



**Crescent
Fibres**



**Annual Report
2026**

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COMPANY INFORMATION

Board of Directors	Naila Humayun Maqbool	(Chairperson, Non-Executive Director)
	Imran Maqbool	(Chief Executive Officer, Executive Director)
	Humayun Maqbool	(Executive Director)
	Hanya Maqbool	(Non-Executive Director)
	Mansoor Raiz	(Non-Executive Director)
	Syed Rizwan Husain	(Independent, Non-Executive Director)
	Sheikh Muhammad Ali Asif	(Independent, Non-Executive Director)
Chief Financial Officer	Kamran Rasheed	
Company Secretary	Javaid Hussain	
Audit Committee	Sheikh Muhammad Ali Asif	(Chairman)
	Naila Humayun Maqbool	(Member)
	Hanya Maqbool	(Member)
Human Resources & Remuneration Committee	Syed Rizwan Husain	(Chairman)
	Naila Humayun Maqbool	(Member)
	Hanya Maqbool	(Member)
Auditors	BDO Ebrahim & Company Chartered Accountants	
Legal Advisor	Mohsin Tayebally & Sons	
Share Registrar	Corplink (Pvt) Limited Wings Arcade, 1-K, Commercial, Model Town, Lahore. Tel: (042) 35916714, 35916719, 35839182 Email: shares@corplink.com.pk	
Registered Office	104 Shadman 1, Lahore - 54000 Tel : (042) 35960871-4 Lines	
Head Office	7th Floor, Lakson Square Building No. 3, Sarwar Shaheed Road, Karachi Tel : (021) 35682073-74	
Project Locations		
Unit No. 1	Plot No. B/123, Road No. D-7, Industrial Area Nooriabad, District Dadu Sindh	
Unit No. 2	17-Km, Faisalabad Road, Bhikhi, District Sheikhpura, Punjab	
E-mail:	lo@crescentfibres.com	
Website:	www.crescentfibres.com	



NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the 49th Annual General Meeting of the shareholders of Crescent Fibres Limited will be held on Wednesday the 28th of October, 2026 at 9.30 a.m. at Registered Office of the Company 104-Shadman-1, Lahore to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt Audited Accounts of the Company for the year ended 30th June, 2026 together with Auditors and Directors reports thereon.
In accordance with Section 223(7) of the Companies Act, 2017, and in terms of S.R.O. No. 389 (I)/2023 dated March 21, 2023, the financial statements of the Company have been uploaded on the Company's website, which can be downloaded from the following Weblink and QR-enabled code.

<https://crescentfibres.com/annual-accounts-2026/>



2. To appoint Auditors and fix their remuneration. The retiring auditor's M/s. BDO Ebrahim & Company, Chartered Accountants offer themselves for re-appointment.

SPECIAL BUSINESS

3. To ratify and approve transactions conducted with related parties for the year ended June 30, 2026 by passing the following resolution in respect of related party transactions in which the majority of Directors of the Company are interested in terms of Section 207& 208 of the Companies Act, 2017.

"RESOLVED THAT the transactions conducted with related parties as disclosed in the note of the financial statement for the year ended June 30, 2026 and specified in the Statement of Material Information under section 134(3) be and are hereby ratified, approved and confirmed."

4. To authorize the Board of Directors of the Company to approve transactions with related parties for the financial years ending June 30, 2027 by passing the following special resolution with or without modification.

"RESOLVED THAT the Board of Directors of the Company be and is hereby authorized to approve the transactions to be conducted with related parties on case to case basis for the financial year ending June 30, 2027."

"RESOLVED FURTHER that these transactions by the Board shall be deemed to have been approved by the shareholders and shall be placed before the shareholders in the next Annual General Meeting for their formal ratification/approval."

OTHER BUSINESS

5. To transact any other business of the Company with the permission of the Chair.

The notice along with statement of material facts have been dispatched to the shareholders by post and uploaded placed on Company website at www.crescentfibres.com.

The Company has electronically transmitted the notice of annual general meeting and annual report for June 30, 2026 through email its shareholders whose email addresses are available with the Company's Share Registrar.

It may be noted that no gift will be distributed in the general meeting. Shareholders are advised to take note of meeting etiquettes as prescribed in the Guidelines for professional conduct in General Meetings issued by SECP.

October 06, 2026

REGISTERED OFFICE
104-Shadman-1, Lahore,

By Order of the Board

JAVAID HUSSAIN
Company Secretary

NOTICE OF ANNUAL GENERAL MEETING

NOTES:

1. Book Closure

The Share Transfer Books will remain closed from 21st October, 2026 to 28th October, 2026 (both days inclusive). Transfers received in order at the office of our Share Registrar M/s. Corplink (PVT.) Limited, Wings Arcade, 1-K, Commercial, Model Town Lahore at the closed business on Tuesday 20th October, 2026 will be considered in time to attend the meeting.

2. Proxy Form Facility

A member eligible to attend and vote at the Annual General Meeting may appoint another member as his/her proxy to attend and vote instead of him/her. Proxies in order to be valid must be received by the company duly completed not less than 48 hours before the Meeting.

CDC shareholders are requested to bring with them their National Identity Cards alongwith participants' ID number and their account numbers at the time of Annual General Meeting in order to facilitate identification. In case of corporate entity, a certified copy of the resolution passed by the Board of Directors/valid Power of Attorney with the specimen signature of the nominee be produced at the time of meeting.

3. Video Conference Facility

The shareholders interested to attend the meeting through video-link may send the information i.e. copy of valid CNIC, Folio / CDC Account Number, Cell Number, Email Address, (Certified copy of board resolution / notarized power of attorney in case of corporate body) to the Company Secretary by October 25, 2026 at email address: cs@crecentfibres.com. Video link and login credentials will be shared with the members whose emails, containing all the required particulars are received by the above deadline.

4. Voting through Ballot paper:

In accordance with regulation 8(2) of the Companies (postal Ballot) Regulation 2018. Members have the option to cast their votes using the ballot paper copy of which is available on the Company's website www.crescentfibres.com. The duly verified ballot paper should reach the Chairman of the meeting through e-mail at cs@crecentfibres.com or through post to 104-Shadman-1, Lahore not later than one day prior to the AGM, during working hours.

5. Electronic Voting:

In accordance Regulation 4(4) of the Companies (Postal Ballot) Regulation 2018, Members also have the option to cast their votes thorough e-voting. Detail of E-Voting facility will be shared through e-mail with those members of the company who have valid cell numbers / e-mail addresses available in the Register of Members of the Company by the end of business on October 20, 2026 by Corplink (Private) Limited being the e voting service provider.

The facility for e-voting shall open on 25th October, 2026 9.00 a.m. and shall close at 17:00 hours on 27th October, 2026.

STATEMENT OF MATERIAL FACTS UNDER SECTION 134(3) OF THE COMPANIES ACT, 2017

Agenda No. 3 of the notice- Ratification and approval of the related party transactions.

Transactions conducted with all related parties have to be approved by the Board of Directors duly recommended by the Audit Committee on quarterly basis pursuant to clause 15 of the Listed Companies (Code of Corporate Governance) Regulations, 2019. Certain related parties' transactions require Shareholders approval under Section 207 & 208 (to the extent applicable) of the Companies Act, 2017 as a majority of Directors on the Company are interested in the transactions.

S.No	Nature of Transaction	Party	Amount (2026)
1	Insurance Premium	Premier Insurance Limited.	26,829,641
2	Rent Paid	CEO & Directors	4,380,000
3	Payable to Associated Companies	Premier Insurance Co. Pakistan Ltd.	25,223,278
4	Payable to Provident Fund	Payable to Fund	6,390,999
5	Due to Directors and Others	Directors and Others	140,005,246
6	Retirement benefit plan	Contribution to Provident Fund	17,415,528

Based on the aforesaid, the Shareholders are requested to pass the Resolution with or without modification as stated in the Notice.

Agenda No.4 of the notice- Ratification and approval of the related party transactions

The Company shall be conducting transactions with related parties during the year ending June 30, 2027 on an arm's length basis. In some of these transactions, including rent, remuneration, sales and others, the majority of Directors have an interest and as such these must be approved by the shareholders under Section 207 & 208 (to the extent applicable) of the Companies. The shareholders are being asked to authorize the Board to approve these transactions subject to them placed before the shareholders in the next AGM for their formal approval/ratification.



MISSION STATEMENT

To achieve a leadership position in providing innovative and high-quality products in all sectors of operations.

To be recognized as an organization that delivers on its commitments with integrity and excellent value.

To foster an environment of growth, prosperity, and long term relationships, through dedication to the principles of openness, honesty, and professionalism.

To be an equal opportunity employer, and to motivate and empower every employee to strive for excellence in meeting the needs of our customers.

To be a responsible corporate citizen and contribute to our community by participating in social and environmental causes.

CHAIRMAN'S REVIEW

I am pleased to present my review for the year ended June 30, 2026.

The difficult environment for the textile industry persisted throughout the year under review. Global growth remained subdued, and renewed geopolitical conflict triggered fresh volatility in energy and commodity markets, keeping demand for yarn weak and end-product prices under pressure. Domestically, the industry continued to contend with energy tariffs that remain among the highest in the region and a high cost of financing. Against this backdrop, the Company chose to restructure and consolidate its operations rather than pursue volumes at uneconomic prices.

The Company recorded an after-tax loss of Rs. 580.97 million for the year ended June 30, 2026, compared to a loss of Rs. 775.71 million in the previous year, a reduction of 25.1%. The loss before tax was Rs. 610.94 million (2025: loss before tax Rs. 798.08 million), and the Company incurred a Gross loss of Rs. 157.62 million (2025: Rs. 356.41 million). The loss per share for the year under review was Rs. 46.78, compared to Rs. 62.47 in the previous financial year.

While the Company remains loss-making, the current year's results show a clear improvement in underlying operations. The gross loss was reduced by more than half, and financial charges fell by 32.6%. The results also absorb an allowance for expected credit losses of Rs. 170.83 million against long-outstanding trade debts; excluding this non-cash charge, the operating loss would have been Rs. 257.24 million, compared to Rs. 490.48 million in the previous year. Importantly, the Company generated net cash of Rs. 323.18 million from operating activities (2025: net cash used Rs. 45.10 million), which, together with asset disposal proceeds, was applied to reduce total borrowings, including lease liabilities.

During the year, the Board approved the sale of the plant and machinery of Spinning Unit 1 at Nooriabad and consolidated production at Unit 2, Bhikhi. The remaining Unit 1 machinery has been disposed of subsequent to the year end. The Company retains the Nooriabad land, which was revalued during the year, and the Nishatabad, Faisalabad property, which has been reclassified from assets held for sale to investment property and continues to generate rental income. Reflecting the revaluation surplus of Rs. 852.17 million, shareholders' equity increased to Rs. 3,620.18 million, equivalent to a break-up value of Rs. 291.53 per share (2025: Rs. 259.43).

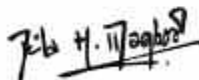
The Pakistan economy continues to face several challenges, including growing domestic and external indebtedness, circular debt, high deficits and renewed inflationary pressure. After easing in the prior year, headline inflation has risen back above 11%, largely on account of higher global energy prices, and the State Bank of Pakistan has held the policy rate at 11.5%, limiting the scope for further relief in financing costs. The textile sector, despite being the backbone of the country's exports, continues to struggle with high energy costs, liquidity shortages and stiff competition from regional players.

The Management has been proactive in tackling these difficulties. Strategies adopted include consolidating spinning operations at a single, more efficient site, restructuring and reducing debt, and lowering operational expenses by transitioning Unit 2 operations partially to solar power.

Management believes that the overall textile sector is experiencing a recessionary phase, but expects an improvement in the near future that should lead to positive outcomes for the Company. The general outlook suggests that the next year will continue to be a difficult one for the industry. Meaningful reforms remain essential for the local industry's survival, particularly ensuring a supply of energy at regionally competitive rates, rationalising the tax burden on loss-making manufacturers, maintaining exchange rate stability, and improving private sector liquidity.

I would like to extend my appreciation to the Management for their handling of operations in these extremely challenging times and would encourage them to continue to strive to protect the interest of all stakeholders. The Board of Directors continues to focus on adopting the best practices of corporate governance to ensure future growth and profitability and to look after the interests of shareholders and all stakeholders.

Finally, on behalf of the Board, I would like to extend our gratitude to all our employees, shareholders, bankers, suppliers, and customers.



Naila Humayun Maqbool,
Chairperson, Board of Directors
October 06, 2026



DIRECTORS' REPORT

The Board of Directors is pleased to present the Directors' Report for Crescent Fibres Limited for the year ended June 30, 2026.

OPERATING RESULTS

The Company has reported an after-tax loss of Rs. 580.97 million for the year ended June 30, 2026, as compared to a loss of Rs. 775.71 million for the year ended June 30, 2025, a reduction of 25.1%. The loss per share for the year under review was Rs. 46.78, as compared to Rs. 62.47 in the previous financial year.

The financial year continued to be very challenging for the textile industry, with weak demand, pressure on yarn prices, energy costs that remain among the highest in the region, high cost of financing and volatile commodity pricing due to regional geopolitical conflicts. In response, the Company restructured its operations during the year: the Board approved the sale of the plant and machinery of Spinning Unit 1, and production was consolidated at Unit 2.

Crescent Fibres Limited

Summarized Financial Results

(Rupees in millions)

	Year Ended Jun-26		Year Ended Jun-25	
	Rs.	% of sales	Rs.	% of sales
Sales	3,841.18	100.0%	4,330.54	100.0%
Cost of Sales	(3,998.79)	(104.1%)	(4,686.95)	(108.2%)
Gross Loss	(157.62)	(4.1%)	(356.41)	(8.2%)
General and Administrative Expenses	(177.70)	(4.6%)	(184.72)	(4.3%)
Distribution Cost	(18.63)	(0.5%)	(23.37)	(0.5%)
Charge for Expected Credit Loss	(170.83)	(4.4%)	(53.32)	(1.2%)
Other Operating Income	98.11	2.6%	75.43	1.7%
Other Operating Expenses	(1.41)	0.0%	(1.41)	0.0%
Operating Loss	(428.07)	(11.1%)	(543.80)	(12.6%)
Financial Charges	(134.45)	(3.5%)	(199.46)	(4.6%)
Loss Before Taxation & Min Tax Differential	(562.52)	(14.6%)	(743.26)	(17.2%)
Minimum Tax Differential	(48.42)	(1.3%)	(54.82)	(1.3%)
Loss Before Taxation	(610.94)	(15.9%)	(798.08)	(18.4%)
Taxation	29.97	0.8%	22.37	0.5%
Net Loss	(580.97)	(15.1%)	(775.71)	(17.9%)
Earnings per Share (Rs.)	(46.78)		(62.47)	

Performance Commentary:

Sales, net, decreased by 11.3% to Rs. 3,841.18 million for the year ended June 30, 2026, from Rs. 4,330.54 million in the previous year. The decline was driven mainly by lower trading sales of cotton and polyester, as well as lower end product prices despite improved capacity utilization at Unit 2.

The Gross Loss for the year reduced to Rs. 157.62 million (or 4.10% of sales) compared to a Gross Loss of Rs. 356.41 million (or 8.23% of sales) in the previous year. The improvement reflects the benefits of consolidation and lower power cost due to consolidation to solar. General and administrative expenses decreased to Rs. 177.70 million (4.63% of sales), compared to Rs. 184.72 million (4.27% of sales) in the previous period. Other Operating Income increased to Rs. 98.11 million (2.55% of sales) from Rs. 75.43 million (1.74% of sales). Financial charges decreased by 32.6% to Rs. 134.45 million (3.50% of sales) from Rs. 199.46 million (4.61% of sales), reflecting lower borrowings. Overall, the net margin for the year was negative 15.12% as compared to negative 17.91% for the year ended June 30, 2025.

The results include an allowance for expected credit losses of Rs. 170.83 million (2025: Rs. 53.32 million) against long-outstanding trade debts. Excluding this non-cash charge, the operating loss would have been Rs. 257.24 million compared to Rs. 490.48 million in the previous year, an improvement of 47.6% in underlying operating performance. The results also include a levy of Rs. 48.42 million under the minimum tax regime, which is payable on turnover irrespective of profitability.

FINANCIAL POSITION AND CASH FLOWS

The Company generated net cash of Rs. 323.18 million from operating activities during the year, compared to net cash used of Rs. 45.10 million in the previous year, primarily through the release of working capital including reduction in trade debts and stock in trade. These funds were applied to reduce long-term financing, lease liabilities and short-term borrowings.

During the year, the Company's leasehold land at Nooriabad and freehold land at Bhukhi were revalued by independent valuers, resulting in a surplus of Rs. 852.17 million. The Nishatabad, Faisalabad property, previously classified as held for sale, was reclassified to investment property at Rs. 2,538.90 million, as buyers offering acceptable prices could not be found; the property is now held for capital appreciation and rental income. As a result, shareholders' equity increased to Rs. 3,620.18 million (2025: Rs. 3,221.56 million), equivalent to a break-up value of Rs. 291.53 per share (2025: Rs. 259.43).

DIVIDEND

The global economy continues to grow at a subdued pace, and renewed geopolitical conflict has added fresh volatility to energy and commodity markets. Demand for yarn remains weak, and we expect margins to remain under pressure.

In view of the loss for the year, weak demand, and the need to preserve liquidity, the Board of Directors has decided to forego payment of a dividend this year to maintain a conservative financial strategy.

PATTERN OF SHAREHOLDING

The pattern of shareholding and additional information as on June 30, 2026, have been included in the annual report.

MEETINGS

Board of Directors

Four meetings of the Board were held during the financial year. Attendance by each Director is listed in parenthesis:

Naila Humayun Maqbool, Chairperson, Non-Executive Director (4)

Imran Maqbool, Chief Executive Officer, Executive Director (4)

Hanya Maqbool - Non-Executive Director - Female (4)

Humayun Maqbool, Executive Director (4)

Mansoor Riaz, Non-Executive Director (4)

Sheikh Muhammad Ali Asif - Independent, Non-Executive Director (4)

Syed Rizwan Husain - Independent, Non-Executive Director (3)

Audit Committee

The Board of Directors established an Audit Committee with the following members (attendance by each member is listed in parenthesis):

Sheikh Muhammad Ali Asif, Chairman, Independent, Non-Executive (4)

Hanya Maqbool, Member, Non-Executive (4)

Naila Humayun Maqbool, Member, Non-Executive (4)

Human Resource and Remuneration Committee

The Board also established a Human Resource and Remuneration Committee with the following members (attendance by each member is listed in parenthesis):

Syed Rizwan Husain, Chairman, Independent, Non-Executive (1)

Naila Humayun Maqbool, Member, Non-Executive (1)

Hanya Maqbool, Member, Non-Executive (1)

DIRECTORS REMUNERATION

The remuneration of the Board Members is approved by the shareholders for a three-year term commencing May 1, 2025. The Company does not pay remuneration to Non-Executive Directors except a fee for attending meetings. The Company's remuneration policies are structured in line with industry trends and business practices.

DIRECTOR'S TRAINING PROGRAM

The present Board of Directors was elected on May 1, 2025. Out of seven directors, two are exempt from the training program. Five directors have completed the course.



GENDER PAY GAP STATEMENT

The Company does not discriminate on the basis of gender; compensation is provided according to the type of employment contract.

FUTURE OUTLOOK

The year under review remained very challenging for the textile industry. The IMF's July 2026 World Economic Outlook Update projects global growth of 3.0 percent in 2026 and 3.4 percent in 2027, with energy-price shocks arising from geopolitical conflict and persistent inflation identified as key risks. Subdued external demand will continue to weigh on the industry.

The Pakistani economy remains fragile, characterized by high deficits, a low tax base, high external indebtedness and exorbitant energy prices. After easing in the previous year, headline inflation has risen back above 11%, and the State Bank of Pakistan has held the policy rate at 11.5%, limiting further relief on financing costs. The textile industry faces other challenges, including the high cost of doing business, the burden of minimum taxes on turnover, exchange rate and commodity market volatility, low domestic cotton yield and quality, and supply chain issues. Without a regionally competitive energy tariff, Pakistan's textile sector will continue to suffer. In light of the global economic scenario and Pakistan's own challenges, we expect the next year to be a difficult one for the textile industry.

Cognizant of the negative outlook, the Management will continue to rely on sound, low-risk decision-making to protect the interests of the shareholders. With production now consolidated at Unit 2, the disposal of Unit 1 machinery completed after the year end, and Unit 2 operating partially on solar power, the Company enters the new year with a leaner cost base and lower debt.

Management's priorities are to improve capacity utilisation, further reduce energy and financing costs, strengthen collection of receivables and improve liquidity.

