING POLICIES

3.1 Property, Plant and Equipment

These are stated at revalued amount less accumulated depreciation and impairment loss, if any. Freehold land, building & civil works, sheds for livestock, and plant & machinery are measured at revalued amounts, which is the fair value at the date of revaluation less accumulated depreciation and accumulated impairment losses, if any, recognized subsequent to the date of revaluation. Revaluation is carried out every fifth year so that the fair value and carrying value do not differ materially at the reporting date. Other items of property plant and equipment are carried at cost less accumulated depreciation. Depreciation is charged on pro - rata basis under the reducing balance method at the rates mentioned in Note No. 4. Depreciation on additions to assets is charged from the month in which addition is made and in case of disposal of items of assets up to the month the asset has been in use of the Company.

The assets residual values and useful lives are reviewed and adjusted if appropriate at each financial year end. The effect of any adjustment in residual value and useful lives is recognized prospectively as a change of accounting estimates. Repairs and maintenance of major amounts are capitalized, while normal repair and maintenance of assets are charged to the income as and when incurred. Gains and losses on disposal of assets, if any, are taken to the profit and loss account.

3.2 Bearer Plants (Biological Assets)

Bearer plants i.e. living plants expected to bear produce for more than one period are accounted for as property, plant and equipment in accordance with IAS 16. They are being carried at cost. Costs capitalization shall cease when the bearer plants reach maturity, costs will cease to be capitalized and depreciation will commence, on the basis of the useful life of the bearer plants.

3.3 Inventory - Livestock (Biological Assets)

Livestock is measured on initial recognition and at each reporting date at fair value less costs to sell. Initial cost incurred in acquisition of livestock is also added to cost such as, transportation, labour etc. along with cost of feed and vaccination. Since the animals are purchased for selling at the time of Eid-ul-Adha, the fair value is determined on the basis of subsequent sales in the Eid Market.

Gain /(Loss) arising, if any, from changes in fair value of livestock is recognized in profit or loss account.

3.4 Stores and Spares

These are stated at the lower of cost and net realizable value using moving average cost method except items in transit which are valued at cost accumulated up to the balance sheet date. Cost comprises purchase cost and other costs incurred in bringing the inventories to their present location and condition. Net realizable value signifies the estimated selling price in the ordinary course of business less the cost necessarily to be incurred in order to make the sale. The Company reviews the carrying amount of stores on a regular basis and provision is made for obsolescence, if any.

3.5 Financial Instruments

3.5.1 Financial assets

The Company classifies its financial assets at amortised cost, fair value through other comprehensive income or fair value through profit or loss on the basis of the Company's business model for managing the financial assets and the contractual cash flow characteristics of the financial asset.

a) Financial assets at amortised cost

Financial assets at amortised cost are held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Interest income from these financial assets, impairment losses, foreign exchange gains and losses, and gain or loss arising on derecognition are recognised directly in profit or loss.

b) Financial assets at fair value through other comprehensive income

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

c) Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss are those financial assets which are either designated in this category or not classified in any of the other categories. A gain or loss on debt investment that is subsequently measured at fair value through profit or loss is recognized in profit or loss in the period in which it arises.

Financial assets are initially measured at cost, which is the fair value of the consideration given and received respectively. These financial assets and liabilities are subsequently remeasured to fair value, amortized cost or cost. Any gain or loss on the recognition and de-recognition of the financial assets and liabilities is included in the profit or loss for the period in which it arises.

Financial assets are derecognized when the rights to receive cash flows from the assets have expired or have been transferred and the Company has transferred substantially all risks and rewards of ownership. Assets or liabilities that are not contractual in nature and that are created as a result of statutory requirements imposed by the Government are not the financial instruments of the Company.

The Company assesses on a forward-looking basis the expected credit losses associated with its financial assets carried at amortized cost and fair value through other comprehensive income. The impairment methodology applied depends on whether there has been a significant increase in credit risk. For trade receivables, the Company applies the simplified approach, which requires expected lifetime losses to be recognized from initial recognition of the receivables. The Company recognizes in profit or loss, as an impairment gain or loss, the amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date.

3.5.2 Financial liabilities

All financial liabilities are recognized at the time when the Company becomes a party to the contractual provisions of the instrument. Financial liabilities at amortized costs are initially measured at fair value minus transaction costs. Financial liabilities at fair value through profit or loss are initially recognized at fair value and transaction costs are expensed in the profit or loss.

Financial liabilities, other than those at fair value through profit or loss, are subsequently measured at amortized cost using the effective yield method.

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

Off-setting of financial assets and financial liabilities

A financial asset and a financial liability are offset and the net amount is reported in the financial statements if the Company has a legally enforceable right to set-off the transaction and also intends either to settle on a net basis or to realize the asset and settle the liability simultaneously.

Contingent liabilities

Contingent liability is disclosed when:

'- there is a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or nonoccurrence of one or more uncertain future events not wholly within the control of the Company; or

'- there is present 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.