CORPORATE GOVERNANCE & FINANCIAL REPORTING FRAMEWORK

Under rules framed by the regulatory authorities, the Management is required to include the following statements relating to Corporate Governance and Financial Reporting Framework in the Director's Report:

- The financial statements prepared by the Management present fairly its state of affairs, the results of its operations, cash flows and changes in equity.
- Proper books of account have been maintained.
- Appropriate accounting policies have been consistently applied in the preparation of financial statements and accounting estimates are based on reasonable and prudent judgment.
- International Accounting Standards, as applicable in Pakistan, have been followed in the preparation of financial statements, and any departure thereon has been disclosed.
- The system of internal control adopted by the Management is sound in design, and every effort is made to ensure its effective implementation.
- There are no significant doubts with regard to the Company's ability to continue as a going concern.
- Key financial and operating data for the last six years has been included elsewhere in the annual report.
- There has been no significant departure from the best practices of corporate governance, as detailed in the listing regulations.
- All details regarding taxes and levies are disclosed in the financial statements and notes annexed to the audited accounts.
- The value of investments of the provident fund based on audited accounts for the Year Ended June 30, 2026 was Rs. 126,035,420.
- During the year, details of shares purchases by directors CEO, CFO, Company Secretary and their spouses and minor children were as follow:

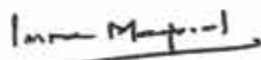
Sr. No.	Name	Sale	Purchase
1.	MR. MANSOOR RIAZ (DIRECTOR)	-	10,436

AUDITORS

The present auditors, BDO Ebrahim & Co. retire, and being eligible, have offered themselves for re-appointment. The Audit Committee has recommended the re-appointment of BDO Ebrahim & Co Chartered Accountants as auditors for the next year.

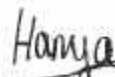
APPRECIATION

The Management expresses appreciation for the hard work and devotion of its workers and the invaluable advice and support of the Company's Directors, shareholders, and bankers.



IMRAN MAQBOOL
Chief Executive Officer

Dated: October 06, 2026



HANYA MAQBOOL
Director



**Crescent
Fibres**

کمپنی نظام (ڈائریکٹران) کی رپورٹ:

پورڈ آف ڈائریکٹرز کو 30 جون 2026 کو ختم ہونے والے سال کے لئے کرینسٹ فائبر ڈیپنڈ کے ڈائریکٹرز کی رپورٹ پیش کرنے پر خوشی ہے۔

مہلی نتائج:

کمپنی کو 30 جون 2026 کو ختم ہونے والے مالی سال کے دوران 580.97 ملین روپے کا بعد از ٹیکس خسارہ ہوا جبکہ 30 جون 2025 کو ختم ہونے والے مالی سال کے دوران خسارہ 775.71 ملین روپے تھا۔ اس طرح خسارے میں 25.1 فیصد کمی ہوئی۔ دراصل مالی سال کے دوران کمپنی کا فی حصص خسارہ 46.78 روپے ہوا، جبکہ گزشتہ مالی سال میں یہ 62.47 روپے تھا۔ موجودہ مالی سال ٹیکس کی صنعت کو شدید مشکلات کا سامنا رہا۔ مارکیٹ میں طلب کمزور رہی، یارن کی قیمتوں پر بڑا ڈر ہا تو اتارنی کے اخراجات غلطے میں اب بھی بہت زیادہ رہے، فنڈنگ کی لاگت بلند رہی، جبکہ علاقائی جغرافیائی سیاسی تنازعات کے باعث مختلف اشیاء کی قیمتوں میں بھی اتار چڑھاؤ جاری رہا۔ ان حالات کے پیش نظر کمپنی نے سال کے دوران اپنے آپریشنز میں تبدیلیاں کیں۔ پورڈ نے اسپیکنگ پونٹ 1 کی پلانٹ اور مشینری فروخت کرنے کی منظوری دی، جبکہ پیداوار کو پونٹ 2 میں منتقل کر کے کیا کروایا گیا۔

کرینسٹ فائبر ڈیپنڈ

خلاصہ مالیاتی نتائج:

روپے (ملین میں)		سال ختم		سال ختم	
		30 جون 2026ء		30 جون 2025ء	
		روپے	فیصد	روپے	فیصد
فروخت		3,841.18	100.0%	4,330.54	100.0%
لاگت فروخت		(3,998.79)	(104.1)%	(4,686.95)	(108.2)%
کل نقصان		(157.62)	(4.1)%	(356.41)	(8.2)%
عمومی اور انتظامی اخراجات		(177.70)	(4.6)%	(184.72)	(4.3)%
لاگت ٹیکسی		(18.63)	(0.5)%	(23.37)	(0.5)%
مستوقع کریڈٹ نقصان کے لیے الاؤنس		(170.83)	(4.4)%	(53.32)	(1.2)%
دیگر آمدنی		98.11	2.6%	75.43	1.7%
دیگر اخراجات		(1.41)	(0.0)%	(1.41)	(0.0)%
چلتے ہوئے کام سے نقصان		(428.07)	(11.1)%	(543.80)	(12.6)%
مالیاتی اخراجات		(134.45)	(3.5)%	(199.46)	(4.6)%
نقصان قبل از ٹیکس اور کم از کم ٹیکس		(562.52)	(14.6)%	(743.26)	(17.2)%
کم از کم ٹیکس فرق		(48.42)	(1.3)%	(54.82)	(1.3)%
نقصان بعد از ٹیکس اور کم از کم ٹیکس		(610.94)	(15.9)%	(798.08)	(18.4)%
ٹیکس		29.97	0.8%	22.37	0.5%
خالص نقصان		(580.97)	(15.1)%	(775.71)	(17.9)%
آمدنی فی حصہ (روپے)		(46.78)		(62.47)	

کارکردگی پر تبصروں:

30 جون 2026 کو ختم ہونے والے سال میں فروخت 11.3 فیصد کم ہو کر 3,841.18 ملین روپے تھی۔ فروخت میں کمی کی بنیادی وجہ کپاس اور پوسٹر کی تجارتی فروخت میں کمی اور تیار شدہ مصنوعات کی قیمتوں میں کمی تھی، اگرچہ پونٹ 2 میں پیداواری صلاحیت کے استعمال میں بہتری آئی۔

دو سال مجموعی خسارہ 157.62 ملین روپے (یا فروخت کا 4.10 فیصد) رہا، جبکہ پچھلے سال مجموعی خسارہ 356.41 ملین روپے (یا فروخت کا 8.2 فیصد) تھا۔ اس بہتری کی وجہ آپریشنز کو کنٹرول کرنے کے فوائد اور سطر کو اتارنے پر منتقلی کے باعث بجلی کے اخراجات میں کمی ہے۔ عمومی اور انتظامی اخراجات کم ہو کر 177.70 ملین روپے (فروخت کا 4.6 فیصد) رہ گئے، جبکہ پچھلے سال یہ 184.72 ملین روپے (فروخت کا 4.3 فیصد) تھے۔ دیگر آمدنی بڑھ کر 98.11 ملین روپے (فروخت کا 2.6 فیصد) ہو گئی، جبکہ پچھلے سال یہ 75.43 ملین روپے (فروخت کا 1.7 فیصد) تھی۔ مالیاتی اخراجات میں 32.6 فیصد کمی ہوئی اور یہ 134.45 ملین روپے (فروخت کا 3.5 فیصد) رہ گئے، جبکہ پچھلے سال یہ 199.46 ملین روپے (فروخت کا 4.6 فیصد) تھے۔ اس کمی کی بنیادی وجہ قرضوں میں کمی تھی۔ مجموعی طور پر دو سال کا خالص منافع منفی 15.12 فیصد رہا جبکہ پچھلے سال 30 جون 2025 کے لئے یہ منفی 17.91 فیصد تھا۔

نتائج میں طویل عرصے سے واجب الادا تجارتی قرضوں کے مقابلے میں مستوقع کریڈٹ نقصان کی مدد میں 170.83 ملین روپے کی رقم شامل ہے، جبکہ 2025 میں یہ رقم 53.32 ملین روپے تھی۔ اگر اس غیر نقدی اخراجات کو نکال دیا جائے تو آپریٹنگ خسارہ 257.24 ملین روپے رہے گا، جبکہ گزشتہ سال یہ 490.48 ملین روپے تھا۔ اس طرح بنیادی آپریٹنگ کارکردگی میں 47.8 فیصد بہتری ہوئی۔ نتائج میں کم از کم ٹیکس کے نظام کے تحت 48.42 ملین روپے کا ٹیکس بھی شامل ہے۔ یہ ٹیکس کمپنی کے منافع یا نقصان سے قطع نظر کاروباری فروخت پر قابل ادائیگی ہوتا ہے۔



مالیاتی پوزیشن اور نقد رقم کا بھانڈا:

رواں سال کمپنی نے آپریٹنگ سرگرمیوں سے 323.18 ملین روپے کی خالص نقد رقم حاصل کی، جبکہ گزشتہ سال آپریٹنگ سرگرمیوں میں 45.10 ملین روپے کی خالص نقد رقم استعمال ہوئی تھی۔ اس بہتری کی بنیادی وجہ درگفتگی گنٹھ میں کمی تھی، جس میں تجارتی قرضوں اور کاروباری اسٹاک میں کمی بھی شامل ہے۔ حاصل ہونے والی رقم کو طویل مدتی قرضوں، لیز کی واجبات اور قلیل مدتی قرضوں میں کمی کے لیے استعمال کیا گیا۔

رواں سال نووری آباد میں کمپنی کی لیز ہولڈ زمین اور محکمہ میں فرنی ہوٹلز میں کمی کی آزاد ماہرین تجویز کے ذریعے دوبارہ مالیت مقرر کی گئی۔ اس کے نتیجے میں 852.17 ملین روپے کا اضافی سرپلس پیدا ہوا۔ مثلاً آباد، فیصل آباد کی چاندی اور جسے پیپل فروخت کے لیے رکھی گئی چاندی اور اتر آباد کی چاندی، کو 2,538.90 ملین روپے کی مالیت پر سرمایہ کاری کی جائیداد میں تبدیل کر دیا گیا، کیونکہ مناسب قیمت کی پیشکش کرنے والے خریدار دستیاب نہیں ہو سکے۔ اس پر چاندی اور سرمائے کی قدر میں اضافے اور کرائے کی آمدنی حاصل کرنے کے مقصد سے رکھی گئی ہے۔ اس کے نتیجے میں حصص یافتگان کا سرمایہ بڑھ کر 3,620.18 ملین روپے ہو گیا، جبکہ 2025 میں یہ 3,221.56 ملین روپے تھا۔ اس کے مطابق فی حصص بریک اپ ویلیو بھی بڑھ کر 291.53 روپے ہو گئی، جبکہ 2025 میں یہ 259.43 روپے تھا۔

منافع منقسمہ:

عالمی معیشت کی ترقی کی رفتار اب بھی مستحکم ہے، جبکہ دوبارہ پیدا ہونے والے جغرافیائی سیاسی تنازعات نے توانائی اور مختلف اشیاء کی عالمی منڈیوں میں مزید اتار چڑھاؤ پیدا کر دیا ہے۔ یا دن کی طلب اب بھی کمزور ہے اور توقع ہے کہ کمپنی کے مناافع کے مارجن پر دوبارہ قرار دے گا۔

رواں سال کمپنی کو ہونے والے خسارے، کمزور طلب اور نقد رقم کو محفوظ رکھنے کی ضرورت کو مد نظر رکھتے ہوئے بورڈ آف ڈائریکٹرز نے اس سال منافع (Dividend) ادا کرنے کا فیصلہ کیا ہے تاکہ کمپنی کا مالک مالیت کی بحالت عملی برقرار رکھ سکے۔

حصص داران کی ترتیب:

30 جون 2026 تک حصص داران کی ترتیب اور اضافی معلومات کو سالانہ رپورٹ میں شامل کیا گیا ہے۔

اجلاس:

بورڈ آف ڈائریکٹرز:

مالی سال کے دوران بورڈ کے چار اجلاس منعقد ہوئے۔ ہر ڈائریکٹر کی طرف سے حاضری غیرست پر درج ہے۔

نائب چیئرمین، جنرل مین، نان ایگزیکٹو ڈائریکٹر (4)

عمران مقبول، چیف ایگزیکٹو، فیئر واچر ایگزیکٹو ڈائریکٹر (4)

حمید مقبول، نان ایگزیکٹو ڈائریکٹر (4)۔ خاتون

نایاب مقبول، ایگزیکٹو ڈائریکٹر (4)

منصور یاس، نان ایگزیکٹو ڈائریکٹر (4)

شیخ محمد علی آصف، آڈر، نان ایگزیکٹو ڈائریکٹر (4)

سید رضوان حسین، آڈر، نان ایگزیکٹو ڈائریکٹر (3)

کوڈ آف کارپوریٹ گورننس (سی آئی اے سی) کی تعمیل میں بورڈ آف ڈائریکٹرز نے مندرجہ ذیل اراکین کے ساتھ آڈٹ کمیٹی تشکیل دی ہے۔ (ہر رکن کی طرف سے حاضری غیرست میں درج ہے) آڈٹ کمیٹی:

شیخ محمد علی آصف، چیئرمین، آڈر، نان ایگزیکٹو (4)

حمید مقبول، رکن، نان ایگزیکٹو (4)

نائب چیئرمین، رکن، نان ایگزیکٹو (4)

بورڈ نے درج ذیل اراکین کے ساتھ انسانی وسائل اور معاوضہ کمیٹی بھی تشکیل دی ہے۔ (ہر رکن کی طرف سے حاضری غیرست میں درج ہے۔)

انسانی وسائل اور معاوضہ (R & HR) کمیٹی:

سید رضوان حسین، آڈر، چیئرمین، نان ایگزیکٹو (1)

نائب چیئرمین، رکن، نان ایگزیکٹو (1)

حمید مقبول، رکن، نان ایگزیکٹو (1)

ڈائریکٹر کا معاوضہ:

بورڈ ممبران کا معاوضہ 1 مئی 2025 سے شروع ہونے والی تین سال کی مدت کے لیے شیئر ہولڈرز کے ذریعے منظور کیا جاتا ہے۔ کمیٹی شیئر میں شرکت کے لئے فیس کے علاوہ نان ایگزیکٹو ڈائریکٹر کو معاوضہ ادا نہیں کرتی ہے۔ کمیٹی کے معاوضے کی پالیسیاں متعلق رجحانات اور کاروباری طریقوں کے مطابق بنائی گئی ہے۔



ڈائریکٹر ذریعہ مگرام:

موجودہ دور ڈاؤن ڈائریکٹر کا انتخاب 01 مئی 2025 کو کیا گیا تھا۔ سات ڈائریکٹرز میں سے دو ڈائریکٹر کو ذریعہ مگرام سے استعفیٰ حاصل ہے، جبکہ پانچ ڈائریکٹرز نے ذریعہ مگرام سے استعفیٰ کر لیا ہے۔

بھٹی بنیاد پر تجویز کا فرق:

بھٹی بنیاد پر بنیاد پر استانی سلوک نہیں کرتی۔ ملازمین کو معاوضہ ان کے ملازمت کے معاوضے کی قسم کے مطابق فراہم کیا جاتا ہے۔

مشغل کا منظر نامہ:

زیر جائزہ سال ٹیکسٹائل کی صنعت کے لئے دو تہائی مشکل رہا۔ آئی ایم ایف کی جولائی 2026 کی ورلڈ ایکٹک آؤٹ لک اپ ڈیٹ کے مطابق عالمی معیشت کی شرح نمو 2026 میں 3.0 فیصد اور 2027 میں 3.4 فیصد رہنے کی توقع ہے۔ جغرافیائی سیاسی تنازعات کے نتیجے میں توانائی کی قیمتوں میں اضافے اور مسلسل مہنگائی کو اہم خطرات قرار دیا گیا ہے۔ یہ دو تہائی طلب میں کمی کا بڑا ٹیکسٹائل کی صنعت پر بدستور برقرار رہے گا۔

پاکستانی معیشت اب بھی کمزور ہے۔ اسے بلند مالیاتی خسارے، کم ٹیکس وصولی، زیادہ بیرونی قرضوں اور انتہائی بلند توانائی کی قیمتوں جیسے مسائل کا سامنا ہے۔ گزشتہ سال کی کے بعد مہنگائی کی مجموعی شرح دو بارہ 19 فیصد سے تجاوز کر گئی ہے، جبکہ اسٹیٹ بینک آف پاکستان نے شرح پالیسی 11.5 فیصد پر برقرار رکھی ہے، جس کی وجہ سے قرضوں اور ڈسکنٹ کی لاگت میں مزید کمی کے امکانات محدود ہیں۔ ٹیکسٹائل کی صنعت کو دیگر سیکٹروں کا بھی سامنا ہے، جن میں کاروبار کرنے کی زیادہ لاگت، کاروباری فروخت پر کم اڈم ٹیکس کا بوجھ، شرح تبادلہ اور اجناس کی منڈیوں میں اتار چڑھاؤ، کم ملکی کپاس کی پیداوار اور معیار اور فراہمی کے سطح میں رکاوٹیں شامل ہیں۔ علاقائی مسابقتی توانائی میٹروپولیٹن کے بغیر پاکستان کی ٹیکسٹائل برآمدات متاثر ہوئی رہیں گی۔ عالمی اقتصادی منظر نامے اور پاکستان کے اپنے جینیئر کی روشنی میں، برآمدات کی توقع کرتے ہیں کہ آئندہ سال ٹیکسٹائل انڈسٹری کے لئے بہت مشکل ہوگا۔

مضی مستقبل کے امکانات کو مد نظر رکھتے ہوئے، انڈیا میٹروپولیٹن کے مفادات کے تحفظ کے لئے درست اور کم خطرے والے فیصلوں پر عمل جاری رکھے گی۔ اب چونکہ پیداوار کو یونٹ 2 میں بھٹا کر دیا گیا ہے، یونٹ 1 کی مشینری کی فروخت بھی سال کے اختتام کے بعد مکمل ہو چکی ہے اور یونٹ 2 کی طور پر سولہ توانائی پر کام کر رہا ہے۔ اس لیے پچھلی سنے سال میں کم اخراجات اور کم قرضوں کے ساتھ داخلہ اور رہی ہے۔

انڈیا میٹروپولیٹن کی ترجیحات میں صلاحیت کے استعمال کو بہتر بنانا، توانائی اور مالیاتی اخراجات میں مزید کمی، لاگت، واجبات کی وصولی کو مضبوط کرنا اور نقد بہاؤ کی صورت حال کو بہتر بنانا شامل ہیں۔

کارپوریٹ اور فنڈیشنل ریپورٹنگ فریم ورک:

تنظیمی اداروں کے بنائے گئے قوانین کے تحت کارپوریٹ گورننس اور مالیاتی ریپورٹنگ فریم ورک سے متعلق مینوفیکچرر میں مندرجہ ذیل بات کو ڈائریکٹر پر پورے میں شامل کرنے کی ضرورت ہے۔

a۔ کمپنی کی انڈیا میٹروپولیٹن کی طرف سے تیار کردہ، مالیاتی حسابات، اس کے امور آپریشنز کے نتائج، نقدی بہاؤ اور ایکٹیوٹی میں تبدیلیوں کو منصفانہ طور پر ظاہر کرتے ہیں۔

b۔ کمپنی کے کھاتہ چات بالکل صحیح طور سے بنائے گئے ہیں۔

c۔ مالی حسابات کی تیاری میں مناسب اکاؤنٹنگ پالیسیوں کو تسلسل کے ساتھ لاگو کیا گیا ہے اور اکاؤنٹنگ کے تعینات جات مناسب اور دانشمندانہ فیصلوں پر مبنی ہیں۔

d۔ مالی حسابات کی تیاری میں پاکستان میں لاگو بین الاقوامی مالیاتی ریپورٹنگ کے معیارات کی پیروی کی گئی ہے اور کسی بھی انحراف کا موزوں انکشاف کیا گیا ہے۔

e۔ اندرونی کنٹرول کے نظام کا مزید آئین منظم ہے اور اسکی موثر طریقے سے عملدرآمد اور نگرانی کی جاتی ہے۔

f۔ کمپنی کے کوٹنگ کنٹریولر نے کی صلاحیت پر کوئی قابل ذکر شکوک و شبہات نہیں ہیں۔

g۔ گزشتہ چھ سال کا کلیدی آپریشننگ اور مالیاتی ڈیٹا منسلک ہے۔

h۔ وہاں کارپوریٹ گورننس کے بہترین طریقوں میں سے کوئی بھی قابل ذکر اور اعلیٰ اسٹیک کے ضابطے میں تفصیلی طور پر کیا گیا ہے۔

i۔ ٹیکس، لیور سے مختلف تمام تفصیل کو مالی حسابات اور مختلف فوس ڈاؤن اکاؤنٹس میں ظاہر کر دینے گئے ہیں۔

j۔ آؤٹ اکاؤنٹس کی بنیاد پر 30 جون 2026 کے سال محاسبہ کے لئے پروڈکٹ فنڈ کی سرمایہ کاری کی قدر 126,035,420 روپے تھی۔

k۔ سال کے دوران، ڈائریکٹر ایسی ایسی ایف اور کمپنی سیکرٹری اور ان کی شریک حیات اور تالیف بچوں کے شہر ذکی خیر آباد کی تھیں جات حسب ذیل تھیں۔

نمبر شمار	نام	فردیت	خریداری
1	جناب منصور ریاض (ڈائریکٹر)	---	10,436

آؤٹ کی تقریر:

موجودہ ڈائریکٹر "مسٹر بی بی ڈی اور اہم ایجنٹ کمپنی" کی خدمات کا عرصہ مکمل ہو چکا ہے اور وہ بارہ تھیں ان کے لئے اپنی خدمات پیش کی ہیں۔ آؤٹ کمپنی نے اگلے سال کیلئے بی بی ڈی اور اہم ایجنٹ کمپنی چارٹرڈ اکاؤنٹنٹ کو بطور ڈائریکٹر کی سفارش کی ہے۔

اعتراف:

کمپنی کی اس نظامیہ عمل کی مسلسل محنت اور جذبے پر اچھے اعلانات کا اعتراف کرتی ہے اور کمپنی ڈائریکٹر، مینجرز اور حصہ داران کا بھی مسلسل حمایت پر شکریہ ادا کرتی ہے۔

Hanya
حماد حیات
ڈائریکٹر

Imam Map...
مرام حیات
چیف ایگزیکٹو آفیسر

06 اکتوبر 2026ء

INDEPENDENT AUDITOR'S REVIEW REPORT TO THE MEMBERS OF CRESCENT FIBRES LIMITED ON THE STATEMENT OF COMPLIANCE CONTAINED IN LISTED COMPANIES (CODE OF CORPORATE GOVERNANCE) REGULATIONS, 2019

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

KARACHI

DATED: October 06, 2026

UDIN: CR2026101660JXqGnKz3



BDO EBRAHIM & CO.
CHARTERED ACCOUNTANTS
Engagement Partner: Tariq Feroz Khan

BDO Ebrahim & Co. Chartered Accountants

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

Name of Company : Crescent Fibres Limited

Year ended : June 30, 2026

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

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

- | | |
|-----------|---|
| a. Male | 5 |
| b. Female | 2 |

2. The composition of the Board is as follows:

Category	Names
Independent Directors	Syed Rizwan Husain Sheikh Muhammad Ali Asif
Non-Executive Directors	Miss. Hanya Maqbool Mrs. Naila Humayun Maqbool Mr. Mansoor Riaz
Executive Directors	Mr. Imran Maqbool Mr. Humayun Maqbool
Female Directors	Mrs. Naila Humayun Maqbool Miss. Hanya Maqbool

Note: The Board of the Company comprises of seven elected Directors and one-third works out to be 2.33. The fractional requirement has not been rounded up, as two (2) Independent Directors elected by the shareholders in terms of Section 166 of the Companies Act, 2017 who have the requisite competencies, skills, knowledge, and experience are considered adequate to discharge and execute their duties competently as per laws and regulations.

- The Directors have confirmed that none of them is serving as a Director on more than seven listed companies, including this Company.
- 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.
- 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.
- All the powers of the Board have been duly exercised and decisions on relevant matters have been taken by Board/ shareholders as empowered by the relevant provisions of the Act and these Regulations.
- The meetings of the Board were presided over by the Chairman and, in his absence, by a director elected by the Board for this purpose. The Board has complied with the requirements of Act and the Regulations with respect to frequency, recording and circulating minutes of meeting of Board.
- The Board have a formal policy and transparent procedures for remuneration of directors in accordance with the Act and these Regulations.
- Out of seven Directors, two Directors are exempt from training program as mentioned in regulation no, 19, sub-regulation 2 of the Regulations. Five directors attended the Directors' training course earlier.

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

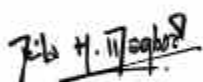
Audit Committee	Sheikh Muhammad Ali Asif – Chairman Mrs. Naila Humayun Maqbool – Member Miss. Hanya Maqbool – Member
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HR and Remuneration Committee	Syed Rizwan Husain – Chairman Mrs. Naila Humayun Maqbool – Member Miss. Hanya Maqbool – Member
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13. The terms of reference of the aforesaid committees have been formed, documented and advised to the committee for compliance.
14. The frequency of meetings of the committee were as per following:
 - a) Audit Committee Four meetings
 - b) HR and Remuneration Committee One meeting
15. The Board has set up an effective internal audit function. The Company's Internal Auditor resigned from his position in February 2026. Subsequently, the Company appointed a new Internal Auditor to ensure continuity of the internal audit function and to strengthen the Company's internal control and risk management framework. The newly appointed Internal Auditor is responsible for carrying out internal audit activities in accordance with the approved internal audit plan and the requirements of the applicable Code of Corporate Governance.
16. The statutory auditors of the company have confirmed that they have been given a satisfactory rating under the Quality Control Review program of the Institute of Chartered Accountants of Pakistan and registered with Audit Oversight Board of Pakistan, that they and all their partners are in compliance with International Federation of Accountants (IFAC) guidelines on code of ethics as adopted by the Institute of Chartered Accountants of Pakistan and that they and the partners of the firm involved in the audit are not a close relative (spouse, parent, dependent and non-dependent children) of the Chief Executive Officer, Chief Financial Officer, Head of Internal Audit, Company Secretary or Director of the Company.
17. The statutory auditors or the persons associated with them have not been appointed to provide other services except in accordance with the Act, these regulations or any other regulatory requirement and the auditors have confirmed that they have observed IFAC guidelines in this regard.
18. We confirm that all other requirements of Regulations 3, 6, 7, 8, 27, 32, 33 and 36 of the Regulations have been complied with.
19. Explanation for non-compliance with requirements, other than regulations 3, 6, 7, 10, 8, 27, 32, 33 and 36 (non mandatory requirements) are below:

Sr. No	Requirement	Reg. No	Explanation / Possible Explanation
1	The board is responsible for governance and oversight of sustainability risks and opportunities and takes appropriate measures to address it. Further, the Board ensures that the Company's sustainability and DE&I related strategies are periodically reviewed and monitored. The board may established a dedicated sustainability committee or assign additional responsibilities to an existing board committee. The board is responsible for governance and oversight of sustainability risks and opportunities, which includes the environmental, social and governance considerations, within the company by setting the company's sustainability strategies, priorities and targets to create long term corporate value. The Board is also encouraged to adopt of SECP's ESG Disclosure Guidelines.	10A (1)(3)(4)(5)	The Company remains committed to strengthening its sustainability and governance framework. As this is a developing area, certain practices are still in the process of being formalized. The Board has already initiated measures and is gradually aligning with SECP's ESG Disclosure Guidelines. Some requirements are being implemented in phases to ensure effectiveness and long-term value creation. The intention is to achieve full compliance soon with a stronger and more sustainable structure in place.
2	The Board may constitute a separate committee, designated as the nomination committee of such number and class of directors, as it may deem appropriate in its circumstances.	29 (1)	The responsibilities as prescribed for the nomination committee are being taken care of at board level as and when needed so a separate committee is not considered to be necessary.
3	The Board may constitute the risk management committee of such number and class of directors, as it may deem appropriate in its circumstances, to carry out a review of effectiveness of risk management procedures and present a report to the Board.	30 (1)	The Board has not constituted a risk management committee as risk management framework is managed at Company's level by the executive committee which is headed by the CEO and the CEO apprises the Board accordingly.

on behalf of the Board of Director



Naila Humayun Maqbool,
Chairperson



SIX YEAR FINANCIAL SUMMARY

OPERATING RESULTS:	JUNE 2026	JUNE 2025	JUNE 2024	JUNE 2023	JUNE 2022	JUNE 2021
Net Sales	3,841,176,077	4,330,539,341	6,499,839,404	6,847,571,401	8,098,145,390	6,091,013,443
Cost of Sales	3,998,791,509	4,686,951,633	6,749,160,113	6,818,363,352	6,886,499,102	5,246,900,680
Distribution and admin. Expenses	196,324,211	208,091,357	211,255,837	202,671,275	181,395,415	158,459,456
Financial Charges	134,447,802	199,459,505	272,596,073	287,724,827	140,149,470	116,908,698
Other operating expenses	172,243,044	54,725,267	68,888,997	43,477,436	76,244,392	59,672,113
Other operating income - Net	98,112,071	75,429,028	84,566,002	847,868,005	58,666,627	82,073,537
Share of associate profit	-	-	-	-	(196,063)	(58,149)
Pre-Tax Profit/ (Loss)	(562,518,418)	(743,259,393)	(717,495,614)	343,202,516	872,327,575	591,087,884
Taxation	18,450,648	32,452,306	40,939,189	(32,702,731)	217,605,015	136,913,625
Extraordinary item	-	-	-	-	-	-
Net Income	(580,969,066)	(775,711,699)	(758,434,803)	375,905,247	654,722,560	454,174,259

PER SHARE RESULTS AND RETURN:

Share Price	56.88	50.25	59.00	55.65	55.65	62.00
Earning Per Share	(46.78)	(62.47)	(61.08)	30.27	52.72	36.57
Dividend Per Share	-	-	-	-	-	1.50
Net Income/ Sales Percent	(15.12%)	(17.91%)	(11.67%)	5.49%	8.08%	7.46%
Return on Average Assets Percent	(9.61%)	(12.11%)	(10.47%)	5.24%	10.63%	8.03%
Return on Average Equity Percent	(16.98%)	(21.62%)	(17.51%)	8.31%	16.24%	13.00%

FINANCIAL POSITION:

Current Assets	880,652,647	1,615,955,755	2,359,364,079	5,741,287,027	3,490,642,297	2,307,888,352
Current Liabilities	2,070,620,519	2,204,901,330	2,330,810,723	2,344,807,011	2,013,171,719	1,299,076,293
Operating Fixed Assets	2,255,306,805	1,675,703,701	1,795,208,413	1,911,375,536	1,371,619,679	1,358,022,110
Total Assets	6,092,383,821	6,002,158,155	6,803,994,938	7,688,149,868	6,659,019,463	5,654,531,666
Long Term Debt	258,326,021	360,696,164	235,448,925	286,442,241	113,434,557	164,035,855
Shareholders Equity	3,620,175,228	3,221,561,980	3,953,411,978	4,710,336,785	4,339,256,233	3,723,848,125
Break-up Value Per Share	291.53	259.43	318.36	379.32	349.44	299.88

FINANCIAL RATIOS:

P/E Ratio	(1.22)	(0.80)	(0.97)	1.84	1.06	1.70
Current Ratio	0.43	0.73	1.01	2.45	1.73	1.78
Total Debt to Total Assets Percent	40.58%	46.33%	41.90%	38.73%	34.84%	34.14%
Interest Charges Cover (Times)	(3.184)	(2.726)	(1.632)	2.193	7.224	6.056
Inventory Turnover (Times)	10.339	7.903	8.448	8.278	10.753	8.183
Fixed Assets Turnover (Times)	1.703	2.584	3.621	3.583	5.904	4.485
Total Assets Turnover (Times)	0.630	0.721	0.955	0.891	1.216	1.077

OTHER DATA:

Depreciation and Amortization	134,164,071	146,181,696	141,636,936	100,477,779	104,347,308	106,769,633
Capital Expenditure	90,678,961	27,427,159	17,601,366	651,693,917	189,042,282	38,766,849

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF CRESCENT FIBRES LIMITED**Report on the Audit of the Financial Statements****Opinion**

We have audited the annexed financial statements of **CRESCENT FIBRES LIMITED** (the Company), which comprise the statement of financial position as at June 30, 2026, and the statement of profit or loss, the statement of comprehensive income, the statement of changes in equity, the statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information and other explanatory information, and we state that we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the 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, the statement of profit or loss, the statement of comprehensive income, the statement of changes in equity, and the statement of cash flows together with the notes forming part thereof conform with the accounting and reporting standards as applicable in Pakistan and give the information required by the Companies Act, 2017 (XIX of 2017), in the manner so required and respectively give a true and fair view of the state of the Company's affairs as at June 30, 2026 and of the loss 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 Auditor's Responsibilities for the Audit of the financial statements section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants as adopted by the Institute of Chartered Accountants of Pakistan (the Code) and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

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

Following are the Key audit matters:

S. No	Key audit matters	How the matter was addressed in our audit
1.	Revenue Recognition	
	Refer notes 33 to the annexed financial statements. Net revenue from customers for the year ended June 30, 2026 amounted to Rs. 3,841.176 million. Revenue is recognized when the Company satisfies performance obligations as specified in the contracts with the customers. There is a presumed risk of overstatement of revenue resulting from the management's pressure to achieve performance targets set for the year. The Company also focuses on revenue as it is one of the key performance indicators of the Company. On account of revenue being considered as an area involving high level of risk of material misstatement therefore, significant audit efforts are involved for the verification of the same. Accordingly, this has been considered as a key audit matter.	Our audit procedures in respect of revenue recognition, amongst others, included the following: • Obtained an understanding of the process relating to recording revenue from contracts with customers and testing the design and operating effectiveness of relevant key internal controls implemented around the sales process. • Performed a test of details on revenue recognized during the year, on a sample basis, including review of order receipt, invoice, and dispatch notes. • Performed cut-off procedures on transactions occurring either immediately before or after the year's end to assess the recording of revenue in the correct accounting period. • Performed analytical procedures to ascertain the reasoning of major fluctuations. • Assessed the adequacy of the related disclosures presented in the financial statements and assessed these in accordance with applicable financial reporting framework.
2.	Assets classified as held for sale - Plant and Machinery	
	The Board of Directors, in its meeting held on February 27, 2026, approved the disposal of plant and machinery as disclosed in Note 19 to the accompanying financial statements. Accordingly, the Company has classified assets amounting to Rs. 137.772 million as held for sale.	Our audit procedures to assess the classification of plant and machinery as non-current assets held for sale, amongst others, include the following: • Reviewed underlying evidence including but not limited to board of directors' approval related to decision to sell the assets rather than to use them;

S. No	Key audit matters	How the matter was addressed in our audit
	We identified asset classified as held for sale as key audit matter due to its financial magnitude and judgment and estimates involved in the assessment of the fair value of these assets.	• We evaluated the conditions as per International Financial Reporting Standard (IFRS) 5 - 'Non-current Assets Held for Sale and Discontinued Operations', for classifying the assets held for sale; • Checked the fair value assigned supported by the buyer's quotations of such assets prior to the date of transfer; and • Assessed the adequacy of the presentation and disclosures in the accompanying financial statements in respect of the assets classified as held for sale in accordance with approved financial and reporting standards.

Information Other than the Financial Statements and Auditor's Report Thereon

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

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

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.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs as applicable in Pakistan will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of 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 auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

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 comprehensive income, the statement of changes in equity and the statement of cashflows 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).

The engagement partner on the audit resulting in this independent auditor's report is Tariq Feroz Khan.

KARACHI

DATED: 06 OCT 2026

UDIN: AR202610166to4Qx7MZ6

BDO Ebrahim & Co.
BDO EBRAHIM & CO.
CHARTERED ACCOUNTANTS

STATEMENT OF FINANCIAL POSITION

AS AT JUNE 30, 2026

ASSETS

NON-CURRENT ASSETS

Property, plant and equipment
Intangible assets
Investment Property
Long term investments
Long term deposits

CURRENT ASSETS

Stores, spares and loose tools
Stock-in-trade
Trade debts
Loans and advances
Short term deposits
Other receivables
Short term investments
Tax refunds due from Government
Advance income tax
Cash and bank balances

Assets classified as held for sale

TOTAL ASSETS

EQUITY AND LIABILITIES

SHARE CAPITAL AND RESERVES

Authorised share capital
15,000,000 (2025: 15,000,000) ordinary shares of Rs. 10/- each

Issued, subscribed and paid up capital

Capital reserves

Surplus on revaluation of property

Unrealized gain on investment classified as fair value through other comprehensive income

Revenue reserves

Unappropriated profit

NON-CURRENT LIABILITIES

Long term financing
Lease liabilities
Deferred government grant
GIDC payable
Deferred taxation

CURRENT LIABILITIES

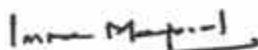
Trade and other payables
Interest and mark-up accrued
Short-term borrowings
Current portion of long term liabilities
Unclaimed dividend

TOTAL EQUITY AND LIABILITIES

CONTINGENCIES AND COMMITMENTS

The annexed notes from 1 to 54 form an integral part of these financial statements.

Note	2026 Rupees	2025 Rupees
6	2,255,306,806	1,675,703,701
7	1,886,156	4,067,604
8	2,547,608,625	-
9	216,885,774	113,598,582
10	52,271,313	53,935,313
	<u>5,073,958,674</u>	<u>1,847,305,200</u>
11	57,579,912	82,422,079
12	123,019,240	304,352,186
13	334,392,165	892,963,580
14	34,167,090	23,383,893
15	9,947,363	9,947,363
	1,782,843	2,200,496
16	82,334,728	26,556,772
17	135,796,128	147,283,550
	80,916,185	84,902,262
18	20,716,993	41,943,574
	880,652,647	1,615,955,755
19	137,772,500	2,538,897,200
	<u>6,092,383,821</u>	<u>6,002,158,155</u>
	<u>150,000,000</u>	<u>150,000,000</u>
20	124,178,760	124,178,760
	2,848,447,691	1,996,280,568
	185,093,266	78,059,963
	<u>3,033,540,957</u>	<u>2,074,340,531</u>
	462,455,511	1,023,042,689
	<u>3,620,175,228</u>	<u>3,221,561,980</u>
21	258,326,021	360,696,164
22	81,683,735	105,378,852
23	61,578,318	79,573,094
24	-	-
25	-	30,046,735
	<u>401,588,074</u>	<u>575,694,845</u>
26	1,638,528,690	1,557,256,069
27	22,852,357	43,014,140
28	260,892,286	408,967,875
29	145,309,625	192,625,685
30	3,037,561	3,037,561
	<u>2,070,620,519</u>	<u>2,204,901,330</u>
	<u>6,092,383,821</u>	<u>6,002,158,155</u>
31		



IMRAN MAQBOOL
Chief Executive Officer



HANYA MAQBOOL
Director



KAMRAN RASHEED
Chief Financial Officer



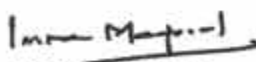
**Crescent
Fibres**

Annual Report 2026

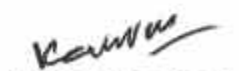
STATEMENT OF PROFIT OR LOSS FOR THE YEAR ENDED JUNE 30, 2026

	Note	2026 Rupees	2025 Rupees
Sales - net	32	3,841,176,077	4,330,539,341
Cost of sales	33	(3,998,791,509)	(4,686,951,633)
Gross loss		(157,615,432)	(356,412,292)
General and administrative expenses	34	(177,699,204)	(184,718,831)
Distribution cost	35	(18,625,007)	(23,372,526)
Allowance for expected credit loss	13.1	(170,834,538)	(53,316,761)
Other income	36	98,112,071	75,429,028
Other operating expenses	37	(1,408,506)	(1,408,506)
		(270,455,184)	(187,387,596)
Operating loss		(428,070,616)	(543,799,888)
Financial charges	38	(134,447,802)	(199,459,505)
Loss before levy and taxation		(562,518,418)	(743,259,393)
Levy	39	(48,416,882)	(54,824,010)
Loss before taxation		(610,935,300)	(798,083,403)
Taxation	40	29,966,234	22,371,704
Loss for the year		(580,969,066)	(775,711,699)
Loss per share - basic and diluted	41	(46.78)	(62.47)

The annexed notes from I to 54 form an integral part of these financial statements.


IMRAN MAQBOOL
Chief Executive Officer

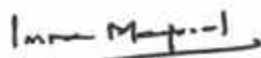

HANYA MAQBOOL
Director

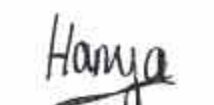

KAMRAN RASHEED
Chief Financial Officer

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

	2026 Rupees	2025 Rupees
Loss for the year	(580,969,066)	(775,711,699)
Other comprehensive income		
Items that will not be reclassified to statement of profit or loss subsequently		
Surplus on revaluation of property, plant and equipment	852,167,123	-
Gain on remeasurement of investments	127,415,191	43,861,701
	979,582,314	43,861,701
Total comprehensive income/(loss) for the year	398,613,248	(731,849,998)

The annexed notes from 1 to 54 form an integral part of these financial statements.


IMRAN MAQBOOL
Chief Executive Officer

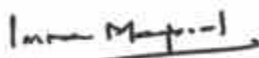

HANYA MAQBOOL
Director

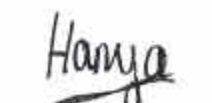

KAMRAN RASHEED
Chief Financial Officer

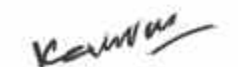
STATEMENT OF CASH FLOWS FOR THE YEAR ENDED JUNE 30, 2026

	Note	2026 Rupees	2025 Rupees
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash generated from operations	42	509,187,340	152,694,606
Finance cost paid		(135,086,511)	(207,848,293)
Taxes paid		(50,918,433)	10,058,520
Net cash generated from (used in) operating activities		323,182,396	(45,095,167)
CASH FLOWS FROM INVESTING ACTIVITIES			
Capital expenditure		(90,678,961)	(27,427,159)
Long term deposits		1,664,000	(19,396,000)
Short term investments - net		(55,777,956)	(57,341)
Proceed from Sale of Shares		24,128,000	-
Proceeds from disposal of operating fixed assets		115,707,627	4,299,999
Net cash (used in) investing activities		(4,957,290)	(42,580,501)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from long term financing		-	256,090,365
Repayments of long term financing		(161,499,962)	(80,145,363)
Proceeds from Lease liabilities		-	-
Payments of lease liabilities		(29,876,135)	(31,570,505)
Short term borrowings - net		(148,075,589)	(77,269,127)
Net cash (used in) generated from financing activities		(339,451,686)	67,105,370
Net decrease in cash and cash equivalents		(21,226,581)	(20,570,298)
Cash and cash equivalent at the beginning of the year		41,943,574	62,513,872
Cash and cash equivalent at the end of the year		20,716,993	41,943,574

The annexed notes from 1 to 54 form an integral part of these financial statements.