3.6 Trade and Other Payables

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

3.7 Short Term Borrowings

Short term borrowings from directors, which are payable on demand, are carried at loan amount, which is approximate of their initial fair value.

3.8 Long Term Borrowings

Long-term borrowings from directors, for which they have deferred their right to claim repayment at least twelve months from the reporting date, are also carried at loan amount, which is approximate of their initial fair value.

3.9 Taxation-levy and income tax

In accordance with the Income Tax Ordinance, 2001, computation of final taxes is not based on taxable income. Therefore, as per IAS 12 Application Guidance on Accounting for Minimum Taxes and Final Taxes issued by the ICAP, these fall within the scope of IFRIC 21 / IAS 37 and accordingly have been classified as levy in these financial statements.

The charge for current taxation is based on taxable income at the current rates of taxation in accordance with the Income Tax Ordinance, 2001, after taking into account tax credit available, if any.

Deferred income tax

Deferred tax is recognized using the balance sheet liability method, on all temporary differences arising at the reporting date between the tax base of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognized for all taxable temporary differences. Deferred tax assets are recognized for all deductible temporary differences to the extent that it is probable that the future taxable profits will be available against which the assets may be utilized. Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

Deferred tax assets and liabilities are measured at the effective tax rate which is equal to the enacted rate of income tax, in accordance with paragraph C2 the "IAS Application Guidance on Accounting for Minimum Taxes and Final Taxes" issued by the Institute of Chartered Accountants of Pakistan.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realized or the liability is settled, based on the tax rates (and tax laws) that have been enacted or substantively enacted at reporting date.

3.10 Cash and Cash Equivalents

Cash and cash equivalents are carried in the statement of financial position at cost. For the purposes of the statement of cash flows, cash and cash equivalents consist of cash and bank balances, cheques in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, running finance under mark-up arrangements and short-term loans which form an integral part of the Company's cash management.

3.11 Provisions

Provisions are recognized when the Company has a present legal or constructive obligation as a result of past events, 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 the obligation. Provisions are reviewed periodically and adjusted to reflect the current best estimates.

3.12 Dividend and other appropriations

Dividend is recognized as a liability in the period in which it is declared. Appropriations of profit are reflected in the statement of changes in equity in the period in which such appropriations are approved.

3.13 Revenue Recognition

The Company follows IFRS 15 for recognition of revenue from contracts with customers. The Standard provides a single five-step model for revenue recognition and establishes a comprehensive framework for recognition of revenue from contracts with customers based on a core principle that an entity should recognize revenue representing the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. The standard provides a contract-based revenue recognition model with a measurement approach that is based on an allocation of the transaction price. If the consideration promised in a contract includes a variable amount such as discounts, rebates and refunds, any potential bonuses receivable from the customer and any other contingent events, such estimates are determined using either the 'expected value' or 'most likely amount' method. The measurement of variable consideration is subject to a constraining principle whereby revenue will only be recognized to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognized will not occur.

Sale of Livestock

The performance obligation is satisfied at the point in time when the animals are handed over to the customers.

Rent Income

The performance obligation is satisfied at the time when the rent becomes due in accordance with the rental contracts.

4 PROPERTY, PLANT AND EQUIPMENT

For the Year ended June 30, 2026

PARTICULARS	COST / REVALUATION			Rate %	DEPRECIATION			W.D.V
	AS AT 01.07.25	Addition/ (Deletion)	AS AT 30.06.26		AS AT 01.07.25	FOR THE YEAR	AS AT 30.06.26	AS AT 30.06.26
	Rupees				Rupees	Rupees	Rupees	Rupees
Free Hold Land	1,117,215,000	-	1,117,215,000	-	-	-	-	1,117,215,000
Building on Free Hold Land	173,761,142	-	173,761,142	5%	82,501,241	4,562,995	87,064,236	86,696,906
Sheds for Livestock	4,107,716	-	4,107,716	10%	1,528,582	257,913	1,786,496	2,321,220
Plant and Machinery	318,074,441	-	318,074,441	10%	248,778,268	6,929,617	255,707,885	62,366,556
Tools and Equipment	1,200,738	-	1,200,738	10%	1,152,218	4,852	1,157,070	43,668
Electric Fittings	7,933,823	-	7,933,823	10%	7,671,111	26,271	7,697,382	236,441
Furniture and Fixtures	877,824	-	877,824	10%	857,260	2,056	859,316	18,508
Telephone Fittings	238,000	-	238,000	10%	231,481	652	232,133	5,867
Office Equipment	478,905	-	478,905	10%	422,240	5,666	427,907	50,998
Solar System	-	1,262,000	1,262,000	10%	-	104,418	104,418	1,157,582
Electric and Gas Appliances	433,468	-	433,468	10%	422,003	1,147	423,149	10,319
Motor Vehicles	907,904	-	907,904	20%	907,661	49	907,710	194
	1,625,228,961	1,262,000	1,626,490,961		344,472,065	11,895,637	356,367,702	1,270,123,259