IMRAN MAQBOOL
Chief Executive Officer


HANYA MAQBOOL
Director


KAMRAN RASHEED
Chief Financial Officer

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

Issued, subscribed and paid-up capital	Capital reserve		Revenue reserves	Total
	Unrealized gain on investment classified as fair value through OCI	Surplus on revaluation of property, plant and equipment	Unappropriated profit	
Rupees				

Balance as at July 01, 2024	124,178,760	34,198,262	1,996,280,568	1,798,754,388	3,953,411,978
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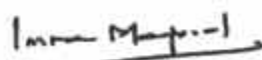
Total comprehensive income for the year ended June 30, 2025

Loss for the year	-	-	-	(775,711,699)	(775,711,699)
Other comprehensive income	-	43,861,701	-	-	43,861,701
Total comprehensive income	-	43,861,701	-	(775,711,699)	(731,849,998)
Balance as at June 30, 2025	124,178,760	78,059,963	1,996,280,568	1,023,042,689	3,221,561,980

Total comprehensive income for the year ended June 30, 2026

Loss for the year	-	-	-	(580,969,066)	(580,969,066)
Other comprehensive income	-	127,415,191	-	-	127,415,191
Unrealised gain on revaluation of property, plant and equipment	-	-	852,167,123	-	852,167,123
Gain on disposal of equity investments at FVOCI transferred to retained earnings	-	(20,381,888)	-	20,381,888	-
Total comprehensive income	-	107,033,303	852,167,123	(560,587,178)	398,613,248
Balance as at June 30, 2026	124,178,760	185,093,266	2,848,447,691	462,455,511	3,620,175,228

The annexed notes from 1 to 54 form an integral part of these financial statements.


IMRAN MAQBOOL
Chief Executive Officer


HANYA MAQBOOL
Director


KAMRAN RASHEED
Chief Financial Officer

NOTES TO THE FINANCIAL STATEMENT FOR THE YEAR ENDED JUNE 30, 2026

1 STATUS AND NATURE OF BUSINESS

- 1.1 Crescent Fibers Limited ("the Company") was incorporated in Pakistan on August 06, 1977 under the repealed Companies Act, 1913, repealed Companies Ordinance, 1984 (now the Companies Act, 2017) as a public limited company. The Company's shares are listed on the Pakistan Stock Exchange. The principal business of the Company is to manufacture and sale of yarn.
- 1.2 During the year, the Company incurred a gross loss resulting in a net loss before tax amounting to Rs. 610.535 million (2025: Rs. 798.083 million). As of the reporting date the Company's current liabilities exceeded its current assets by Rs. 1,189.567 million.

The Company faced challenges arising from macroeconomic conditions and political uncertainties. We were informed that these challenges include high inflation, exorbitant energy cost, depressed economic conditions and competitive environment. These unprecedented external factors have led to reduced demand and capacity utilization resulting in slow down of productions activities and decrease in sales. During the year the company has approved the sale of plant and machinery of Nooriabad Unit and such assets have been classified as Asset held for sale.

The management has devised strategies to navigate these challenges and lowering operational expenses by transitioning Unit 2 operations to a solar power system to reduce fuel and energy costs. Despite the challenges the management believes that overall textile sector is experiencing a recessionary phase, that, it believes will improve in the near future.

2 GEOGRAPHICAL LOCATION AND ADDRESSES OF BUSINESS UNITS

Geographical locations and addresses of all the business units are as under:

Locations

Karachi, Head Office

Office no. 7th Floor, Lakson Square Building No. 3, Sarwar Shaheed Road, Karachi, Pakistan.

Lahore, Registered Office

104 Shadman I, Lahore, Pakistan.

Nooriabad

B-123, Road no. D-7, Nooriabad SITE, District Jamshoro.

Bhikhi

17-KM, Faisalabad Road, Bhikhi, District Sheikhupura in the Province of Punjab.

Faisalabad

New Lahore Road, Nishatabad, Faisalabad.

3 BASIS OF PREPARATION

3.1 Statement of compliance

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

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

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



3.2 Basis of measurement

These financial statements have been prepared under the historical cost convention, except unless otherwise stated.

3.3 Functional and presentation currency

These financial statements are presented in Pakistani Rupee ('Rupee', or 'Rs') which is the functional and presentation currency for the Company.

3.4 Significant accounting estimates, assumptions and judgements

In preparing these financial statements, management has made judgments, estimates and assumptions that affect the application of the Company's accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revision to estimates are recognized prospectively.

Information about judgments made in applying accounting policies that have the most significant effects on the amount recognized in the financial statements and to the carrying amount of the assets and liabilities and assumptions and estimation of uncertainties that may have a significant risk resulting in a material adjustment in the subsequent year are set forth below:

	Note
Property, plant and equipment	5.1
Intangibles	5.2
Stores and spares	5.6
Stock-in-trade	5.7
Trade debts	5.8
Financial instruments	5.5
Taxation	5.9
Contingencies and provisions	5.18

4 NEW STANDARDS, AMENDMENTS AND INTERPRETATIONS TO PUBLISHED APPROVED ACCOUNTING AND REPORTING STANDARDS

4.1 New accounting standards, amendments and IFRS interpretations that are effective for the year ended June 30, 2026

The following standards, amendments and interpretations are effective for the year ended June 30, 2026. These standards, amendments and interpretations are either not relevant to the Company's operations or did not have significant impact on the financial statements other than certain additional disclosures.

	Effective date (annual periods beginning on or after)
Amendments to IAS 21 'The Effects of Changes in Foreign Exchange Rates' - Lack of Exchangeability	January 01, 2025
The IASB issued Disclosures about Uncertainties in the Financial Statements - Illustrative examples, which amended multiple IFRS Accounting Standards to include illustrative examples demonstrating how companies can apply IFRS Accounting Standards when reporting the effects of uncertainties in their financial statements.	
4.2 New accounting standards, amendments and interpretations that are not yet effective	
The following standards, amendments and interpretations are only effective for accounting periods, beginning on or after the date mentioned against each of them. These standards, amendments and interpretations are either not relevant to the Company's operations or are not expected to have significant impact on the Company's financial statements other than certain additional disclosures.	
	Effective date (annual periods beginning on or after)
Amendments to IFRS 7 'Financial Instruments: Disclosures' - Amendments regarding the classification and measurement of financial instruments	January 01, 2026
Amendments to IFRS 9 'Financial Instruments' - Amendments regarding the classification and measurement of financial instruments	January 01, 2026
Amendments to IFRS 7 'Financial Instruments: Disclosures' - Amendments regarding nature-dependent electricity contracts that are often structured as power purchase agreements (PPAs)	January 01, 2026
Amendments to IFRS 9 'Financial Instruments' - Amendments regarding nature-dependent electricity contracts that are often structured as power purchase agreements (PPAs)	January 01, 2026
Amendments to IAS 21 'The Effects of Changes in Foreign Exchange Rates' - Amendments regarding translations to a hyperinflationary presentation currency	January 01, 2027
Amendments to IAS 28 'Investments in Associates' - Amendments to the Fair Value Option for Investments in Associates and Joint Ventures	January 01, 2027
IFRS 17 Insurance Contracts	January 01, 2027
IFRS 18 Presentation and Disclosures in Financial Statements	January 01, 2027
IFRS 19 Subsidiaries without Public Accountability: Disclosures	January 01, 2027
Certain annual improvements have also been made to a number of IFRSs and IASs.	
IFRS 1 'First-time Adoption of International Financial Reporting Standards' has been issued by IASB effective from July 01, 2009. However, it has not been adopted yet locally by Securities and Exchange Commission of Pakistan (SECP)	



IFRS 17 - 'Insurance contracts' has been notified by the IASB to be effective for annual periods beginning on or after January 1, 2023. However SECP has notified the timeframe for the adoption of IFRS - 17 which will be adopted by January 01, 2027.

IFRS 20 'Regulatory Assets and Regulatory Liabilities' has been issued by IASB effective from January 01, 2029. However, it has not been adopted yet locally by Securities and Exchange Commission of Pakistan (SECP)

IFRS 18 Presentation and Disclosure in Financial Statements, which was issued by the IASB in April 2024 supersedes IAS 1 and will result in major consequential amendments to IFRS Accounting Standards including IAS 8 Basis of Preparation of Financial Statements (renamed from Accounting Policies, Changes in Accounting Estimates and Errors). Even though IFRS 18 will not have any effect on the recognition and measurement of items in the financial statements, it is expected to have a significant effect on the presentation and disclosure of certain items. These changes include categorisation and sub-totals in the statement of profit or loss, aggregation/disaggregation and labelling of information, and disclosure of management-defined performance measures.

5 MATERIAL ACCOUNTING POLICY INFORMATION

The material accounting policies applied in the preparation of these financial statements are set out below. These accounting policies have been consistently applied unless otherwise stated.

5.1 Property, plant and equipment

5.1.1 Operating assets

Initial recognition

The cost of an item of property, plant and equipment is recognised as an asset if it is probable that future economic benefits associated with the item will flow to the entity and the costs of such item can be measured reliably.

Recognition of the cost in the carrying amount of an item of property, plant and equipment ceases when the item is in the location and condition necessary for it to be capable of operating in the manner intended by the management.

Measurement

Property, plant and equipment are stated at cost less accumulated depreciation and impairment losses, if any. The cost of property, plant and equipment includes:

- (a) its purchase price including import duties, non refundable purchase taxes after deducting trade discounts and rebates;
- (b) any other costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by the management; and
- (c) borrowing costs, if any.

Subsequent expenditure incurred to replace a significant component of an item of property, plant and equipment is capitalised and the asset so replaced is retired. Other subsequent expenditure is capitalised only when it is probable that future economic benefits associated with the item will flow to the entity and the cost of the items can be measured reliably. All other expenditures (including normal repairs and maintenance) is recognised in the statement of profit or loss as an expense when it is incurred.

Depreciation

Depreciation is charged to statement of profit or loss applying the reducing balance method at the rates specified in the respective note. Depreciation on additions is charged from the date when asset is available for use till the date of disposal. The useful lives, residual values and method of depreciation of property, plant and equipment are reviewed, and adjusted if appropriate, at each statement of financial position date.

Gains and losses on disposal

The gain or loss on disposal of an item of property, plant and equipment is determined by comparing the proceeds from disposal with the carrying amount of the property, plant and equipment, and is recognised in the statement of profit or loss.

5.1.2 Surplus on revaluation of property, plant and equipment

Any revaluation increase arising on the revaluation of leasehold land, building on leasehold land, plant and machinery and equipment is recognised in the statement of comprehensive income and presented as a separate component of equity as "Revaluation surplus on property, plant and equipment", except to the extent that it reverses a revaluation decrease for the same asset previously recognised in statement of profit or loss, in which case the increase is credited to statement of profit or loss to the extent of the decrease previously charged.

Any decrease in carrying amount arising on the revaluation of leasehold land, building on leasehold land, plant and machinery and equipment is charged to statement of profit or loss to the extent that it exceeds the balance, if any, held in the revaluation surplus on property, plant and equipment relating to a previous revaluation of that asset. The revaluation reserve is not available for distribution to the Company's shareholders.

5.1.3 Capital work in progress

Capital work in progress is stated at cost less impairment loss, if any and consists of expenditures incurred (including any borrowing cost, if applicable) and advances made in the course of their construction and installation. Transfers are made to relevant asset category as and when assets are available for intended use.

5.1.4 Right of use asset

The right-of-use asset is initially measured at cost which is the initial measurement of lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct cost incurred. Subsequently, to the initial measurement, the right of use asset is measured at cost less accumulated depreciation and impairment loss if any.



The right-of-use asset is subsequently depreciated using straight line method at the rate as specified in note 6.1 to the financial statements. The depreciation is charged from the commencement date to the earlier of the end of useful life of the right-of-use asset or the end of the lease term.

5.2 Intangible assets

These are stated at cost less accumulated amortisation and impairment losses, if any.

Amortisation is charged to the statement of profit or loss applying the straight line method at the rate mentioned in note 7 to these financial statements. Amortization is charged from the date when asset is available for use uptill the date of cessation.

The assets' residual values, the method of amortisation and useful lives are reviewed and adjusted, if appropriate, at each reporting date.

5.3 Investment in associates

Associates are entities over which the Company has significant influence but not control. Investments in associates are carried at cost less accumulated impairment losses, if any.

Investments in associates are accounted for using the equity method, whereby the investment is initially recorded at cost and adjusted thereafter for the post acquisition change in the company's share of the net assets of the associates. The statement of profit or loss reflects the company's share of the results of the operations of the associates.

The company determines at each reporting date whether there is any objective evidence that the investment in the associates is impaired. If this is the case, the company calculates the amount of impairment as the difference between the recoverable amount of the associate and its carrying value and recognises the same in the statement of profit or loss.

5.4 Assets classified as held for sale

The criteria for assets held for sale classification is regarded as met only when the sale is highly probable, and the asset or disposal group is available for immediate sale in its present condition. Actions required to complete the sale should indicate that it is unlikely that significant changes to the sale will be made or that the decision to sell will be withdrawn. Management must be committed to the plan to sell the asset and the sale expected to be completed within one year from the date of the classification or any later date when management's commitment to sell on immediate basis is demonstrated.

Assets classified as held for sale are not depreciated once classified as held for sale.

Assets classified as held for sale have been presented separately as current items in the statement of financial position. Additional disclosures are provided in note 19 to these financial statements.

5.5 Financial instruments

5.5.1 Financial Assets

Classification, recognition, and measurement

Financial assets are classified into appropriate categories at amortized cost, fair value through other comprehensive income or at fair value through profit or loss. The management determines the classification of financial assets into appropriate categories based on the Company's business model for managing the financial assets and the contractual terms of the cash flows.

At amortised cost

Financial assets are measured at amortized cost when:

- The asset is held within a business model whose objective is to hold financial assets in order to hold 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.

At fair value through other comprehensive income (FVOCI)

Financial assets are measured at fair value through other comprehensive income when:

- The asset is 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.

Other financial assets

All financial assets which do not fall into the first two categories are stated at fair value through profit or loss (FVTPL).

Initial recognition and subsequent measurement.

All financial assets are recognised at the time when the Company becomes a party to the contractual provisions of the instrument. Financial assets at amortized cost are initially recognised at fair value and are subsequently measured at amortized cost using the effective interest method. The amortized cost is reduced by impairment losses, if any. Interest income and impairment losses are recognised in the statement of profit or loss.

Financial assets carried at fair value through other comprehensive income are initially and subsequently measured at fair value, with gains and losses arising from changes in fair value recognised in other comprehensive income.

Financial assets carried at fair value through profit or loss are initially recorded at fair value and transaction costs are expensed in the statement of profit or loss. Realized and unrealized gains and losses arising from changes in the fair values of the financial assets held at fair value through profit or loss are included in the statement of profit or loss in the period in which they arise.

Derecognition

Financial assets are derecognised when the rights to receive cash flows from the assets have expired or have been transferred and the Company has transferred substantially all the risk and rewards of ownership. On derecognition of a financial asset, in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in the statement of profit or loss, except the financial assets that are classified in other comprehensive income in which case the gain or loss are transferred directly to revenue reserves, if it is an equity instrument. However, in case of debt instruments the gain or loss are transferred to statement of profit or loss.



5.5.2 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 are recognized initially at fair value less any directly attributable transaction cost. Subsequently to initial recognition, these are measured at amortized cost using the effective interest rate method.

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

5.5.3 Off-setting of financial assets and financial liabilities

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

5.5.4 Impairment of financial assets

The Company assesses on a forward-looking basis the expected credit losses (ECL) associated with its debt instruments carried at amortized cost and at 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 permitted by IFRS 9, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

The Company measures ECL of a financial instrument in a way that reflects:

- a) an unbiased and probability-weighted amount that is determined by evaluating a range of possible outcomes;
- b) the time value of money; and
- c) reasonable and supportable information that is available without undue cost or effort at the reporting date about past events, current conditions and forecasts of future economic conditions.

The measurement of expected credit losses is a function of the probability of default, loss given default (i.e. the magnitude of the loss if there is a default) and the exposure at default. The assessment of the probability of default and loss given default is based on historical data adjusted by forward-looking information as described above. As for the exposure at default for financial assets, this is represented by the assets' gross carrying amount at the reporting date.

5.5.5 Impairment of non-financial assets

At each reporting date, the Company reviews the carrying amounts of its non-financial assets at each reporting date to identify circumstances indicating occurrence of impairment loss or reversal of previous impairment losses. An impairment loss is recognized in the statement of profit or loss other than revaluation asset which is recognized in revaluation reserve, for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less cost to sale and value in use. Reversal of impairment loss is restricted to the original cost of the asset.

5.6 Stores, spares and loose tools

Stores and spares are stated at cost less provision for slow moving and obsolete items. Cost is determined using moving average method. Items considered obsolete are carried at Nil value. Items in transit are valued at cost comprising invoice value plus other charges paid thereon.

5.7 Stock in trade

These are valued at the lower of cost and net realizable value applying the following basis:

- Raw material	At weighted average cost
- Work in progress	Average manufacturing cost
- Finished goods	Average manufacturing cost
- Waste	Net realizable value

Goods in transit are stated at invoice price plus other charges paid thereon up to the date of statement of financial position.

Cost of work in process and finished goods comprises of cost of direct material, labour and appropriate portion of manufacturing overheads.

Net realizable value signifies the estimated selling price in the ordinary course of business less estimated costs of completion and estimated costs necessary to make the sale.

5.8 Trade debts and other receivables

Trade debts and other receivables are carried at original invoice amount being the fair value of the consideration to be received in future. An allowance for ECL is made against trade debts on the basis of lifetime expected credit loss model as explained in note 5.5.4 whereas debts considered irrecoverable are written off.

5.9 Taxation

The tax expense for the year comprises current and deferred tax.

a) Current

The current tax charge is based on the taxable income for the year calculated on the basis of the tax laws enacted or substantively enacted on the statement of financial position date, and any adjustment or tax payable in respect of prior years.

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



b) Deferred

Deferred tax is recognised 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 recognised for all taxable temporary differences. Deferred tax assets are recognised 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 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.

5.10 Levy

The Company accounts for current tax calculated on taxable income using the notified tax rate as an income tax and any tax charged under the income tax laws which is not based on the taxable income recorded as a levy in accordance with the Guidance on Accounting for Minimum Taxes and Final taxes issued by the Institute of Chartered Accountants of Pakistan. The minimum tax and final taxes which are not calculated on the 'taxable profit' but calculated on turnover or other basis are recognized as a levy in the Statement of profit or loss under the scope of IFRIC 21/IAS37.

5.11 Cash and cash equivalents

Cash and cash equivalents are carried in the statement of financial position at cost. For the purpose of cash flow statement, cash and cash equivalents consist of cash in hand, balances with banks and short term borrowings.

5.12 Leases

Lease liability

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date discounted using the rate of the entity's incremental borrowing rate being the rate that the lessee would have to pay to borrow the funds necessary to obtain an asset of similar value in a similar economic environment with similar terms and conditions.

The lease liability is subsequently increased by the interest cost on the lease liability and decreased by lease payments made. It is re-measured if there is a change in future lease payments arising from a change in assessment of whether extension option is reasonably certain to be exercised or a termination option is reasonably certain not to be exercised. The corresponding adjustment is made to the carrying amount of the right-of-use asset is recorded in statement of profit or loss if the carrying amount of right-of-use asset has been reduced to zero.

5.13 Short term leases

The company has not elected to recognise right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low-value assets.

Trade and other payables

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

5.14 Deferred Capital Grant

Government grants are not recognized until there is reasonable assurance that the Company will comply with the conditions attaching to them and that the grant will be received.

The benefits of a long-term finance at a below-market rate of interest is treated as a government grant, measured as the difference between proceeds received and the fair market value of loan based on prevailing market interest rates.

Government grants related long-term finances are recognized in statement of profit or loss on a systematic basis over the periods in which the Company recognizes as finance cost related to long term finances at market rate of interest.

5.15 Mark-up bearing borrowings and borrowing costs

Mark-up bearing borrowings are recognised initially at fair value less attributable transaction costs. Subsequent to initial recognition, loans and borrowings are stated at amortized cost with any difference between proceeds (net of transactions costs) and redemption value is recognised in the statement of profit or loss over the period of borrowings using effective interest method. Finance costs are accounted for on an accrual basis and are reported under accrued finance costs to the extent of the amount remaining unpaid.

5.16 Provisions

A provision is recognized in the statement of financial position when the Company has a present legal or constructive obligation as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of obligation. Provisions are determined by discounting future cash flows at appropriate discount rate where ever required. Provisions are reviewed at each statement of financial position date and adjusted to reflect current best estimate.

5.17 Employee retirement benefits**Defined contribution plan**

The Company operates an approved provident fund scheme covering all its permanent employees. Equal monthly contributions are made both by the Company and the employees in accordance with the rules of the scheme.

5.18 Contingent liabilities and assets

A contingent liability is a possible obligation that arises from past events and whose existence will only be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company. It can also be a present obligation arising from the past events that is not recognized because it is not probable that outflow of economic resources will be required or the amount of obligation cannot be measured reliably.

Contingent liabilities are not recognized but are disclosed in the notes to the accounts. When a change in the probability of an outflow occurs so that outflow is probable, it will then be recognized as provision.