For the Year ended June 30, 2025

PARTICULARS	COST / REVALUATION			Rate %	DEPRECIATION			W.D.V
	AS AT 01.07.24	Addition/ (Deletion)	AS AT 30.06.25		AS AT 01.07.24	FOR THE YEAR	AS AT 30.06.25	AS AT 30.06.25
	Rupees				Rupees	Rupees	Rupees	Rupees
Free Hold Land	1,117,215,000	-	1,117,215,000	0%	-	-	-	1,117,215,000
Building on Free Hold Land	173,761,142	-	173,761,142	5%	77,698,088	4,803,153	82,501,241	91,259,901
Sheds for Livestock	4,107,716	-	4,107,716	10%	1,242,012	286,570	1,528,582	2,579,134
Plant and Machinery	318,074,441	-	318,074,441	10%	241,078,693	7,699,575	248,778,268	69,296,173
Tools and Equipment	1,200,738	-	1,200,738	10%	1,146,827	5,391	1,152,218	48,520
Electric Fittings	7,933,823	-	7,933,823	10%	7,641,921	29,190	7,671,111	262,712
Furniture and Fixtures	877,824	-	877,824	10%	854,975	2,285	857,260	20,564
Telephone Fittings	238,000	-	238,000	10%	230,757	724	231,481	6,519
Office Equipment	478,905	-	478,905	10%	415,944	6,296	422,240	56,665
Electric and Gas Appliances	433,468	-	433,468	10%	420,729	1,274	422,003	11,465
Motor Vehicles	907,904	-	907,904	10%	907,600	61	907,661	243
	1,625,228,961		1,625,228,961		331,637,546	12,834,519	344,472,065	1,280,756,896

4.1

Revaluation of property, plant, and equipment was carried out for the first time in June 2013 by an independent valuer, M/s Impulse (Pvt) Ltd. The revaluation of Freehold land, building & civil works and plant & machinery had resulted in Revaluation Surplus of Rs. 292.698 million, Rs. 104.926 million and Rs.75.793 million respectively in the book value.

As on June 30 2019, Freehold land, building and civil works including sheds for livestock and plant & machinery were revalued again by M/s. Impulse (Pvt) Limited (an independent Valuer) which resulted in an increase in surplus of Rs. 533.700 million, Rs. 13.478 million and Rs. 36.509 million respectively in the book value.

The most recent revaluation of Freehold land, building and civil works including sheds for livestock and plant & machinery was carried out in June, 2024 by M/s Impulse (Pvt) Limited, which resulted in revaluation surplus of Rs.293.715 million, Rs.29.932 million, and Rs.26.91 million respectively. Forced sale value as per revaluation report dated June 30, 2024 of freehold land, building & civil works including sheds for livestock and plant & machinery of Rs.1.117 billion, Rs.99.06 million, and Rs.77.22 million respectively. Had there been no revaluation, the values of specific classes of freehold land, building & civil works and plant & machinery as at June 30, 2026 would have been as follows:

Cost	Accumulated Depreciation	Written Down Values
------	-----------------------------	---------------------------

Freehold Land	101,574	-	101,574
Building and Civil Works	28,350,309	26,802,441	1,547,868
Sheds for livestock	1,181,837	732,509	449,328
Plant and Machinery	178,861,971	172,912,368	5,949,603
	208,495,691	200,447,318	8,048,373

4.2

	2026 Rupees	2025 Rupees
Allocation of Depreciation		
Cost of Sales	362,334	286,570
Administrative Expenses	11,533,303	12,547,949
	<u>11,895,637</u>	<u>12,834,519</u>

4.3 Particulars of immovable property (i.e. land and building) in the name of Company are as follows:

Location

Plot bearing Khasra # 173, 357, 358, 462, 466, 460, 36, 38, 67/1 Qitta 4 situated at Baldher, Shahrah-e-Resham, District Haripur, Khyber Pakhtunkhwa.

Usage of Immovable

Production facility, plant, warehouses, labor colony, livestock farm, agriculture land and head office.

Area

366 Kanals / 45.75 Acres

5 **BEARER PLANTS (Biological Assets)** 209,450 182,450

This represents expenditure on plantation of olive trees, incurred to date, accounted for under IAS 16 read with IAS 41.

6 **INVENTORY - LIVESTOCK**

Inventory - Livestock (Biological Assets) - -

Reconciliation of the carrying amount of Livestock:

Opening - At Cost	-	-
Purchases - Mature Animals	11,786,800	10,359,350
	<u>11,786,800</u>	<u>10,359,350</u>
Animals Sold - Cost	<u>(11,786,800)</u>	<u>(10,359,350)</u>
	-	-

Changes due to Fair Value

Excess of Fair Value over Cost - Opening	-	-
Gain / (Loss) on Remeasurement to Fair Value	-	-
	<u>-</u>	<u>-</u>

6.1 The number of Mature and Immature animals as at June 30, 2026 is NIL and NIL (2025: NIL and NIL) respectively

7 **STORES AND SPARES**

General Stores	3,000,000	3,000,000
Less: Provision for Obsolescence	<u>(3,000,000)</u>	<u>(3,000,000)</u>
	<u>-</u>	<u>-</u>

	2026 Rupees	2025 Rupees
8 ADVANCES AND OTHER RECEIVABLES		
<i>Advance Income Tax</i>		
Opening Balance	1,842,201	1,449,699
Add: Payments / Deductions during the year	1,160,897	1,328,484
Less: Provision made during the year	(1,835,897)	(935,982)
	<u>1,167,201</u>	<u>1,842,201</u>
<i>Other Receivable</i>		
Income Tax and Sales Tax Receivable	266,327	266,327
Less: Provision for Expected Credit Loss	(266,327)	(266,327)
	-	-
Rent Receivable	158,000	83,600
	<u>1,325,201</u>	<u>1,925,801</u>
9 CASH AND BANK BALANCES		
Cash in Hand	433,028	919,887
Cash at Bank - Current Accounts	19,031,816	16,130,623
	<u>19,464,844</u>	<u>17,050,510</u>
10 SHARE CAPITAL		
Authorised		
1,500,000 (2025: 1,500,000) Shares of Rs. 10 each	<u>15,000,000</u>	<u>15,000,000</u>
Issued		
1,298,543 Shares of Rs. 10 each	<u>12,985,430</u>	<u>12,985,430</u>
Subscribed and Paid up		
517,813 (2025 : 517,813) Ordinary shares of Rs. 10 each issued as fully paid in cash	5,178,130	5,178,130
200,000 (2025 : 200,000) Ordinary shares of Rs. 10 each issued as Rs.8.75 paid in cash	1,750,000	1,750,000
	<u>6,928,130</u>	<u>6,928,130</u>
64,897 (2025 :64,897) Ordinary shares of Rs. 10 each issued as fully paid for consideration other than cash	648,970	648,970
444,793 (2025 : 444,793) Ordinary shares of Rs. 10 each issued as fully paid up bonus shares	4,447,930	4,447,930
200,000 (2025 : 200,000) Ordinary shares of Rs. 10 each issued @ Rs.1.25 paid up bonus shares to make other shares issued as fully paid up.	250,000	250,000
	<u>4,697,930</u>	<u>4,697,930</u>
	<u>12,275,030</u>	<u>12,275,030</u>

Capital Management

The main objective of the Company, when managing capital is to maintain optimal capital structure to ensure ample availability of finance for its existing operations, to safeguard the company's ability to continue as a going concern and to provide returns for the shareholders.

11 SURPLUS ON REVALUATION OF PROPERTY, PLANT AND EQUIPMENT

This represents revaluation surplus relating to Freehold Land, Building and Civil Works and Plant & Machinery of the company (Refer Note No.4). The movement in the revaluation surplus during the year is as follows:

	2026 Rupees	2025 Rupees
Revaluation Surplus as at July, 1	1,244,978,331	1,254,829,867
Net amount transferred to unappropriated profit		
Transferred to unappropriated profit due to incremental depreciation net of tax	(9,079,870)	(9,826,667)
Deferred tax on depreciation on cost of building	(23,625)	(24,869)
	(9,103,495)	(9,851,536)
	<u>1,235,874,836</u>	<u>1,244,978,331</u>

11.1 Restriction on distribution

The surplus on revaluation of property, plant and equipment is not available for distribution to the shareholders in accordance with section 241 of the Companies Act, 2017.

12 LOAN FROM SHAREHOLDER / DIRECTOR

16,500,757

16,500,757

This represents the amount received from a shareholder / director of the Company for the purpose of working capital requirements. The loan is interest free, unsecured and he has deferred his right to repayment at least twelve months from the date of these financial statements.

13 DEFERRED TAXATION - NET

The liability for deferred tax comprises

Revaluation of Property, Plant and Equipment	24,736,789	26,531,044
Accelerated Tax Depreciation	3,618,201	1,642,376
Provision for Expected Credit Losses	(77,235)	(77,235)
Provision for Stores and Spares Obsolescence	(870,000)	(870,000)
	<u>27,407,755</u>	<u>27,226,185</u>

14 SHORT TERM LOAN FROM DIRECTOR

4,499,718

5,559,718

This represents the amount received from a director of the Company for the purpose of working capital requirements. The loan is interest free, unsecured and repayable on demand.