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company. Contingent assets are not recognized but are disclosed in the notes to the accounts when an inflow of economic benefits is probable. When an inflow is virtually certain, an asset is recognized.

5.19 Revenue recognition**Sale of goods**

Revenue is recognised when performance obligations are satisfied by transferring control of a promised goods to the customer, either over time or at a point in time. Revenue is measured at fair value of the consideration received or receivable, excluding discounts, rebates and government levies.



Contract liabilities

Contract liability is the obligation of the Company to transfer goods to a customer for which the Company has received consideration from the customer. If a customer pays consideration before the Company transfers goods, a contract liability is recognized when the payment is made. Contract liabilities are recognized as revenue when the Company performs its performance obligations under the contract.

Others

- Scrap sales are recognized on delivery to customers at realized amounts.
- Rental income is recognized on accrual basis.
- Mark-up on bank deposits is accrued on time proportion using effective interest method.
- Dividend income is recognized when the right to receive is established.

5.20 Foreign currency translation

Transactions in foreign currencies are translated into Pak rupees at the exchange rates prevailing at the date of transaction. Monetary assets and liabilities that are denominated in foreign currencies are translated into Pak rupees at the rates of exchange prevailing at the statement of financial position date. Foreign exchange differences are recognized in the statement of profit or loss.

5.21 Related party transactions

Transactions with related parties are carried out at mutually agreed terms as approved by the Board of Directors of the Company.

5.22 Dividend and appropriation to reserves

Dividend distribution to the Company's shareholders and appropriation to / from reserves is recognised in the period in which these are approved.

5.23 Earnings per share

The Company presents basic and diluted earnings per share (EPS) for the shareholders. Basic EPS is calculated by dividing the profit after tax attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the year.

Diluted EPS is determined by adjusting the profit or loss attributable to the ordinary shareholders and the weighted average number of ordinary shares outstanding for the effects of all dilutive potential ordinary shares.

	Note	2026 Rupees	2025 Rupees
6 PROPERTY, PLANT AND EQUIPMENT			
Operating fixed assets	6.1	2,192,398,391	1,670,821,247
Capital work-in-progress	6.2	62,908,415	4,882,454
		<u>2,255,306,806</u>	<u>1,675,703,701</u>

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6.1 Operating fixed assets



Description	Owned												Right-of-use assets		Total assets		
													Vehicles	Plant and machinery			
	Freehold land note 6.1.3	Leased land note 6.1.4	Buildings on freehold land	Buildings on leased land	Plant and machinery	Furniture	Vehicle	Office equipment	Tools and equipment	Electric installation	Service equipment	Total Owned					
Reopen																	
Net carrying value built year ended Jan 31, 2025																	
Operating net book value (NSV)	275,590,000	1,531,100	179,775,467	54,355,251	559,724,320	353,486	48,843,725	146,021	222,417	22,657,721	4,021	1,544,483,336	15,130,556	111,297,452	129,627,200	1,673,621,248	
Add: cost at cost	-	-	-	-	-	-	52,453,000	-	-	-	-	32,653,000	-	-	-	85,106,000	
Revaluation surplus	13,662,000	434,775,121	-	-	-	-	-	-	-	-	-	832,467,112	-	-	-	832,467,112	
Transferred to cost for 6.5 for sale	-	-	-	-	(137,772,500)	-	-	-	-	-	-	(137,772,500)	-	-	-	(137,772,500)	
Transfer from assets under construction (NSV)	-	-	-	-	-	-	2,822,454	-	-	-	-	2,822,454	-	-	-	2,822,454	
Depreciation (NSV)	-	-	-	-	(88,250,470)	-	(3,773,539)	-	-	-	-	(91,324,409)	-	-	-	(91,324,409)	
Depreciation charge	-	(3,773,539)	(8,453,825)	(2,716,112)	(89,884,143)	(36,540)	(10,256,689)	(29,100)	(22,241)	(2,245,773)	(806)	(120,921,733)	(2,443,364)	(11,129,754)	(133,631,358)	(134,104,673)	
Carrying net book value	292,482,800	431,625,840	179,775,467	51,669,139	643,885,207	317,141	71,240,322	116,022	202,176	20,391,948	3,217	2,392,224,272	10,686,540	100,167,774	110,774,110	2,492,998,391	
Cost carrying value built year ended Jan 31, 2025																	
Cost: Acquired asset	297,682,800	641,942,877	226,191,114	115,667,567	2,265,706,140	6,257,696	179,197,223	8,579,162	4,493,949	56,435,126	1,031,627	4,295,173,274	24,249,280	161,590,781	185,839,967	4,481,009,541	
Accumulated depreciation	-	(72,114,025)	(35,979,442)	(64,000,440)	(1,521,840,933)	(5,941,243)	(108,133,893)	(8,482,142)	(42,931,773)	(58,033,176)	(1,031,416)	(2,012,449,081)	(13,424,940)	(61,219,271)	(75,481,340)	(2,087,410,951)	
Net book value	297,682,800	431,625,840	179,775,467	51,669,139	643,885,207	317,141	71,240,322	116,022	202,176	20,391,948	3,217	2,392,224,272	10,686,540	100,167,774	110,774,110	2,492,998,391	
Net carrying value built year ended Jan 31, 2025																	
Operating net book value (NSV)	275,590,000	1,531,100	188,712,102	57,244,454	643,877	623,877	26,353,655	182,130	347,130	23,175,248	5,006	1,539,735,312	26,576,721	123,663,324	132,500,647	1,702,524,939	
Add: cost at cost	-	-	-	-	5,200,000	-	22,227,193	-	-	-	-	27,427,159	-	-	-	27,427,159	
Transfer from assets under construction (NSV)	-	-	-	-	-	-	7,401,273	-	-	-	-	7,401,273	-	-	-	7,401,273	
Depreciation (NSV)	-	-	-	-	-	-	(750,174)	-	-	-	-	(750,174)	-	-	-	(750,174)	
Depreciation charge	-	(24,955)	(9,435,685)	(2,580,225)	(108,625,926)	(40,388)	(8,250,689)	(26,109)	(24,713)	(2,517,252)	(1,065)	(129,639,312)	(4,185,762)	(12,566,320)	(16,752,084)	(146,181,696)	
Carrying net book value	275,590,000	1,531,100	179,775,467	54,355,251	559,724,319	353,488	48,843,725	146,022	222,417	22,657,721	4,021	1,544,483,337	15,130,558	111,297,452	129,627,200	1,673,621,248	
Cost carrying value built year ended Jan 31, 2025																	
Cost: Acquired asset	275,590,000	2,483,754	226,191,114	115,667,567	2,259,706,110	6,257,696	146,797,713	8,579,162	4,493,949	56,435,126	1,031,627	3,456,639,626	27,071,720	161,590,781	185,839,967	3,625,068,127	
Accumulated depreciation / impairment	-	(977,653)	(36,914,617)	(61,244,316)	(1,631,084,790)	(5,934,193)	(97,901,987)	(8,483,167)	(42,931,773)	(58,033,176)	(1,031,416)	(1,892,145,206)	(11,241,342)	(59,000,349)	(85,301,011)	(1,954,246,879)	
Net book value	275,590,000	1,531,100	179,775,467	54,355,251	559,724,320	353,488	48,843,725	146,022	222,417	22,657,721	4,021	1,544,483,337	15,130,558	111,297,452	129,627,200	1,673,621,248	
Depreciation rate in (%) per annum	-	1	5	5	10	10	20	20	10	11	20	-	-	23	-	-	

6.1.1 Details of disposal of fixed assets

The following fixed assets were disposed by the Company during the year ended June 30, 2026:

Particulars of Asset	Particulars of buyers	Cost	Accumulated Depreciation	Book value	Sale proceed	Gain / (Loss)	Mode of Disposal
Rupees							
Machinery	Comfort Knitwear	79,846,287	45,873,292	33,972,995	36,000,000	2,027,005	Negotiation
Machinery	H.A. Fibre (Private) Limited	112,113,682	77,715,422	34,398,260	36,000,000	1,601,740	Negotiation
Machinery	Gul Ahmed Textiles	87,434,753	74,711,165	12,723,588	12,957,627	234,039	Negotiation
Machinery	Shudab Textile Mills	5,200,000	871,000	4,329,000	4,000,000	(329,000)	Negotiation
Machinery	Indus Dyeing	28,500,754	25,694,127	2,806,627	8,200,000	5,393,373	Negotiation
Vehicle	Mr. Muhammad Faizal	1,987,000	1,636,845	350,155	3,200,000	2,849,845	Negotiation
Vehicle	Nasir Iqbal	2,990,600	2,432,864	557,736	4,000,000	3,442,264	Negotiation
Vehicle	Ghulam Rasool	5,490,000	3,490,264	1,999,736	5,200,000	3,200,264	Negotiation
Vehicle	Mr. Haji Raja Muhammad Imran	1,058,000	1,026,333	31,667	1,300,000	1,268,333	Negotiation
Vehicle	Mr. Asad	649,000	640,894	8,106	1,600,000	1,591,894	Negotiation
Vehicle	Mr. Asad	637,000	585,626	51,374	850,000	798,626	Negotiation
Vehicle	Mr. Ali	1,477,500	1,400,335	77,165	2,400,000	2,322,835	Negotiation
		327,384,576	236,078,167	91,306,409	115,707,627	24,401,218	

6.1.2 The depreciation charge for the year has been allocated as follows:

	Note	2026 Rupees	2025 Rupees
Cost of sales	33	121,341,231	133,867,318
General and administrative expenses	34	12,822,840	12,314,378
		134,164,071	146,181,696

6.1.3 During the year, the Company have revalued its freehold land situated at 17-KM, Faisalabad Road, Bhikhi, District Sheikhupura in the Province of Punjab on June 30, 2026 by Luckyhiya Associates (Private) Limited, an independent valuer. The fair value of the freehold land of the Company were determined with reference to comparable market values of similar types of properties to estimate the relative value of the specific properties, which approximates to their open market values and the fair value of the leasehold land of the Company were determined with assessment incorporates a multiple approach to achieve the most broad based derivation. The revaluation has resulted in surplus for leasehold land amounting to Rs. 13.692 million. Furthermore, the forced sales value as per the revaluation report as of June 30, 2026 amounting to Rs. 63.896 million.

6.1.4 During the year, the Company has revalued its leasehold land situated at B-123, Road no. D-7, Nooriabad SITE, District Jamshoro on September 30, 2025 by A.J Valuers Associates (Private) Limited, an independent valuer. The fair value of the leasehold land of the Company were determined with reference to comparable market values of similar types of properties to estimate the relative value of the specific properties, which approximates to their open market values and the fair value of the leasehold land of the Company were determined with assessment incorporates a multiple approach to achieve the most broad based derivation. The revaluation has resulted in surplus for leasehold land amounting to Rs. 838.475 million. Furthermore, the forced sales value as per the revaluation report as of September 30, 2025 amounting to Rs. 714 million.

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

Particulars	Location	Total area
Free hold land	17-KM, Faisalabad Road, Bhikhi, District Sheikhupura in the Province of Punjab.	57 acres
Free hold land	New Lahore Road, Nishatabad, Faisalabad.	5.8 acres
Lease hold land	B-123, Road no. D-7, Nooriabad SITE, District Jamshoro	14 acres

6.1.6 Had there been no revaluation, the net book value of freehold land and leasehold land would have been as follows:

	Note	2026 Rupees	2025 Rupees
Freehold land		47,164,656	47,164,656
Leasehold land		1,531,109	1,556,044

Valuation techniques used to derive level 2 fair values

Fair value of freehold and leasehold land was derived using sale comparison approach, standard appraisal procedures and physical site inspection. Sale prices of comparable land in close proximity is adjusted for differences in key attributes such as location and size of the land. Moreover, value of land also depends upon the area and location. The most significant input in this valuation approach is price / rate per kanal / acre in particular locality. This valuation is considered to be level 2 in fair value hierarchy due to significant observable inputs used in the valuation.

6.2 Capital work-in-progress

Extension in blow room/ Solar Panel	6.2.1	62,908,415	4,882,454
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6.2.1 The movement of capital work-in-progress (cost) is as under:

Description	Cost			
	As at July 01, 2025	Additions during the year	Transferred to operating fixed assets	As at June 30, 2026
Rupees				
Extension in blowroom building- Unit 2	4,882,454	58,025,961		62,908,415
Total - 2026	4,882,454	58,025,961	-	62,908,415
Cmt				
Description	As at July 01, 2024	Additions during the year	Transferred to operating fixed assets	As at June 30, 2025
Rupees				
Extension in blowroom building- Unit 2	4,882,454	-	-	4,882,454
Total - 2025	4,882,454	-	-	4,882,454

7	INTANGIBLE ASSETS	Note	2026	2025
			Rupees	Rupees
	Computer software	7.1.1	1,886,156	4,067,604

7.1 Movement in intangible assets during the year;**Net book value**

Balance as at July 01,		4,067,604	6,249,052
Amortization charged	34	(2,181,448)	(2,181,448)
Balance as at June 30,		1,886,156	4,067,604

Useful life (in years)

5	5
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7.1.1 This represents computer software, SAP business one.

8 INVESTMENT PROPERTY

Opening balance		-	-
Transferred from non-current assets held for sale during the year	19	2,538,897,200	-
Fair value adjustment at year end		8,711,425	-
Closing balance		2,547,608,625	-

8.1 Valuation techniques used to derive level 2 fair values

Fair value measurement of investment property is based on the valuations carried out by an independent valuer M/s. Luckyhiya Associates (Private) Limited. as on June 30, 2026 on the basis of market value. Fair value of investment was derived using sale comparison approach, standard appraisal procedures and physical site inspection. Sale prices of comparable land in close proximity is adjusted for differences in key attributes such as location and size of the land. Moreover, value of land also depends upon the area and location. The most significant input in this valuation approach is price / rate per kanal / acre in particular locality. This valuation is considered to be level 2 in fair value hierarchy due to significant observable inputs used in the valuation.



8.2 Forced sales value - Investment property

Forced sales value of investment property as of June 30, 2026 amounted to Rs. 2,165.467 million.

8.4 Location and area - Investment property

Investment property of 368.65 kanal is located at New Lahore Road, Nishatabad, Faisalabad.

	Note	2026 Rupees	2025 Rupees
9 LONG TERM INVESTMENTS			
At fair value through other comprehensive income:			
Equity investments	9.1	216,885,774	113,598,582
9.1 Fair value through other comprehensive income			
At cost		44,441,423	48,187,534
Unrealized gain / (loss)			
As at July 01,		78,059,963	34,198,262
Gain for the year		127,415,191	43,861,701
As at June 30,		205,475,154	78,059,963
Realized gain / (loss)		(20,381,888)	-
Impairment loss		(12,648,915)	(12,648,915)
	9.1.1	216,885,774	113,598,582

9.1.1 Details of fair value through other comprehensive income investment are as under:

Number of shares			Market value	
2026	2025		2026	2025
		Quoted - At fair value	Rupees	Rupees
1,487,926	1,487,926	The Crescent Textile Mills Limited	100,301,092	35,650,707
1,089	1,089	Crescent Cotton Mills Limited	45,270	63,347
285,357	285,357	Jubilee Spinning and Weaving Mills Limited	14,687,325	3,418,577
811,751	1,011,751	Shakarganj Mills Limited	95,867,793	69,132,946
50,060	50,060	Crescent Jute Products Limited	682,818	284,341
479,739	479,739	Samba Bank Limited	4,619,887	4,581,507
69,621	69,621	Premier Insurance Limited	681,590	467,157
		Unquoted - At breakup value (Note 9.1.2.)		
25,000	25,000	Crescent Modaraba Management Company Limited	-	-
533,623	533,623	Crescent Bahuman Limited	-	-
			216,885,774	113,598,582

9.1.2 These represents unquoted investments which are fully impaired.

	Note	2026 Rupees	2025 Rupees
10 LONG TERM DEPOSITS			
Leases		39,150,000	40,814,000
Utilities	10.1	13,121,313	13,121,313
		52,271,313	53,935,313

10.1 This includes deposits amounting to Rs 6 million given to Sui Southern Gas Company Limited.

		Note	2026 Rupees	2025 Rupees
11	STORES, SPARES AND LOOSE TOOLS			
	Stores , spares and loose tools		77,264,359	94,573,344
	Less: provision for slow moving items	11.1	<u>(19,684,447)</u>	<u>(12,151,265)</u>
			<u>57,579,912</u>	<u>82,422,079</u>
11.1	Provision for slow moving items			
	Balance as ast July 1,		12,151,265	11,629,237
	Provision recognized during the year	35	<u>7,533,182</u>	<u>522,028</u>
	Balance as at June 30,		<u>19,684,447</u>	<u>12,151,265</u>
12	STOCK-IN-TRADE			
	Raw material		30,158,685	188,804,570
	Work-in-process		44,872,394	46,859,424
	Finished goods		<u>47,988,161</u>	<u>68,688,192</u>
			<u>123,019,240</u>	<u>304,352,186</u>
13	TRADE DEBTS - UNSECURED			
	Considered good		<u>334,392,165</u>	<u>892,963,580</u>
			<u>334,392,165</u>	<u>892,963,580</u>
	Considered doubtful		<u>390,220,449</u>	<u>219,385,911</u>
		13.2	<u>724,612,614</u>	<u>1,112,349,491</u>
	Less: Allowance for expected credit loss	13.1	<u>(390,220,449)</u>	<u>(219,385,911)</u>
			<u>334,392,165</u>	<u>892,963,580</u>
13.1	Allowance for expected credit loss			
	Balance as at July 01,		219,385,911	166,069,150
	Charge during the year		<u>170,834,538</u>	<u>53,316,761</u>
	Balance as at June 30,		<u>390,220,449</u>	<u>219,385,911</u>
13.2	The aging of the trade debts are as			
	Not past due		282,426,862	195,481,463
	1-30 days		958,289	75,289,488
	31-90 days		17,211,215	70,973,974
	91 to 180 days		12,242,650	394,044,526
	181-360 days		24,479,736	243,672,598
	Above 360 days		<u>387,293,863</u>	<u>132,887,442</u>
			<u>724,612,614</u>	<u>1,112,349,491</u>
14	LOANS AND ADVANCES - UNSECURED			
	Loan to employees	14.1	1,136,537	1,408,043
	Advantage to suppliers	14.2	<u>33,030,553</u>	<u>21,975,850</u>
			<u>34,167,090</u>	<u>23,383,893</u>
14.1	These loans are taken by the employees of the Company as per their terms of employment. These loans are interest free and are recovered through deductions from monthly salaries.			
14.2	This represents advances to suppliers in the normal course of business and does not carry any interest or mark-up.			



			2026 Rupees	2025 Rupees
15	SHORT TERM DEPOSITS	Note		
	Letter of credit / bank guarantee	15.1	9,947,363	9,947,363
			<u>9,947,363</u>	<u>9,947,363</u>
15.1	This represents margin kept with banking companies against bank guarantee and letter of credit.			
16	SHORT TERM INVESTMENTS			
	At amortised cost			
	Term deposit receipts	16.1	82,334,728	26,556,772
16.1	These carry mark-up at rates ranging from 10.5 % to 12.55% (2025: 14.50% to 18.85%) per annum.			
17	TAX REFUNDS DUE FROM GOVERNMENT			
	Sales tax refundable		56,861,481	95,597,096
	Income tax refundable		78,934,647	51,686,454
			<u>135,796,128</u>	<u>147,283,550</u>
18	CASH AND BANK BALANCES			
	Cash in hand		71,793	106,036
	Bank balances			
	With conventional banks			
	- current accounts		15,234,251	17,690,994
	- saving accounts	18.1	5,255,350	22,791,637
	With Islamic banks		20,489,601	40,482,631
	- current accounts		155,599	1,354,907
			<u>20,716,993</u>	<u>41,943,574</u>
18.1	These carry profit rates ranging from 7.12% to 10% (2025: 12% to 18%) per annum.			
19	ASSETS CLASSIFIED AS HELD FOR SALE			
	Balance as at July 01,		2,538,897,200	2,538,897,200
	Transferred from Plant and machinery	19.1	137,772,500	-
	Transferred to investment property	19.2	(2,538,897,200)	-
	Balance as at June 30,		<u>137,772,500</u>	<u>2,538,897,200</u>
19.1	The Board of Directors of the Company, in its meeting held on February 27, 2026, approved the sale of the entire plant, machinery and equipment excluding land and building of Spinning Unit-1 located at Nooriabad. The proposed sale was subject to obtaining No Objection Certificate (NOC's) from the lenders. After getting the requisite NOCs from its financial institutions, the Company started the sale process. However, machinery and equipment having a net book value of Rs. 88.230 million was disposed of prior to the reporting date, while the remaining machinery and equipment having a net book value of 137.772 million is available for immediate sale in their present condition and is actively marketed for sale. Consequently, the carrying amount of the remaining assets was reclassified from Property, Plant and Equipment to non-current assets held for sale in accordance with the requirements of IFRS 5 – Non-current Assets Held for Sale and Discontinued Operations. Subsequent to the year end, the plant and machinery has been disposed off.			
19.2	During the year ended June 30, 2023, the Board of Directors had in their meeting decided to sell the investment property located at Nishatabad, Faisalabad. Accordingly, the stated assets were re-classified as assets held for sale. On February 9, 2024, the Board re-validated its decision to sell the property. The shareholders thereafter re-approved the same by passing special resolution in their Extra Ordinary General Meeting (EOGM) dated March 09, 2024.			