15 TRADE AND OTHER PAYABLES

Accrued Liabilities	514,630	435,290
Other Liabilities	38,656	38,656
	<u>553,286</u>	<u>473,946</u>

16 CONTINGENCIES AND COMMITMENTS**Pending Litigations****National Bank of Pakistan vs. Company**

In the 1990s, National Bank of Pakistan (NBP) adopted a negative policy towards the Company, restricting access to working capital and crucial Balancing, Modernization and Replacement (BMR) funds, which led to financial losses for the Company. Faced with these adverse measures, the Company agreed to NBP's offer to refer the matter to the Committee for the Revival of Sick Units (RSU) for settlement in 1997. These Committees were announced by the Federal Government and were mandated by the State Bank of Pakistan (SBP) to revive sick units. The Committees' decisions were made binding through SBP BPRD Circular No.19, which specified that in case no clearance or objection is received within seven days from the date of the decision of the Committee, it will be deemed as final. The RSU Committee reviewed the matter and confirmed that the Company's case was genuine. The positions of both the Bank and the Company were presented through their authorized representatives, and after deliberating, the RSU Committee No.5 ultimately determined that the Company's total liabilities amounted to Rs.7.4 Million, as submitted and accepted by NBP. The Committee decided that the liability would be repaid in installments with interest, while the matter of SPTCs would be governed by the original agreement between PICIC, the lead creditor at the time, and the Company. The Committee's decision was conveyed to NBP for confirmation or otherwise, indicating that in case no response is received within 7 days, the decision shall become final.

After receiving three instalments from the Company, NBP issued a letter more than nine months after the Committee's decision, stating that it did not accept the Committee's decision and was instituting a suit to recover liabilities. In 1998, NBP filed a lawsuit against the Company in the Peshawar High Court (PHC) for recovery of Rs. 437 Million, erroneously calculated for finances provided in the 1970s and 1980s. Despite this, the Company continued to adhere to the binding decision of Committee No.5 and fully repaid the loan to NBP, including interest, totaling Rs. 9.57 Million. The Honorable Banking Judge of the PHC dismissed the suit in 2014, ruling in favour of the Company. The judgment determined that the Company had paid all outstanding dues to NBP in accordance with the decisions of RSU Committee No.5 and that the Circulars issued by the SBP are binding upon the Bank. However, NBP filed an appeal against the dismissal of its suit by the Banking Judge in the PHC. After hearing both parties, the Honorable Appellate Bench of the PHC remanded the suit to the Banking Judge in April 2025 to determine the validity and contents of Committee No. 5's decision, to consider the disagreement regarding the settlement and issuance of SPTCs as claimed by Company but denied by NBP, and to decide the suit afresh in accordance with law. The suit is currently pending before the Peshawar High Court Banking Judge. Nevertheless, the Company remains committed to vigorously defending against NBP's suit and is optimistic that the suit will be decided in its favour. Accordingly, no provision is required against this case liability based on the facts outlined above.

Investment Corporation of Pakistan, NBP and Others vs. Company.

A suit for recovery was filed by ICP, NBP and others in the Sindh High Court (SHC) against the Company, which was decreed ex-parte. In 2010, the SHC set aside the ex-parte judgment and decree after observing that the Banks had not served legal notice at the Company's registered address. Further, due to the Banks' misleading statement of accounts, the claim against the Company was revised downwards by the Court to Rs.50 Million. The Banking Judge accepted the Company's leave to defend application and final arguments are currently pending before the Banking Court. The Company's position is that this suit is time-barred as these loans were provided in the 1970s and were repaid to the creditors as per the restructuring agreement determined by the IRC and RSU Committee No.5. Moreover, NBP has filed suits for recovery of the same finance in two different jurisdictions, which is against the provisions of law. The Company is committed to defending the suit vigorously and is optimistic that this suit will be decided in its favour. Accordingly, no provision is required against this case liability based on the facts outlined above.

	Note	2026 Rupees	2025 Rupees
17 COST OF SALES			
Animal Purchases		11,786,800	10,359,350
Animal Feed and Medicines Consumed (Note 17.1)		1,738,195	2,469,877
Salaries and Wages		600,000	557,900
Sowing and Harvesting Expenses for Animal Feed		1,017,350	924,200
Animal Sheds Repairs		128,500	111,200
Depreciation	4.2	362,334	286,570
		<u>15,633,179</u>	<u>14,709,097</u>
Opening Inventory - At cost		-	-
Closing Inventory - At Cost		<u>-</u>	<u>-</u>
		<u>15,633,179</u>	<u>14,709,097</u>
17.1 Animal Feed and Medicines Consumed			
Opening Stock		707,000	638,510
Purchases		<u>1,856,905</u>	<u>2,538,367</u>
		2,563,905	3,176,877
Closing Stock		<u>(825,710)</u>	<u>(707,000)</u>
		<u>1,738,195</u>	<u>2,469,877</u>
18 ADMINISTRATIVE EXPENSES			
Salaries and Allowances		4,272,000	4,020,000
Conveyance, Traveling & Entertainment		187,500	105,480
Postage, Telegram & Telephone		156,486	107,679
Membership Fee & Subscription		932,015	956,644
Legal and professional charges		640,000	321,500
Printing & Stationery		285,000	187,000
Fuel and Power		1,642,663	2,439,853
Advertisement		215,151	137,200
Auditors' Remuneration	18.1	665,280	584,280
Repairs & Maintenance		619,100	799,080
Depreciation Expenses	4	<u>11,533,303</u>	<u>12,547,949</u>
		<u>21,148,498</u>	<u>22,206,665</u>
18.1 Auditors' Remuneration			
Annual Audit Fee		513,000	432,000
Half Yearly Review		91,800	91,800
Out of Pocket Expenses		<u>60,480</u>	<u>60,480</u>
		<u>665,280</u>	<u>584,280</u>