During the year, the management of the company has assessed that despite active marketing efforts, the prevailing economic conditions has limited the availability of buyers offering competitive prices, preventing a complete sale within the anticipated timeframe. Accordingly, the management has assessed that conditions required for continued classification as "Held for Sale" under IFRS 5 are no longer considered to be met and the property is now solely held for capital appreciation and potential rental yields. Therefore, it has been reclassified to Investment property as required under IAS 40.

The Board of Directors in its meeting held on April 28, 2026 has approved the reclassification of the above factory land and buildings which were previously classified as "Non-current Assets Held for Sale" to "Investment Property" in accordance with the requirements of IAS 40 – Investment Property. The property was transferred at its carrying amount of Rs. 2,538,897,200 being a lower of fair value as determined by an independent valuer.

20 ISSUED, SUBSCRIBED AND PAID UP CAPITAL

Number of ordinary shares of

Rs. 10/- each

2026	2025		2026	2025
9,128,510	9,128,510	Fully paid in cash	91,285,100	91,285,100
535,533	535,533	Fully paid issued to financial institution against conversion of loan	5,355,330	5,355,330
2,753,833	2,753,833	Fully paid bonus shares	27,538,330	27,538,330
12,417,876	12,417,876		124,178,760	124,178,760
30,000	30,000	Shares held by associated undertakings	300,000	300,000

- 20.1 The Company has one class of ordinary shares which carry no rights to fixed income. The holders of shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at the meeting of the Company. All shares rank equally with regard to the Company's residual assets.

21 LONG TERM FINANCING

From banking companies - secured
Conventional mode
MCB Bank Limited

	Note	2026 Rupees	2025 Rupees
Term finance - 1	21.1	4,417,000	8,839,000
Term finance - 2	21.2	-	4,500,000
Term finance - 3	21.3	9,583,336	15,972,224
Term finance - 4	21.4	10,245,556	12,294,667
Term finance - 5	21.5	42,093,336	58,930,668
Term finance - 5	21.5	14,906,112	20,868,556
United Bank Limited - Term finance - 6	21.6	138,879,641	150,606,567
OLP Financial Services- Term finance-7	21.7	30,715,354	43,693,772
MCB Bank Limited - Term finance - 8	21.8	112,478,597	128,546,969
Stanadard Chartered Bank - Term finance - 9	21.9	-	61,043,396
		363,318,932	505,295,819
Less: Current portion shown under current liabilities		(104,992,911)	(144,599,655)
		258,326,021	360,696,164



- 21.1 This facility was obtained from MCB Bank Limited for balancing modernization and replacement in Textile Unit 2 located at Bikhi. The rate of mark-up is 3.25% as per State Bank of Pakistan LTFF scheme and is payable semi-annually over a period of 10 years after a grace period of 18 months with installments starting from November 2018 and last installment is payable in November 2026. The finance facility is secured against first registered pari passu equitable mortgage / hypothecation charge over fixed assets of the Company aggregating to Rs. 460 million. The limit of the facility is Rs. 41 million (2025: Rs. 41 million).
- 21.2 This facility was obtained from MCB Bank Limited for balancing modernization and replacement in Textile Unit 2 located at Bikhi. The rate of mark-up is 6 months KIBOR + 1.25% and is payable quarterly over a period of 6 years inclusive of 18 months grace period starting from January 2019 and last installment is payable in March 2026. The finance facility is secured against first registered pari passu equitable mortgage / hypothecation charge over fixed assets of the Company aggregating to Rs. 460 million. The sanctioned limit of the facility is Rs. 27 million (2025: Rs. 27 million).
- 21.3 This facility was obtained from MCB Bank Limited for balancing modernization and replacement in Textile Unit 2 located at Bikhi. The rate of mark-up is 6 months KIBOR + 1.25% and is payable semi-annually over a period of 6 years after a grace period of 18 months with installments starting from November 2021 and last installment is payable in December 2027. The finance facility is secured against first registered pari passu equitable mortgage / hypothecation charge over fixed assets of the Company aggregating to Rs. 460 million. The limit of the facility is Rs. 190 million (2025: 190 million).
- 21.4 This facility was obtained from MCB Bank Limited for balancing modernization and replacement in Textile Unit 2 located at Bikhi. The rate of mark-up is 6 months KIBOR + 1.25% and is payable semi-annually over a period of 6 years after a grace period of 18 months with installments starting from May 2025 and last installment is payable in November 2030. The finance facility is secured against first registered pari passu equitable mortgage / hypothecation charge over fixed assets of the Company aggregating to Rs. 460 million. The limit of the facility is Rs. 190 million (2025: 190 million).
- 21.5 This facility was obtained from MCB Bank Limited for the import of machinery for planned BMR activity in existing units located at Bikhi-Punjab and Dadu-Sindh. The rate of mark-up is 6 months KIBOR + 1.25% and is payable semi-annually over a period of 6 years after a grace period of 18 months with installments starting from May 2025 and last installment is payable in November 2030. The finance facility is secured against first registered pari passu equitable mortgage / hypothecation charge over fixed assets of the Company aggregating to Rs. 460 million and exclusive charge on plant and machinery of Rs. 271.43 million. The sanctioned limit of the facility is Rs. 190 million (2025: 190 million).
- 21.6 This facility was obtained from United Bank Limited under the Temporary Economic Refinance (TERF) schemes of State Bank of Pakistan for the import of machinery for planned BMR activity in existing units located at Bikhi-Punjab. The rate of mark-up is SBP Rate (1% + 3.50%) and is payable semi-annually over a period of 10 years after a grace period of 2 years with installments starting from November 2025 and last installment is payable in January 2033. The finance facility is secured against first registered pari passu equitable mortgage / hypothecation charge over present and future fixed assets at Nooriabad unit and pari passu equitable mortgage on land and building of the Company located in Faisalabad and Lahore aggregating to Rs. 400 million with 25% margin and exclusive charge on plant and machinery of Rs. 134 million. The sanctioned limit of the facility is Rs. 250 million (2025: 250). The loan had been recognised at present value using effective rate of 21.07% per annum. The difference of present value of the loan and actual disbursement has been recorded as government grant, as disclosed in note 25, as per the circular No. 11/2020 issued by the Institute of Chartered Accountants of Pakistan.

- 21.7 This facility was obtained from OLP Financial Services Pakistan Limited for obtaining the financial facility under the vehicle finance agreement. The rate of mark-up is 6 months KIBOR + 5% and is payable in monthly installments over a period of 3 years. The installments commenced from August 2025 and the last installment will be payable in July 2027. The finance facility is secured against the vehicles financed under the arrangement.
- 21.8 The Company, due to difficulties in repayment, has restructured its existing facilities with MCB Bank Limited. Accordingly, the running finance facility of Rs. 80 million and the FIM facility of Rs. 50 million have been combined into a single long-term facility. The rate of mark-up on the restructured facility is 1-month KIBOR + 1.25% and the installments has commence from January 2025 and the last installment will be payable in October 2029. The restructured facility is secured against first pari passu charge of PKR 460 million over all present and future fixed assets of the company.
- 21.9 The Company, due to financial difficulties, has restructured its short-term running finance facility obtained from Standard Chartered Bank into a single long-term loan. The rate of mark-up on the restructured facility is 3-month KIBOR + 2%, with installments commencing from January 2025 and the last installment payable in April 2026. The restructured facility is secured against the stock at the warehouse of the company.

	Note	2026 Rupees	2025 Rupees
22 LEASE LIABILITIES			
Balance as at July 01,		133,584,543	165,155,048
Financial charges		13,670,332	23,856,820
Lease payments		(43,546,467)	(55,427,325)
Lease liability at June 30,		<u>103,708,408</u>	<u>133,584,543</u>
Current portion	29	<u>(22,024,673)</u>	<u>(28,205,691)</u>
Balance as at June 30,		<u>81,683,735</u>	<u>105,378,852</u>
22.1 Maturity analysis-contractual cash flows			
Upto one year		22,024,673	28,205,691
One to five years		81,683,735	105,378,852
Total lease liability		<u>103,708,408</u>	<u>133,584,543</u>

- 22.2 This includes finance leases entered into with financial institutions for vehicles. Financing rates ranging from 15.30% to 16.40% (2025: 14.74% to 24.72%) per annum have been used as a discounting factor. At the end of the lease period the ownership of assets shall be transferred to the Company on payment of residual values of the assets. These facilities are secured by security deposit and personal guarantees of directors and hypothecation charge on leased assets.

- 22.3 This also includes leases entered into with the financial institution for imported machinery. Financing ranging from 15.18% (2025: 14.74% to 24.72%) per annum have been used as a discounting factor. At the end of the lease period the ownership of the machine shall be transferred to the Company on payment of residual value. This facility is secured by security deposit and personal guarantees of directors.

			2026 Rupees	2025 Rupees
23	DEFERRED GOVERNMENT GRANT	Note		
	Deferred government grant	24.1 &		
	Temporary economic refinance facility	24.2	79,870,359	99,393,433
	Less: Current portion of government grant		(18,292,041)	(19,820,339)
			<u>61,578,318</u>	<u>79,573,094</u>
23.1	Following is the movement in government grant during the year:			
	Opening balance		99,393,433	118,282,077
	Amortized during the year		(19,523,074)	(18,888,644)
	Closing balance		<u>79,870,359</u>	<u>99,393,433</u>
23.2	This represents government grant recognized on long term financing facilities obtained under Temporary Economic Refinance (TERF) schemes of State Bank of Pakistan as disclosed in note 22 to the financial statements. The Company recognised the Deferred Government Grant in accordance with the requirements of 'IAS 20-Accounting for Government Grants and Disclosure of Government Assistance'.			
24	GIDC PAYABLE			
	GIDC Payable		229,778,482	229,778,482
	Less: Current portion		(229,778,482)	(229,778,482)
		24.1	<u>-</u>	<u>-</u>
24.1	This includes the amount payable in respect of Gas Infrastructure Development Cess (GIDC) levied under GIDC Act, 2015. Financing rate 9.19% (2025: 9.19%) per annum have been used as a discounting factor.			
	In November 2020, the Supreme Court dismissed the review petition seeking review of its order issued in favor of recovery for GIDC arrears. The company has paid the levies to Sui Northern Gas Pipeline Limited (SNGPL), however, the matter with respect to GIDC billing by Sui Southern Gas Company (SSGC) is under litigation in Civil District Court Karachi, Sindh. The liability in respect of Sui Southern Gas Company (SSGC) amounting to Rs. 229.778 million (2024: Rs. 229.778 million) is recognized as per the guidelines issued by Institute of Chartered Accountants of Pakistan dated January 21, 2021.			
	The management is hopeful that the interpretation of the Company will sustain and eventually the Company will not be required to make differential payment.			
25	DEFERRED TAXATION			
	Deferred taxation	25.1	<u>-</u>	<u>30,046,735</u>
25.1	The net balance for deferred taxation is in respect of following temporary differences:			
	Deferred tax liabilities			
	Accelerated tax depreciation allowance		191,216,507	226,355,057
	Deferred tax assets			
	Lease rentals		(30,075,439)	(38,739,517)
	Allowance for expected credit loss		(113,163,930)	(63,621,914)
	Dividend income		-	-
	Provision for slow moving items		(5,708,490)	(3,523,867)
			<u>(148,947,859)</u>	<u>(105,885,298)</u>
			<u>42,268,648</u>	<u>120,469,759</u>

		Note	2026 Rupees	2025 Rupees
	Unabsorbed tax depreciation		(93,933,750)	(119,659,870)
	Unused tax losses		(344,015,800)	(165,481,360)
		26.1.1	(395,680,902)	(164,671,471)
	Unrecognized deferred tax asset		395,680,902	194,718,206
			-	30,046,735
26.1.1	As at June 30, 2026, the Company has a net deferred tax asset on deductible temporary differences amounting to Rs. 395.68 million. However, due to unavailability of future taxable profits, the company has not recognised the deferred tax asset amounting to Rs. 395.68 million.			
26	TRADE AND OTHER PAYABLES			
	Creditors	26.1	437,065,329	414,196,103
	Accrued liabilities		609,848,507	604,092,463
	Contractual liability	27.2	81,187,978	66,507,019
	Payable to provident fund		6,390,999	4,492,598
	Due to related party	27.3	140,005,246	100,844,889
	Withholding tax payable		26,174,707	16,112,873
	Workers' Welfare Fund		46,079,959	46,079,959
	Provision for default surcharge		1,137,423	1,137,423
	GIDC payable		229,778,482	229,778,482
	Minimum tax - levy		48,416,882	54,824,010
	Other liabilities		12,443,178	19,190,250
			<u>1,638,528,690</u>	<u>1,557,256,069</u>
26.1	This includes balance amounting to Rs. 25.223 million (2025: Rs.19.121 million) due to an associated company.			
27.2	The contract liabilities primarily relate to the advance consideration received from customers for future sales as per the Company's policy, for which revenue is recognised at a point in time. Revenue recognized from contract liabilities during the year amounted to Rs. 8.64 million (2025: Rs. 13.29 million).			
27.3	This includes due to Chief Executive Officer, Directors and other related party amounting to Rs. 69.837 million (2025: 40.828 million), Rs. 56.455 million (2025: Rs.22.126 million) and Rs. 13.713 million (2025: 37.891 million) respectively. These balances do not carry any interest and are repayable on demand.			
		Note	2026 Rupees	2025 Rupees
27	INTEREST AND MARK-UP ACCRUED			
	Interest and markup accrued on:			
	Long-term financing from banks			
	With conventional bank		11,825,616	17,517,129
	Short-term borrowings from Banks			
	Islamic bank		4,079,653	5,287,319
	Conventional bank		6,947,088	20,209,692
			<u>11,026,741</u>	<u>25,497,011</u>
			<u>22,852,357</u>	<u>43,014,140</u>
28	SHORT-TERM BORROWINGS			
	Secured			
	Islamic			
	National Bank of Pakistan	28.1	55,000,000	75,000,000
	Conventional			
	MCB Bank Limited	28.2	-	98,055,000
	JS Bank Limited	28.3	205,892,286	235,912,875
			<u>260,892,286</u>	<u>408,967,875</u>



- 28.1 This facility has been obtained from National bank of Pakistan for the purpose of meeting the working capital requirements of the company. The aggregate facilities under mark-up arrangements amounted to Rs. 55 million (2025: Rs. 75 million). The rate of mark up on this finance facility is 1 month KIBOR plus 1.75% spread per annum (2025: 1 month KIBOR plus 1.75% spread per annum) and is payable quarterly. It is secured against all present and future current assets of the company, including but not limited to stock-in-trade, trade deposits, cash and all other assets which are/or may be treated as current assets of the company.
- 28.2 This facility was obtained from MCB Bank Limited for the purpose of meeting the working capital requirements of the company. The aggregate facilities under mark-up arrangements amounted to Rs. Nil (2025: Rs. 98.055 million). The rate of mark up on this finance facility is 1 month KIBOR plus 1.25% spread per annum (2025: 1 month KIBOR plus 1.25% spread per annum) and is payable quarterly. It is secured against first pari passu charge of PKR 460 million over all present and future fixed assets of the company.
- 28.3 This facility has been obtained from JS Bank Limited for the purpose of meeting the working capital requirements of the company. The aggregate facilities under mark-up arrangements amounted to Rs.205.90 million (2025:Rs. 235.90 million). The rate of mark up on this finance facility is 3 month KIBOR plus 1.25% spread per annum and is payable quarterly. It is secured against lien over deposit in Roshan Digital Account (RDA) maintained with JS Bank Limited and lien over Naya Pakistan Certificate (NPC) in the name of directors.

		2026 Rupees	2025 Rupees
29	CURRENT PORTION OF LONG TERM LIABILITIES		
	Long term financing	21	104,992,911
	Lease liabilities	22	22,024,673
	Deferred government grant	23	18,292,041
			<u>145,309,625</u>
30	UNCLAIMED DIVIDEND		<u>192,625,685</u>
	Unclaimed dividend		<u>3,037,561</u>

31 CONTINGENCIES AND COMMITMENTS

31.1 Contingencies

Crescent Cotton Mills Limited formerly (Crescent Sugar Mills and Distillery Limited) has filed a case against the Company for an amount of Rs. 53.850 million (2025: 53.850 million) on the basis of case documents filed. The Company has a recorded liability of Rs. 17,542 million (2025: 17,542 million) as the best estimate of amounts owed. No provision for the difference amount has been made as management is of the view that the basis is frivolous and in view of counter claims available with the Company, management is confident that the balance amount shall not be payable.

31.2 Commitments

- a) letter of credit against import of Machinery and Yarn amounting to Rs. 27.800 million (2025: Rs. Nil) and Rs. 21.439 million (2025: Rs. Nil).
- b) The guarantees have been issued by banking companies in normal course of business amounting to Rs. 121.966 million (2025: Rs. 121.966 million).

		Note	2026 Rupees	2025 Rupees
32	SALES - NET			
	Local yarn		4,498,617,118	4,829,544,317
	Waste		23,320,433	28,826,532
	Trading sales of cotton and polyster		48,616,064	317,317,813
			<u>4,570,553,615</u>	<u>5,175,688,662</u>
	Sales tax		(697,203,095)	(789,767,928)
	Brokerage and commission		(32,174,443)	(55,381,393)
			<u>(729,377,538)</u>	<u>(845,149,321)</u>
			<u>3,841,176,077</u>	<u>4,330,539,341</u>
33	COST OF SALES			
	Material consumed	33.1	2,584,460,352	2,682,166,281
	Packing material consumed		43,707,913	46,774,886
	Stores, spares and loose tools consumed		45,808,486	56,979,707
	Salaries, wages and other benefits	33.2	345,855,118	450,439,063
	Power and fuel		742,545,322	781,359,721
	Depreciation	6.1.2	121,341,231	133,867,318
	Insurance		16,247,124	22,288,248
	Repairs and maintenance		8,909,549	5,761,042
	Provision for slow moving items	11.1	7,533,182	522,028
	Other manufacturing overheads		19,527,430	25,360,227
	Manufacturing cost		<u>3,935,935,707</u>	<u>4,205,518,521</u>
	Opening work-in-process		46,859,424	85,381,195
	Closing work-in-process		(44,872,394)	(46,859,424)
	Cost of goods manufactured		<u>3,937,922,737</u>	<u>4,244,040,292</u>
	Cost of goods purchased for resale		40,168,741	387,802,440
	Opening stock of finished goods		68,688,192	123,797,093
	Closing stock of finished goods		(47,988,161)	(68,688,192)
			<u>20,700,031</u>	<u>55,108,901</u>
			<u>3,998,791,509</u>	<u>4,686,951,633</u>
33.1	Material consumed			
	Opening stock		188,804,570	489,070,787
	Purchases		2,425,814,467	2,381,900,064
			<u>2,614,619,037</u>	<u>2,870,970,851</u>
	Closing stock		(30,158,685)	(188,804,570)
			<u>2,584,460,352</u>	<u>2,682,166,281</u>
33.2	Salaries, wages and other benefits include Rs. 11.389 million (2025: Rs. 13.079 million) in respect of staff retirement benefits.			
34	GENERAL AND ADMINISTRATIVE EXPENSES			
	Salaries, wages and other benefits	34.1	73,373,276	72,265,219
	Directors' remuneration		24,870,008	24,870,008
	Repairs and maintenance		7,412,235	8,369,452
	Vehicles running and maintenance		16,918,146	17,545,649
	Insurance		4,012,018	3,822,427



	Note	2026 Rupees	2025 Rupees
Telephone and postage		2,440,630	1,984,868
Traveling and conveyance		4,908,291	3,618,095
Fee and subscription		5,408,401	8,800,991
Legal and professional charges		820,900	1,050,700
Depreciation	6.1.2.	12,822,840	12,314,378
Amortization	7.1	2,181,448	2,181,448
Utilities		6,251,795	8,776,432
Rent, rates and taxes		5,730,767	7,676,215
Entertainment		6,191,579	5,550,171
Printing and stationery		1,056,422	1,637,958
Others		3,300,448	4,254,820
		<u>177,699,204</u>	<u>184,718,831</u>
34.1	Salaries, wages and other benefits include Rs. 6.025 million (2025: Rs. 5.959 million) in respect of staff retirement benefits.		
35.	DISTRIBUTION COST		
		11,187,684	12,353,820
		6,754,340	10,373,270
		682,983	645,436
		<u>18,625,007</u>	<u>23,372,526</u>
36	OTHER INCOME		
	Income from financial asset		
		2,970,807	13,562,171
	Income from non financial asset		
		42,505,546	39,428,388
		19,523,074	18,888,644
		8,711,425	-
		24,401,219	3,549,825
		<u>98,112,071</u>	<u>75,429,028</u>
37	OTHER OPERATING EXPENSES		
	Auditors' remuneration:		
		1,008,844	1,008,844
		100,884	100,884
		88,778	88,778
		210,000	210,000
		<u>1,408,506</u>	<u>1,408,506</u>
38	FINANCIAL CHARGES		
	Mark-up / interest on:		
	Long-term financing		
		66,058,496	80,056,288
	Short-term borrowing		
		8,512,553	13,485,637
		41,261,893	68,669,273
		49,774,446	82,154,910
		13,670,332	23,856,820
		129,503,274	186,068,018
		4,944,528	13,391,487
		<u>134,447,802</u>	<u>199,459,505</u>