	2026 Rupees	2025 Rupees
19 EARNINGS / (LOSS) PER SHARE		
Net profit / (Loss) for the year	(7,851,478)	(5,825,188)
Number of shares outstanding during the year	1,227,503	1,227,503
Earnings / (Loss) per share - Basic and diluted	(6.40)	(4.75)

20 RELATED PARTY TRANSACTIONS

Related parties comprise of group companies (associates), directors, major shareholders, their close family members and key management personnel. Transactions with related parties during the year, other than and including those which have been disclosed elsewhere in these financial statements, are given below:

<u>Name of Related Party</u>	<u>Nature of Transaction</u>		
Mr. Adam Jadoon CEO/Director	Loan (repaid)	(1,060,000)	(1,100,000)

21 REMUNERATION OF CHIEF EXECUTIVE, DIRECTORS AND OTHER EXECUTIVES

No remuneration and perquisites were paid to the directors, chief executive and other executives.

22 DISCLOSURE REQUIREMENT FOR SHARIAH COMPLIANT COMPANIES

In accordance with the applicable requirements of the Companies Act, 2017 and Pakistan Stock Exchange Regulations, the Company has made the following disclosure in respect of Shariah compliance for the year ended June 30, 2026.

----- June 30, 2026 -----		----- June 30, 2025 -----	
Conventional	Shariah Compliant	Conventional	Shariah Compliant
----- Amount in Rupees -----			

Statement of financial position

<i>Bank Balances</i>	19,031,816	16,130,623	-
----------------------	------------	------------	---

Statement of profit or loss

-	-	-	-
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Except for the above-mentioned conventional bank balances, the Company has no material Shariah non-compliant investments or financing arrangements as at June 30, 2026.

23 FINANCIAL INSTRUMENTS BY CATEGORY

Amortised Cost	FVTPL/FTOCI	Total
----- Rupees -----		

As at June 30, 2026

Financial Assets

Long Term Deposit	88,983	-	88,983
Rent Receivable	158,000	-	158,000
Bank Balance	19,031,816	-	19,031,816
	19,278,799		19,278,799

Financial Liabilities

Loan from Directors	21,000,475	-	21,000,475
Trade and Other Payables	553,286	-	553,286
	21,553,761		21,553,761

As at June 30, 2025

Amortised Cost	FVTPL/FTOCI	Total
----- Rupees -----		

Financial Assets

Long Term Deposit	88,983	-	88,983
Rent Receivable	83,600	-	83,600
Bank Balance	16,130,623	-	16,130,623
	16,303,206		16,303,206

Financial Liabilities

Loan from Directors	22,060,475	-	22,060,475
Trade and Other Payables	473,946	-	473,946
	22,534,421		22,534,421

Payable after one year	Payable within one year	Total
------------------------	-------------------------	-------

**Non-Derivative Financial Liabilities
as at June 30, 2026**

Loan from Shareholder / Director	16,500,757	4,499,718	21,000,475
Trade and Other Payables	-	553,286	553,286
	16,500,757	5,053,004	21,553,761

**Non-Derivative Financial Liabilities
as at June 30, 2025**

Loan from Shareholder / Director	16,500,757	5,559,718	22,060,475
Trade and Other Payables	-	473,946	473,946
	16,500,757	6,033,664	22,534,421

24 FAIR VALUE OF FINANCIAL ASSETS AND LIABILITIES

Fair value is an amount for which an asset could be exchanged, or a liability settled, between knowledgeable and willing parties in an arm's-length transaction. Consequently, differences may arise between the carrying values and the fair value estimates. Underlying the definition of fair value is the presumption that the company is a going concern without any intention or requirement to curtail materially the scale of its operations or to undertake a transaction on adverse terms.

24.1 Fair Value Hierarchy

Judgements and estimates are made in determining the fair values of the financial instruments that are recognized and measured at fair value in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the financial instruments are classified into the following three levels:

- Level – 1** fair value measurements are those inputs derived from unadjusted quoted prices in active markets for identical assets and liabilities.
- Level – 2** fair value measurements are those inputs determined using valuation techniques which maximize the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to determine fair value of an instrument are observable, the instrument is included in Level 2. Examples are:
 - '- Adjusted quoted active market prices
 - '- Quoted price for a similar asset in an active market
- Level – 3** fair value measurements are those inputs derived from valuation techniques that include inputs which are not based on observable market data. Examples are:
 - '- Discounted cash flows
 - '- Depreciated replacement cost

The Company does not hold any financial instrument, which can be classified in any of the above levels. Financial assets and liabilities are not measured at fair value, because the carrying value of all financial assets and liabilities approximate their fair value.