	Note	2026 Rupees	2025 Rupees
39 MINIMUM TAX DIFFERENTIAL			
Income tax levy under IFRIC 21/IAS 37		48,416,882	54,824,010
This represents portion of minimum tax paid under section 113 of Income Tax Ordinance (ITO, 2001), representing levy in terms of requirements of IFRIC 21/IAS 37.			
40 TAXATION			
Current		-	-
Prior	40.1	80,500	(3,157,337)
		80,500	(3,157,337)
Deferred		(30,046,734)	(19,214,367)
		(29,966,234)	(22,371,704)
40.1	The Additional Commissioner Inland Revenue (ACIR) amended the assessment u/s 122(5A) of the Income Tax Ordinance, 2001 for the Tax Year 2015, 2016, 2017, 2018 and 2021 and allowed income tax refundable of Rs. 109.743 million after adjusting tax demand of Rs. 20.284 million for the Tax Year 2019 and 2020.		
41 EARNINGS PER SHARE - BASIC AND DILUTED			
Loss for the year		(580,969,066)	(775,711,699)
Weighted average number of ordinary shares outstanding		12,417,876	12,417,876
Loss per share -basic and diluted		(46.78)	(62.47)
42 CASH GENERATED FROM OPERATIONS			
Loss before taxation		(562,518,418)	(743,259,393)
Adjustment for non-cash charges and other items:			
Gain on disposal of operating fixed assets	36	(24,401,219)	(3,549,825)
Financial charges	38	134,447,802	199,459,505
Depreciation	6.1.2	134,164,071	146,181,696
Amortization	7.1	2,181,448	2,181,448
Grant income	36	(19,523,074)	(18,888,644)
Gain on valuation of investment property		(8,711,425)	-
Allowance for expected credit loss		170,834,538	53,316,761
Provision for slow moving items		7,533,182	522,028
		396,525,323	379,222,969
Loss before working capital changes		(165,993,096)	(364,036,424)
Working capital changes	42.1	675,180,435	516,731,030
		509,187,440	152,694,606



42.1 Working capital changes	Note	2026 Rupees	2025 Rupees
(Increase) / decrease in current assets:			
Stores, spares and loose tools		17,308,985	18,106,155
Stock in trade		181,332,946	393,896,889
Trade debts		387,736,877	220,904,941
Loans and advances		(10,783,197)	(550,811)
Deposits and short term prepayments		-	-
Other receivables		417,653	(351,769)
Tax refund due from the Government		11,487,422	30,149,990
		587,500,686	662,155,395
Increase / (decrease) in current liabilities			
Trade and other payables		87,679,749	(145,424,365)
		675,180,435	516,731,030

43 RECONCILIATION OF MOVEMENT OF LIABILITIES TO CASH FLOWS ARISING FROM FINANCING ACTIVITIES

	2026				
	Other Short term borrowings including markup thereon	Long term borrowings including deferred income and markup thereon	Lease liability	Unclaimed dividend	Total
	Rupees				
Balance as at July 01, 2025	408,967,875	604,689,252	133,584,543	3,037,561	1,150,279,231
Changes from financing cash flows:					
Repayments of long term borrowings	-	(161,499,962)	-	-	-
Proceeds from long term borrowings	-	-	-	-	-
Lease rentals paid	-	-	(43,546,467)	-	-
Dividend paid	-	-	-	-	-
Changes in short term borrowings relating to financing activities	(102,766,136)	-	-	-	-
Total changes from financing activities	(102,766,136)	(161,499,962)	(43,546,467)	-	-
Other changes:					
Addition to lease	-	-	-	-	-
Amortisation of government grant	-	(19,523,074)	-	-	-
Finance cost	49,774,446	66,058,496	13,670,332	-	-
Finance cost paid	(30,979,067)	(51,897,301)	(13,670,332)	-	-
Total loan related other changes	18,795,379	(5,361,879)	-	-	-
Total equity related other changes	-	-	-	-	-
Balance as at June 30, 2026	324,997,118	437,827,411	90,038,076	3,037,561	855,900,166
	2025				
	Other Short term borrowings including markup thereon	Long term borrowings including deferred income and markup thereon	Lease liability	Unclaimed dividend	Total
	Rupees				
Balance as at July 01, 2024	486,237,000	427,825,111	165,155,048	3,038,460	1,082,255,619
Changes from financing cash flows:					
Repayments of long term borrowings	-	(80,145,363)	-	-	-
Proceeds from long term borrowings	-	256,090,365	-	-	-
Lease rentals paid	-	-	(11,570,505)	-	-
Dividend paid	-	-	-	(899)	-
Changes in short term borrowings relating to financing activities	(102,766,136)	-	-	-	-
Total changes from financing activities	(102,766,136)	175,945,002	(11,570,505)	(899)	-
Other changes:					
Addition to lease	-	-	-	-	-
Amortisation of government grant	-	(18,888,644)	-	-	-
Finance cost	82,154,910	80,056,208	23,856,830	-	-
Finance cost paid	(56,657,899)	(60,208,505)	(23,856,830)	-	-
Total loan related other changes	25,497,011	919,139	-	-	-
Total equity related other changes	-	-	-	-	-
Balance as at June 30, 2025	408,967,875	604,689,252	133,584,543	3,037,561	1,150,279,231

REMUNERATION OF CHIEF EXECUTIVE OFFICER, DIRECTORS AND EXECUTIVES

The aggregate amounts charged in the financial statements for remuneration, including all benefits to Chief Executive, Directors and Executives of the Company were as follows:

	2026			2025		
	Chief Executive Officer	Executive Directors	Executives	Chief Executive Officer	Executive Directors	Executives
	Rupees			Rupees		
Managerial remuneration	8,300,004	8,300,004	21,224,224	8,300,004	8,300,004	22,116,312
House rent	1,735,000	1,735,000	9,932,460	1,735,000	1,735,000	9,413,896
Company's contribution to Provident Fund Trust	830,000	830,000	2,322,428	830,000	830,000	2,211,637
Reimbursable expenses	628,035	1,620,666	1,390,800	628,035	1,620,666	1,274,400
Total	13,493,039	14,485,670	36,869,912	13,493,039	14,485,670	35,036,245
Number of persons	1	1	8	1	1	8

- 44.1 The Chief Executive Officer, a Director and some executives are also provided with Company's maintained cars.
- 44.2 Aggregate amount charged in these financial statements in respect of Directors fee is Rs. 0.800 million (2025: Rs. 0.800 million).
- 44.3 The current and corresponding year figures include remunerations of Company's Executives whose basic salary exceeds twelve hundred thousand rupees in a financial year.

45 TRANSACTIONS AND BALANCES WITH RELATED PARTIES

Related parties of the company comprise the associated company, companies with common directorship, retirement funds, directors and key management personnel. All the transactions with related parties are entered into at agreed terms in the normal course of business as approved by the Board of directors of the company. Detail of transactions with related parties during the year, other than disclosed elsewhere in the financial statements, are as follows:

Nature of related party and relationship with the company	Nature of transaction	Percentage of shareholding in the company	2026 Rupees	2025 Rupees
Associated companies / undertaking				
Premier Insurance Limited	Insurance premium	0.24	26,829,641	30,904,837
Amil Exports (Pvt.) Limited	Rent received	Nil	-	777,384
Retirement benefit plans				
Employees' Provident Fund	Contribution	Nil	17,415,528	19,038,776
Key management personnels				
	Rent paid	24.58	4,380,000	4,380,000
	Remuneration and other benefits	22.63	63,176,151	63,014,955

Relationship with Company	Nature of transaction	2026 Rupees	2025 Rupees
45.1 Year end balances			
Premier Insurance Ltd.	Trade and other payables	25,223,278	19,121,185
Retirement benefit plans	Trade and other payables	6,390,999	4,492,598
Directors and close relative	Trade and other payables	140,005,246	100,844,889



45.2 Names of related parties, nature and basis of relationship**a) Associated companies / undertakings**

Amil Exports (Private) Limited (Common Directorship)
 Crescent Essentials (Private) Limited (Common Directorship)
 Premier Insurance Limited (Common Directorship)

b) Board of Directors

Mrs. Naila Humayun Maqbool (Chairperson)
 Mr. Imran Maqbool (Chief Executive Officer)
 Mr. Humayun Maqbool (Executive Director)
 Mr. Sheikh Muhammad Ali Asif (Independent Director)
 Ms. Hanya Maqbool (Non-Executive Director)
 Mr. Mansoor Riaz (Non-Executive Director)
 Mr. Syed Rizwan Husain (Independent Director)

c) Key Executives

Mr. Sajid Muneer (General Manager Sales and Marketing)
 Mr. Kamran Rasheed (Chief Financial Officer)
 Mr. Mohammad Nasarullah (Technical Director)

45.3 All transactions with related parties have been carried out on commercial terms and conditions.

46 CAPACITY AND PRODUCTION

Spinning units	2026			2025		
	Unit - I	Unit - II	Total	Unit - I	Unit - II	Total
Number of spindles installed	-	47,568	47,568	28,608	47,568	76,176
Number of spindles worked	-	47,568	47,568	28,608	47,568	76,176
Number of shifts per day	-	3	3	3	3	3
Installed capacity after conversion into 20/s count - kgs	-	18,428,662	18,428,662	11,083,232	18,428,662	29,511,894
Actual production of yarn after conversion into 20/s count - kgs	-	9,658,993	9,658,993	2,371,519	6,264,812	8,636,331

46.1 The difference between installed and actual production capacity is due to general deteriorating economic condition of country, less demand and competitive environment lead to under utilization of capacity.

47.2 The Board of Directors of the Company in its meeting held on February 27, 2026, resolved to approve the sale of the entire plant, machinery and equipment of Spinning Unit-1 located at Nooriabad.

47 FINANCIAL INSTRUMENTS AND RELATED DISCLOSURES**47.1 Financial risk management**

The Board of Directors of the Company has the overall responsibility for the establishment and over sight of the Company's risk management framework. The Company has exposure to the following risks from its use of financial instruments:

- Credit risk
- Liquidity risk
- Market risk

The Company finances its operations through equity, borrowings and management of working capital with a view to maintaining an appropriate mix between various sources of finance to minimize risk.

47.2 Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counter party to a financial instrument fails to meet its contractual obligations. Concentration of credit risk arises when a number of counter parties are engaged in similar business activities or have similar economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economics, political or other conditions. Concentrations of credit risk indicate the relative sensitivity of the Company's performance to developments affecting a particular industry.

47.2.1 Exposure to credit risk

Credit risk of the Company arises principally from the trade debts, loan to employees, deposits, other receivables and bank balances. The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk is as follows:

	2026 Rupees	2025 Rupees
Deposits	23,068,676	23,068,676
Short term investments	82,334,728	26,556,772
Trade debts - gross	724,612,614	1,112,349,491
Loans	1,136,537	1,408,043
Other receivables	1,782,843	2,200,496
Bank balances	20,489,601	40,482,631
	<u>853,424,999</u>	<u>1,206,066,109</u>

47.2.2 Concentration of credit risk

Concentrations arise when a number of counterparties are engaged in similar business activities, or activities in the same geographical region, or have economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. Concentrations indicate the relative sensitivity of the Company's performance to developments affecting a particular industry. In order to avoid excessive concentrations of risk, management focuses on the maintenance of a diversified portfolio of customers. Identified concentrations of credit risks are controlled and managed accordingly. Management does not consider that it has any concentration of credit risk.

47.2.3 The credit quality of Company's bank balances can be assessed with reference to external credit ratings are as follows:

Bank Name	Agency	Long-term	Short-term
MCB Bank Limited	PACRA	AAA	A1+
National Bank of Pakistan	PACRA	AAA	A1+
Habib Metropolitan Bank Limited	PACRA	AAA	A1+
Standard Chartered Bank (Pak) Ltd	PACRA	AAA	A1+
JS Bank Limited	PACRA	AA	A1+
The Bank of Punjab	PACRA	AAA	A1+
FINCA Microfinance Bank Ltd	PACRA	B-	B
Faysal Bank Limited	VIS	AA	A1+
Askari Bank Limited	PACRA	AA+	A1+
Bank AL Habib Limited	PACRA	AAA	A1+

47.2.4 Impairment losses and past due balances

The following table provides information about the exposure to credit risk and ECLs for trade debts as at reporting date.



	2026			2025		
	Gross	Expected Credit loss	Credit impaired	Gross	Expected Credit loss	Credit impaired
	Rupees					
Current (not past due)	282,426,862	-	No	211,600,327	-	No
1-30 days past due	958,289	1,429	No	75,289,488	524,437	No
31-90 days past due	17,211,215	271,987	No	70,973,975	2,667,420	No
90-180 days past due	12,242,650	448,804	No	394,044,523	35,970,284	No
181-360 days past due	24,479,736	2,204,366	No	243,672,599	64,932,402	No
360 above days past due	387,293,863	387,293,863	Yes	116,768,579	115,291,368	Yes
	724,612,614	390,220,449		1,112,349,491	219,385,911	

Impaired assets

During the year, the Company has charged an allowance for expected credit loss on trade debts amounting to Rs. 170.834 million (2025: Rs. 53.32 million).

47.3 Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting its financial obligations as they fall due. Liquidity risk arises because of the possibility that the Company could be required to pay its liabilities earlier than expected or difficulty in raising funds to meet commitments associated with financial liabilities as they fall due. The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. For the purpose the Company has credit facilities available from banks and financial support from associated company. The company liquidity risk category is as follows:

Following are the contractual maturities of undiscounted financial liabilities, including interest payments (based on the remaining year to maturity):

	Carrying amount	Total contractual cash flows	Upto one year	Two to five years	Over five years
	Rupees				
2026					
Long term financing	546,785,748	546,785,748	148,070,791	366,411,233	32,303,724
Lease liabilities	123,237,605	141,685,283	42,141,228	99,544,055	-
Trade and other payables	1,517,857,142	-	-	-	-
Interest and markup accrued	22,852,357	103,545,237	42,411,374	60,080,139	1,053,724
Short-term borrowings	205,892,286	286,981,515	286,981,515	-	-
	2,416,625,138	1,078,997,783	519,604,907	526,035,427	33,357,449
	Carrying amount	Contractual Cash Flows	Upto one year	Two to five years	Over five years
	Rupees				
2025					
Long term financing	671,371,369	671,371,369	116,982,229	452,454,583	101,934,557
Lease liabilities	141,685,283	141,685,283	42,141,228	99,544,055	-
Trade and other payables	1,440,239,227	-	-	-	-
Interest and markup accrued	43,014,140	171,419,289	55,050,118	109,071,356	7,297,815
Short-term borrowings	408,967,875	408,967,875	408,967,875	-	-
	2,705,277,894	1,393,443,816	623,141,450	661,069,994	109,232,372

All financial liabilities of the Company are unsecured except as mentioned in note 22 and 30 to the financial statements.

47.4 Market risk

Market risk is the risk that the value of the financial instrument may fluctuate as a result of changes in market interest rates or the market price due to a change in credit rating of the issuer or the instrument, change in market sentiments, speculative activities, supply and demand of securities and liquidity in the market. Market risk comprises of currency risk, inherent rate risk and other risk. The Company is exposed to currency risk, price risk and interest rate risk only.

a) Currency risk

Foreign currency risk is the risk that the value of financial asset or a liability will fluctuate due to a change in foreign exchange rates. It arises mainly where receivables and payables exist due to transactions entered into in foreign currencies. As of June 30, 2026, the Company is not exposed to any currency risk.

b) Interest rate risk

Interest rate risk is the risk that the fair value on future cash flows of a financial instrument will fluctuate because of change in market interest rates. Interest rate exposure arises from long term finance and short term borrowings.

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

	2026 Effective rate (In percent)	2025 Effective rate (In percent)	2026 Carrying amount Rupees	2025 Carrying amount Rupees
Financial liabilities				
Fixed rate instrument				
Long term financing	3.25% - 4.5%	3.25% - 4.5%	143,296,641	159,445,567
Variable rate instruments				
Long term financing	10.64% - 18.09%	4.50% - 24.96%	220,022,291	220,022,291
Short term borrowings	11.99% - 13.83%	13.22% - 23.62%	205,892,286	408,967,875
Lease liabilities	15.30% - 16.40%	15.59% - 24.34%	103,708,408	133,584,543

Fair value sensitivity analysis for fixed rate instruments

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

Cash flow sensitivity analysis for variable rate instruments

A change of 100 basis points in interest rates at the reporting date would have increased / (decreased) profit for the year by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency rates, remain constant. The analysis is performed on the same basis for prior year.

	Profit or loss	
	100 bp increase	100 bp decrease
As at June 30, 2026		
Cash flow sensitivity - Variable rate financial liabilities	5,296,230	(5,296,230)
As at June 30, 2025		
Cash flow sensitivity - Variable rate financial liabilities	8,884,027	(8,884,027)

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

Interest rate analysis of the financial instruments

A summary of the Company's interest rate gap position, analysed by the earlier of contractual repricing or maturity date is as follows:

	Carrying value	
	2026	2025
Financial assets		
Bank balance	5,255,350	22,791,637
Financial liability		
Borrowing from banks	(260,892,286)	(408,967,875)
Lease liability	(81,683,735)	(105,378,852)
Net balance exposed to interest rate risk	(337,320,671)	(491,555,090)

Loan to employees amounting to Rs. 1.14 million (2025: Rs. 1.41 million) as mentioned in note 14 have not been included in the above table as it is not material.

c) Yield / mark up rate risk

Yield / mark-up rate risk is the risk that the value of the financial instruments will fluctuate due to changes in the market yield / mark-up rates. Sensitivity to yield / mark-up rate risk arises from mismatches of financial assets and financial liabilities that mature or reprice in a given period. The Company manages these mismatches through risk management strategies where significant changes in gap position can be adjusted. The Company is exposed to yield / mark-up rate risk in respect of the following:

	Effective yield / mark-up rate %	2026					Not exposed to yield / mark-up rate risk
		Total	Exposed to yield / mark-up rate risk			Sub-total	
			Maturity upto one year	Maturity over one year to five years	Maturity over five years		
Financial assets							
At fair value through other comprehensive income							
Investments		216,885,774	-	-	-	-	216,885,774
Amortized cost							
Investments	10.50% - 12.55%	82,334,728	82,334,728	-	-	82,334,728	-
Trade debts	-	334,392,165	-	-	-	-	334,392,165
Trade deposits	-	23,068,676	-	-	-	-	23,068,676
Loans	-	1,136,537	-	-	-	-	1,136,537
Other receivables	-	1,782,843	-	-	-	-	1,782,843
Cash and bank balances	7.12% - 10.00%	20,561,394	5,255,350	-	-	5,255,350	15,306,044
		680,162,117	87,590,078	-	-	87,590,078	592,572,039
Financial liabilities							
Financial liabilities carried at amortized cost							
Long-term financing	3.25% - 18.09%	546,785,748	148,070,791	366,411,233	32,303,724	546,785,748	-
Lease liabilities	15.30% - 16.40%	123,237,605	32,591,265	90,646,340	-	123,237,605	-
Trade and other payables		1,517,857,142	-	-	-	-	1,517,857,142
Interest and mark-up accrued		22,852,357	-	-	-	-	22,852,357
Short-term borrowings	11.99% - 13.83%	205,892,286	205,892,286	(457,057,573)	(32,303,724)	205,892,286	-
		(2,416,625,138)	(386,554,342)	(457,057,573)	(32,303,724)	(875,915,639)	(1,540,709,499)
		(1,736,463,021)	(298,964,264)	(457,057,573)	(32,303,724)	(788,325,561)	(948,137,460)
On balance sheet gap							
Off balance sheet items							
Guarantees on behalf of the Company		121,966,000	-	-	-	-	121,966,000
Letter of credit		-	-	-	-	-	-
		121,966,000	-	-	-	-	121,966,000
Total gap		(1,858,429,021)	(298,964,264)	(457,057,573)	(32,303,724)	(788,325,561)	(1,070,103,460)



	Effective yield / mark-up rate %	2025					Not exposed to yield / mark-up rate risk
		Exposed to yield / mark-up rate risk				Sub- total	
		Total	Maturity upto one year	Maturity over one year to five years	Maturity over five years		
			Rupees				
Financial assets							
At fair value through other comprehensive income							
Investments		113,598,582	-	-	-	-	113,598,582
Amortized cost							
Investments	15.24% - 19.26%	26,556,772	26,556,772	-	-	26,556,772	-
Trade debts	-	892,963,580	-	-	-	-	892,963,580
Trade deposits	-	23,068,676	-	-	-	-	23,068,676
Loans	-	1,408,043	-	-	-	-	1,408,043
Other receivables	-	2,200,496	-	-	-	-	2,200,496
Cash and bank balances	8.00% - 19.00%	40,588,667	22,791,637	-	-	22,791,637	17,797,030
		1,100,384,816	49,348,409	-	-	49,348,409	1,051,036,405
Financial liabilities							
Financial liabilities carried at amortized cost							
Long-term financing	4.50% - 24.96%	671,371,369	116,982,229	452,454,583	101,934,557	671,371,369	-
Lease liabilities	15.59% - 24.34%	141,685,283	42,141,228	99,544,055	-	141,685,283	-
Trade and other payables		1,440,239,227	-	-	-	-	1,440,239,227
Interest and markup accrued		43,014,140	-	-	-	-	43,014,140
Short-term borrowings	13.22% - 23.62%	408,967,875	408,967,875	-	-	408,967,875	-
		2,705,277,894	(568,091,332)	(551,998,638)	(101,934,557)	(1,222,024,527)	(1,483,253,367)
		(1,604,893,078)	(518,742,923)	(551,998,638)	(101,934,557)	(1,172,676,118)	(432,216,960)
On balance sheet gap							
Off balance sheet items							
Guarantee issued on behalf of Company		121,966,000	-	-	-	-	121,966,000
Letter of credit for capital expenditure		-	-	-	-	-	-
		121,966,000	-	-	-	-	121,966,000
		(1,724,859,078)	(518,742,923)	(551,998,638)	(101,934,557)	(1,172,676,118)	(554,182,960)
Total gap							

d) Price risk

Price risk is the risk that the fair value or the future cashflows of a financial instrument will fluctuate because of changes in the market prices (other than those arising from currency risk or interest rate risk), whether those changes are caused by factors specific to the individual financial instruments or its issuer, or factors affecting all similar financial instruments traded in the market. The Company is exposed to changes in fair value or cash flows of its investment in associate.

Exposure

The Company has exposure to market price risk in investments classified as fair value through other comprehensive.

Risk management

The Company's policy is to manage price risk through diversification and selection of financial instruments within specified limits.

	2026 Rupees	2025 Rupees
As at June 30, 2026, the fair value of equity securities exposed to price risk were as follows:		
At fair value through other comprehensive income	216,885,774	113,598,582

The following analysis illustrates the sensitivity of the profit for the year and the share holders' equity to an increase or decrease of 5% in the fair values of the Company's equity securities. This level of change is considered to be reasonably possible based on observation of current market conditions. The sensitivity analysis is based on the Company's equity securities at each statement of assets and liabilities date, with all other variables held constant.

	Change in rate	Effect on profit/ loss before tax
2026	±	10,844,289
2025	±	5,679,929

47.5 Financial instruments by category**Financial assets**

At fair value through other comprehensive income		
Investments	216,885,774	113,598,582
Amortized cost		
Investments	82,334,728	26,556,772
Trade debts	334,392,165	892,963,580
Loans	1,136,537	1,408,043
Trade deposits	23,068,676	23,068,676
Other receivables	1,782,843	2,200,496
Bank balances	20,561,394	40,588,667
	<u>680,162,117</u>	<u>1,100,384,816</u>

Financial liabilities

Financial liabilities carried at amortized cost

Long-term financing	546,785,748	671,371,369
Lease liabilities	123,237,605	141,685,283
Trade and other payables	1,517,857,142	1,440,239,227
Interest and markup accrued	22,852,357	43,014,140
Short-term borrowings	205,892,286	408,967,875
	<u>2,416,625,138</u>	<u>2,705,277,894</u>

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48 FAIR VALUE OF FINANCIAL INSTRUMENTS

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i.e. an exit price) regardless of whether that price is directly observable or estimated using another valuation technique.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

The different levels of fair valuation method have been defined as follows:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.

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

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy:

The Company held the following financial instruments measured at fair value:

June 30, 2026				
Fair value				
	Level 1	Level 2	Level 3	Total
	Rupees			
Long term investment	216,885,774	-	-	216,885,774
	216,885,774	-	-	216,885,774
June 30, 2025				
Fair value				
	Level 1	Level 2	Level 3	Total
	Rupees			
Long term investment	113,598,582	-	-	113,598,582
	113,598,582	-	-	113,598,582

Valuation techniques

- 48.1 The fair value of the securities have been assessed through market value deployed at Pakistan Stock Exchange(PSX) website.
- 48.2 The carrying values of all financial assets and liabilities reflected in the financial statements are approximately equal to their fair values. However, there were no transfers between levels of fair value hierarchy during the year.



49 CAPITAL RISK MANAGEMENT

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

The Company manages its capital structure by monitoring return on net assets and makes adjustments to it in the light of changes in economic conditions. The company monitors capital using a debt equity ratio, which is net debt divided by total capital plus net debt. Equity comprises of share capital and reserve. the gearing ratios as at June 30, 2026 and June 30, 2025 are as follows:

The debt-to-adjusted capital ratio at the end of the reporting period were as follows:

	2026 Rupees	2025 Rupees
Total Borrowings (notes 21, 22, 28 & 29)	727,919,626	1,047,848,237
Less: Cash and bank balances (note 18)	(20,716,993)	(41,943,574)
Net debt	707,202,633	1,005,904,663
Total equity	771,727,537	1,225,284,412
Total capital	1,478,930,170	2,231,189,075
Gearing ratio	48%	45%

50 NUMBER OF EMPLOYEES

	2026 No. of employees	2025 No. of employees
Number of employees as at June 30,	585	532
Average number of employees	595	726

51 SHARIAH COMPLIANT DISCLOSURE

Statement of Financial Position

Shariah compliant

	Note	2026 Rupees	2025 Rupees
Sales	32	3,841,176,077	4,330,539,341
Short-term borrowing	28	55,000,000	75,000,000
Financial Charges	38	8,512,553	13,485,637
Mark-up accrued	27	4,079,653	5,287,319
Bank balances	18	155,599	1,354,907

Non-Shariah compliant

	Note	2026 Rupees	2025 Rupees
Short-term borrowing	28	205,892,286	333,967,875
Financial Charges	38	125,935,249	185,973,868
Mark-up accrued	27	18,772,704	37,726,821
Bank balances	18	20,489,601	40,482,631

Annual Report 2026

52 CORRESPONDING FIGURES

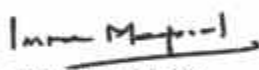
Corresponding figures have been rearranged and reclassified, wherever considered necessary, for the purpose of comparison and better presentation however no significant reclassification has been made during the year.

53 GENERAL

Figures have been rounded off to the nearest rupee unless other wise stated.

54 DATE OF AUTHORIZATION FOR ISSUE

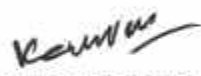
These financial statements were authorized for issue on October 06, 2026 by the Board of Directors of the Company.



IMRAN MAQBOOL
Chief Executive Officer



HANYA MAQBOOL
Director



KAMRAN RASHEED
Chief Financial Officer



PATTERN OF SHAREHOLDING

FORM 20 THE COMPANIES ACT, 2017 COMPANIES REGULATIONS, 2024 [Section 227(2)(f) and Regulation 30]

1.1 Name of the Company

CRESCENT FIBRES LIMITED

2.1. Pattern of holding of the shares held by the shareholders as at

June 30, 2026

2.2 No. of Shareholders	Shareholdings		Total shares Held	Percentage
	From	To		
752	1	100	22,707	0.18
445	101	500	100,042	0.81
90	501	1,000	62,032	0.50
119	1,001	5,000	222,771	1.79
26	5,001	10,000	175,817	1.42
9	10,001	15,000	113,645	0.92
6	15,001	20,000	99,614	0.80
8	20,001	25,000	175,699	1.41
8	25,001	30,000	228,806	1.84
2	30,001	35,000	65,838	0.53
2	35,001	40,000	74,160	0.60
3	40,001	45,000	127,500	1.03
1	50,001	55,000	50,853	0.41
2	55,001	60,000	115,585	0.93
1	65,001	70,000	69,183	0.56
2	70,001	75,000	145,320	1.17
2	75,001	80,000	153,897	1.24
1	135,001	140,000	137,641	1.11
1	140,001	145,000	143,705	1.16
1	145,001	150,000	150,000	1.21
2	155,001	160,000	315,948	2.54
1	235,001	240,000	237,466	1.91
1	240,001	245,000	241,623	1.95
1	350,001	355,000	351,657	2.83
1	400,001	405,000	401,065	3.23
1	630,001	635,000	633,015	5.10
2	795,001	800,000	1,600,000	12.88
1	850,001	855,000	852,681	6.87
1	1,230,001	1,235,000	1,232,355	9.92
1	1,305,001	1,310,000	1,306,831	10.52
1	1,395,001	1,400,000	1,396,045	11.24
1	1,410,001	1,415,000	1,414,375	11.39
1,495			12,417,876	100.00

2.3 Categories of Shareholders	Shares Held	Percentage
2.3.1 Directors, Chief Executive Officer, and their spouse and minor children	4,602,341	37.06
2.3.2 Associated Companies, Undertakings and Related Parties. (Parent Company)	30,000	0.24
2.3.3 NIT and ICP	858,438	6.91
2.3.4 Banks Development Financial Institutions, Non Banking Financial Institutions	130,308	1.05
2.3.5 Insurance Companies	1,102	0.01
2.3.6 Modarabas and Mutual Funds	94,028	0.76
2.3.7 Shareholders holding 10% or more	5,750,671	46.31
2.3.8 General Public		
a. Local	6,009,128	48.39
b. Foreign	1,152	0.01
2.3.9 Others (to be specified)		
Joint Stock Companies	582,741	4.69
Pension Funds	77,956	0.63
Others	30,682	0.25

**Categories of Shareholding required under Code of Corporate Governance (CCG)
As on June 30, 2026**

Sr. No.	Name	No. of Shares Held	Percentage
Associated Companies, Undertakings and Related Parties (Name Wise Detail):			
1	PREMIER INSURANCE LIMITED (CDC)	30,000	0.24
Mutual Funds (Name Wise Detail)			
1	CDC -TRUSTEE AKD OPPORTUNITY FUND (CDC)	35,407	0.29
2	CDC - TRUSTEE GOLDEN ARROW STOCK FUND (CDC)	42,000	0.34
Directors and their Spouse and Minor Children (Name Wise Detail):			
1	MR. IMRAN MAQBOOL (CDC)	1,414,375	11.39
2	MR. HUMAYUN MAQBOOL (CDC)	1,396,045	11.24
3	MRS. NAILA HUMAYUN MAQBOOL	500	0.00
4	MS. HANYA MAQBOOL	500	0.00
5	MR. MANSOOR RIAZ (CDC)	1,633,420	13.15
6	SYED RIZWAN HUSSAIN (CDC)	500	0.00
7	MR. SHEIKH MUHAMMAD ALI ASIF (CDC)	500	0.00
8	MRS. ASMA IMRAN MAQBOL W/O IMRAN MAQBOOL (CDC)	6,501	0.05
9	MRS. SADIA MANSOOR RIAZ W/O MR. MANSOOR RIAZ (CDC)	150,000	1.21
Executives:		1,050	0.01
Public Sector Companies & Corporations:			
	Joint Stock Companies	582,741	4.69
Banks, Development Finance Institutions, Non Banking Finance Companies, Insurance Companies, Takaful, Modarabas and Pension Funds:		225,987	1.82
Shareholders holding five percent or more voting interest in the listed company (Name Wise Detail)			
S. No.	NAME	Holding	%Age
1	MR. MANSOOR RIAZ (CDC)	1,633,420	13.15
2	MR. IMRAN MAQBOOL (CDC)	1,414,375	11.39
3	MR. HUMAYUN MAQBOOL (CDC)	1,396,045	11.24
5	MR. NADEEM MAQBOOL (CDC)	1,306,831	10.52
6	CDC - TRUSTEE NATIONAL INVESTMENT (UNIT) TRUST (CDC)	852,681	6.87
7	MR. SAIF MAQBOOL (CDC)	800,000	6.44
8	MR. TAYYAB IMRAN MAQBOOL (CDC)	800,000	6.44
9	MR. BASHIR AHMAD (CDC)	633,015	5.10
All trades in the shares of the listed company, carried out by its Directors, Executives and their spouses and minor children shall also be disclosed:			
Sr. No.	Name	Sale	Purchase
1	MR. MANSOOR RIAZ (CDC)	-	10,436





FORM OF PROXY

CDC Participant ID # _____ Sub Account # / Folio # _____ NIC No. _____ Share Holding _____

I/We _____
of _____
being a member of **CRESCENT FIBRES LIMITED**, hereby appoint _____ or
failing him _____ (being
a member of the Company) as my/our proxy to attend, act and vote for me/us and on my/our
behalf at the 49th Annual General Meeting of the Company to be held on Wednesday the
28th October, 2026 at 9.30 a.m. at Registered office of the Company 104-Shadman-1, Lahore and
at any adjournment thereof.

Witnesses:

1. Signature: _____
Name : _____
C.N.I.C. : _____
Address: _____
2. Signature: _____
Name : _____
C.N.I.C. : _____
Address: _____

Please affix here
Revenue
Stamps of Rs. 50/-

Members' Signature

Date:

NOTES:

1. A member entitled to attend and vote at a General Meeting is entitled to appoint a proxy.
2. The instruments appointing a proxy, together with the power of attorney, if any, under which it is signed or a notarially certified copy thereof, should be deposited at the Registered Office, 104-Shadman-1, Lahore, not less than 48 hours before the time of holding the Meeting.
3. CDC account holders will further have to follow the under mentioned guidelines as laid down in circular # 1 dated January 26, 2000 of the Securities & Exchange Commission of Pakistan for appointing Proxies:
 - 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 submit the proxy form as per the above requirement.
 - ii) The proxy form shall be witnessed by two persons whose names, addresses and CNIC numbers shall be mentioned on the form.
 - iii) Attested copies of CNIC or the passport of the beneficial owners and the proxy shall be furnished with the proxy form.
 - iv) The proxy shall produce his original CNIC or original passport at the time of the meeting.
 - v) In case of a corporate entity, the Board of Directors' resolution/power of attorney with specimen signatures of the proxy holder shall be submitted (unless it has been provided earlier) alongwith proxy form to the company.



**Crescent
Fibres**

کریسٹنٹ فائبرز لمیٹڈ

پراکسی فارم (مختار نامہ)

حصہ دار (شیئر ہولڈنگ)	کمپیوٹرائزڈ قومی شناختی کارڈ نمبر	سب اکاؤنٹ (ذیلی اکاؤنٹ) نمبر	سی ڈی سی شرکت آئی ڈی نمبر

میں/ہم
ساکن
بحیثیت رکن کریسٹنٹ فائبرز لمیٹڈ، محترم/محترمہ
کی غیر موجودگی میں
کئی کے رکن (گواہ) ہمارے لیے، پر مورخہ 28 اکتوبر 2026ء بروز جمعہ صبح 9:30 بجے برہم کھلی کے رجسٹرڈ آفس 104 شاہان-1، لاہور پر مستند ہونے والے کریسٹنٹ فائبرز لمیٹڈ کا 49 واں سالانہ اجلاس عام میں حق رائے دہی استعمال کرنے، اقترا برادر شرکت کر لے یا کسی بھی التوا کی صورت میں اپنا/ہمارا بطور مختار (پراکسی) مقرر کرنا ہوں/آکرتے ہوں۔
آج بروز تاریخ 2026ء کو میرے/ہمارے دخل سے گواہوں کی تصدیق سے جاری ہوا۔

گواہان

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50/- روپے کارسید کی گنت یہاں چسپاں کریں

دستخط رکن
کئی کے مورخہ دخل سے مہم اے ہونے چاہئیں۔

نوٹ:

- 1: اجلاس عام میں شرکت اور رائے دہی کا حق رکن، پراکسی مقرر کر سکتا ہے۔
- 2: پراکسی اور مختار نامہ، ہنگامہ کوئی (اگر کوئی ہو) اختصاری کے آلات، جس کے تحت یہ اختیار شدہ ہو یا اس حق رائے دہی کی تصدیق کوئی، کئی کے شیئر رجسٹرڈ دفتر 104 شاہان-1، لاہور میں اجلاس منعقد ہونے سے کم از کم 48 (اڑتالیس) گھنٹے قبل جمع کرانے چاہئے جائیں۔
- 3: سی ڈی سی اکاؤنٹ ہولڈر کو پراکسی مقرر کرنے کے لیے یکسر ریجسٹرڈ ایجنٹ/ایجنٹ کیخلاف ایک پاکستان کے مورخہ 26 جنوری 2000 کو جاری کردہ سرکلر نمبر 1 میں دی گئی مندرجہ ذیل گائیڈ لائنز کی پیروی کرنا ہوگی۔
- (i) بصورت اقترا اور اکاؤنٹ ہولڈر اور/یا سب اکاؤنٹ ہولڈر جن کی یکسر ریجسٹرڈ ایجنٹ/ایجنٹ کی تصدیق تو بعد مضامین کے مطابق اپ لوڈ ہوں، انہیں درج بالا شرائط کے مطابق پراکسی فارم (مختار نامہ) جمع کرنا ہوگی۔
- (ii) پراکسی فارم پر بطور گواہان و دائرہ کے دخل ہونے چاہئیں اور ان کے نام، سچے اور کمپیوٹرائزڈ قومی شناختی کارڈ نمبر فارم پر درج ہوں۔
- (iii) مطلقاً انہیں اور پراکسی کے کمپیوٹرائزڈ قومی شناختی کارڈ یا پاسپورٹ کی تصدیق لغو، پراکسی فارم (مختار نامہ) کے مندرجہ ذیل شرائط کی پیروی کرنا ہوگی۔
- (iv) پراکسی اجلاس کے وقت پناہ اصل کمپیوٹرائزڈ قومی شناختی کارڈ یا اصل پاسپورٹ مہیا کرے گا/گی۔
- (v) بصورت کارپوریٹ ایجنسی، بورڈ کی قرار داد مختار نامہ پراکسی ہولڈر کے دخل (اگر سیلف رائٹ ہونے کے ہوں) پراکسی فارم (مختار نامہ) کے مندرجہ ذیل میں جمع کرنا ہوگا۔



**Crescent
Fibres**

BALLOT PAPER

Registered Office: 104 -Shadman-1, Lahore.

Contact: +92-42-35960871-4 Lines, Website: <https://www.crescentfibres.com>

Ballot paper for voting through post for the Special Business at the Annual General Meeting of **Crescent Fibres Limited** scheduled on Wednesday October 28, 2026 at 09.30 a.m. at the Company's Registered Office situated at 104-Shadman-1, Lahore.

Contact details of the Chairman at which the ballot paper may be sent:

Registered Office Address: The Chairman, Crescent Fibres Limited, 104-Shadman-1, Lahore.

Attention: Chairman of the meeting at Designated Email Address: cs@crescentfibres.com

Name of Shareholder/Joint Shareholders	
Registered Address	
Folio No./CDC Participant / Investor ID with Sub-Account #	
Number of shares held (shall be taken as of book closure in notice)	
CNIC, NICOP/ Passport No. (for foreigner) (Copy to be attached)	
Additional Information and enclosures (In case of representative of body corporate, corporation, and Federal Government.)	

Instructions for Poll

- Please indicate your vote by ticking (v) the relevant box.
- In case if both the boxes are marked as (v), you poll shall be treated as "Rejected".

I/we hereby exercise my/our vote in respect of the following Special Business resolution through postal ballot by conveying my/our assent or dissent to the resolution by placing tick (v) mark in the appropriate box below;

Agenda #	Nature and Description of Resolutions	No of Shares for which votes cast	I/We assent to the Resolution (FOR)	I/We dissent to the Resolution (AGAINST)
3.	"RESOLVED THAT the transactions conducted with related parties as disclosed in the note of the financial statement for the year ended June 30, 2026 and specified in the Statement of Material Information under section 134(3) be and are hereby ratified, approved and confirmed."			
4.	"RESOLVED THAT the Board of Directors of the Company be and is hereby authorized to approve the transactions to be conducted with related parties on case to case basis for the financial year ending June 30, 2027." "RESOLVED FURTHER that these transactions by the Board shall be deemed to have been approved by the shareholders and shall be placed before the shareholders in the next Annual General Meeting for their formal ratification/approval."			

Signature of Shareholder(s) (In case of corporate entity, please affix company stamp)	Place	Date



NOTES:

1. Duly filled ballot paper form should be sent to the Chairman of Crescent Fibres Limited at Registered Office at 104-Shadman-1, Lahore, or e-mail at cs@crescentfibres.com.
2. Copy of CNIC/ Passport (in case of foreigner) should be enclosed with the postal ballot form.
3. Ballot paper should reach the Chairman of the Company on or before October 27, 2026, upto 17.00 p.m. Any postal ballot received after this date and time will not be considered for voting.
4. Signature on ballot paper should match with signature on CNIC/Passport (in case of foreigner).
5. Incomplete, unsigned, incorrect, defaced, torn, mutilated, over written poll paper will be rejected.
6. In case of a representative of a body corporate, corporation or Federal Government, the Ballot Paper Form must be accompanied by a copy of the CNIC of an authorized person, an attested copy of Board Resolution, / Power of Attorney, / Authorization Letter etc., in accordance with Section(s) 138 or 139 of the Companies Act, 2017 as applicable. In the case of foreign body corporate etc. all documents must be attested by the Counsel General of Pakistan having jurisdiction over the Member.
7. Ballot Paper form has also been placed on the website of the Company at: www.crescentfibres.com. Members may download the ballot paper from the website or use an original/photocopy printed in annual reports.



**Crescent
Fibres**

CRESCENT FIBRES LIMITED

104 Shadman 1, Lahore 54000

Tel: +92 (42) 35960871 - 4 Lines

Fax: +92 (42) 35960004

Email: lo@crescentfibres.com

Website: www.crescentfibres.com