25 FINANCIAL RISK EXPOSURE AND RISK MANAGEMENT

25.1 Credit Risk

Credit risk represents the accounting loss that would be recognized if counter parties fail completely to perform as contracted.

Exposure to Credit Risk

The Company is exposed to credit risk on the following financial assets. The carrying amount of these financial assets represents the maximum credit exposure at the reporting date, which is detailed as follows:

	2026	2025
	Rupees	Rupees
Long Term Deposits	88,983	88,983
Bank Balance	19,031,816	16,130,623
	19,120,799	16,219,606

Concentration of Credit Risk

Concentration of credit risk arises from exposure to a single debtor, or when a number of counter parties are engaged in similar business activities or have similar economic features that would cause the ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. The Company believes that it is not exposed to major concentration of credit risk.

25.2 Market Risk

Market risk means 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 risks: price risk, interest rate risk and foreign currency risk.

25.2.1 Sales Price Risk

The Company is exposed to sales price risk, related to livestock. The following information summarizes the estimated effect of a hypothetical 10% increase and a 10% decrease (2025: 10%) in cash flows from animal sales. The selected hypothetical change does not reflect, what could be considered to be best or worst case scenarios. The analysis assumes that all other variables remain constant.

	Profit and (Loss)	
	10% (Decrease)	10% Increase
As at June 30, 2026		
Cash Flow Sensitivity - Sales	(2,278,700)	2,278,700
As at June 30, 2025		
Cash Flow Sensitivity - Sales	(2,068,400)	2,068,400

25.2.2 Financial Risk Management Strategies related to Biological Assets and Agricultural Activities

The Company is exposed to financial risk arising from changes in animal and olive prices. The Company does not anticipate that animal prices will decline significantly in the foreseeable future, because of the rising demand for animals at the time of Eid-ul-Adha. Olive plants are immature, they will take 8 to 10 years to mature and bear olives.

25.2.3 Interest Rate and Foreign Currency Risk

The Company is also not exposed to interest rate and foreign currency risk.

25.3 Liquidity Risk

Liquidity risk is the risk that an enterprise will encounter difficulty in raising funds to meet commitments associated with financial instruments. The Company believes that it is not exposed to any significant level of liquidity risk, as support is available from the directors and assets of the company are readily disposable in the market.

Following are the contractual maturities of financial liabilities:

Payable after one year	Payable within one year	Total
------------------------	-------------------------	-------

Non-Derivative Financial Liabilities as at June 30, 2026

Loan from Shareholder / Director	16,500,757	4,499,718	21,000,475
Trade and Other Payables	-	553,286	553,286
	16,500,757	5,053,004	21,553,761

Non-Derivative Financial Liabilities as at June 30, 2025

Loan from Shareholder / Director	16,500,757	5,559,718	22,060,475
Trade and Other Payables	-	473,946	473,946
	16,500,757	6,033,664	22,534,421

26 FIGURES

Figures have been rounded off to the nearest rupee.

27 NUMBER OF EMPLOYEES

Total employees of the Company at	9	9
Average employees of the Company during the year	9	9

28 PLANT CAPACITY AND PRODUCTION

	Plant Capacity 2026	2025
<i>Yarn</i>		
Coarse (Kilograms)	431,267	431,267
Medium (Kilograms)	3,780,187	3,780,187
Fine (Kilograms)	206,570	206,570

Plant is closed due to the reasons explained in Note No.2.3

29 DATE OF AUTHORISATION

These financial statements were authorised for issue on 30th September 2026 by the Board of Directors of the Company.



CHIEF FINANCIAL OFFICER



DIRECTOR



CHIEF EXECUTIVE

Pattern Of Share Holding - Form "34"
Shareholders Statistics As At June 30, 2026

Number Of Share Holders	Share Holding			Total Shares Held
	From		To	
328	1	-	100	9,768
168	101	-	500	41,510
57	501	-	1000	43,934
76	1001	-	5000	171,289
16	5001	-	10000	104,949
1	15001	-	20000	19,517
1	30001	-	35000	32,772
1	50001	-	55000	50,373
1	70001	-	75000	74,106
1	110001	-	115000	111,700
1	130001	-	135000	133,069
1	185001	-	190000	187,439
1	245001	-	250000	247,077
653				1,227,503

Categories of Share Holders As on June 30, 2026

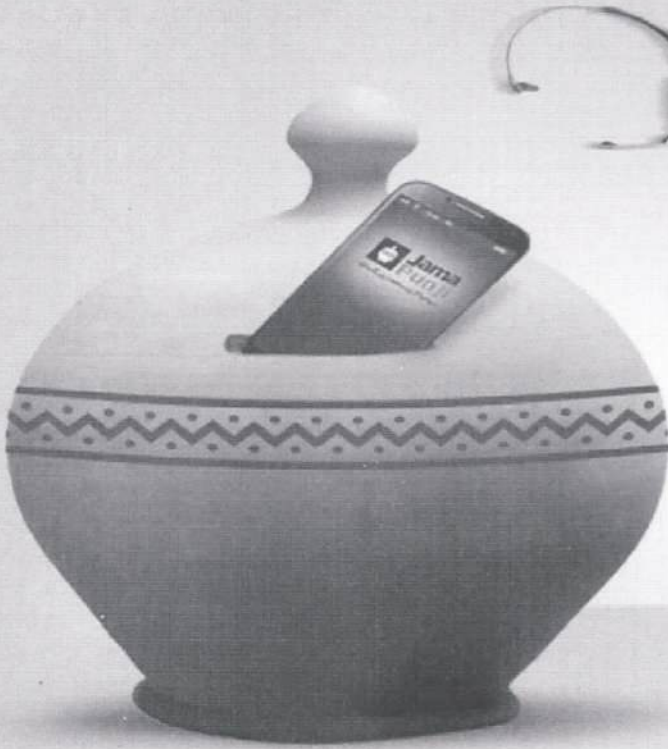
Categories Of Shareholders	Number Of Shareholders	Total Shares Held	Percentage %
Individuals	639	1,207,062	98.33
Joint Stock Companies	6	5,825	0.47
Insurance Companies	1	8,504	0.69
Financial Institutions	4	3,863	0.31
Investment Companies	1	1,688	0.14
Others	2	561	0.05
	653	1,227,503	100

Additional Information as of June 30, 2026 (As per Code of Corporate Governance)

Shareholders' Category	Shareholders	Shares held	Percentage
Directors, heir Spouse(s) and Minor Children			
Mr. Adam Jadoon	1	247,077	20.13
Mr. Amanullah Khan Jadoon	1	3,085	0.25
Mr. Hassan Ovais	1	2,500	0.20
Mr. Aurangzeb Khan	1	6,029	0.49
Mr. Nusrat Iqbal	1	2,500	0.20
Mr. Muhammad Bahauddin	1	2,800	0.23
Mrs. Aamna Jadoon	1	74,106	6.04
Associated Companies, undertakings and related parties	-	-	-
Executives			
Mr. Sadaqat Khan - Company Secretary	1	50	0.00
Mr. Taj Muhammad - C F O	1	100	0.01
Public Sector Companies and Corporations			
State Life Corporation of Pakistan	1	8,504	0.69
Banks, Development Finance Institutions, Non-Banking Finance Companies, Insurance, Takaful, Modaraba and Pension Funds			
	10	9,688	0.79
NIT / ICP			
Investment Corporation of Pakistan	1	1,688	0.14
General Public	630	868,815	70.78
Foreign Companies	-	-	-
Others	2	561	0.05
Total	653	1,227,503	100.00

Shareholders holding 10% or more voting interest	Share Held	Percentage
Mr. Adam Jadoon	247,077	20.13
Mr. Zafar Iqbal Jadoon	187,439	15.27
Mr. Omar Farid Jadoon	133,069	10.84

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- ?? FAQs Answered

- 📈 Stock trading simulator (based on live feed from KSE)
- 📖 Knowledge center
- 📊 Risk profiler*
- 📊 Financial calculator
- 📱 Subscription to Alerts (event notifications, corporate and regulatory actions)
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FORM OF PROXY

I/We _____ of _____

(full address) being a member of **Khyber Textile Mills Limited** having Folio No. _____ do

hereby appoint Mr./Ms. _____ having Folio No. _____

of _____ (full address) (or failing him)

Mr./Ms. _____ having Folio

No. _____ of _____ (full address)

I being another Member of the Company as my/our proxy to attend and vote for me/us on my/our behalf, at the **Annual General Meeting** of the Company to be held on **Wednesday , 28th October 2026 at 10:30 AM** and to every adjournment thereof.

And witness my/our hand/seal this _____ day of _____ 2026, signed by the above-named

Shareholder _____ in the presence of:

WITNESSES

1. Signature _____ 2. Signature _____

Name _____ Name _____

Address _____ Address _____

CNIC or Passport No.

CNIC or Passport No.

CDC Account No.

Revenue Stamp of Rs. 5/-

Important Notes

1. A Member of the Company entitled to attend and vote at the Annual General Meeting may only appoint another Member as his/her proxy to attend and vote on his/her behalf.
2. Two persons whose names, addresses and CNIC or Passport number shall be mentioned on the form shall witness the Proxy Form.
3. Copies of CNIC or Passport of the appointer and proxy-holder shall be furnished with the Proxy Form.
4. The proxy-holder shall produce his/her original CNIC or Passport at the time of the meeting.
5. This Proxy Form must be duly completed, signed, and received at the Registered Office of the Company, not less than 48 hours before the time of holding the meeting.
6. In case of corporate entity, the Board of Directors' resolution / Power of Attorney with specimen signature shall be submitted along with Proxy Form.