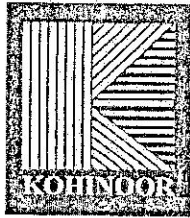


HALF YEARLY REPORT

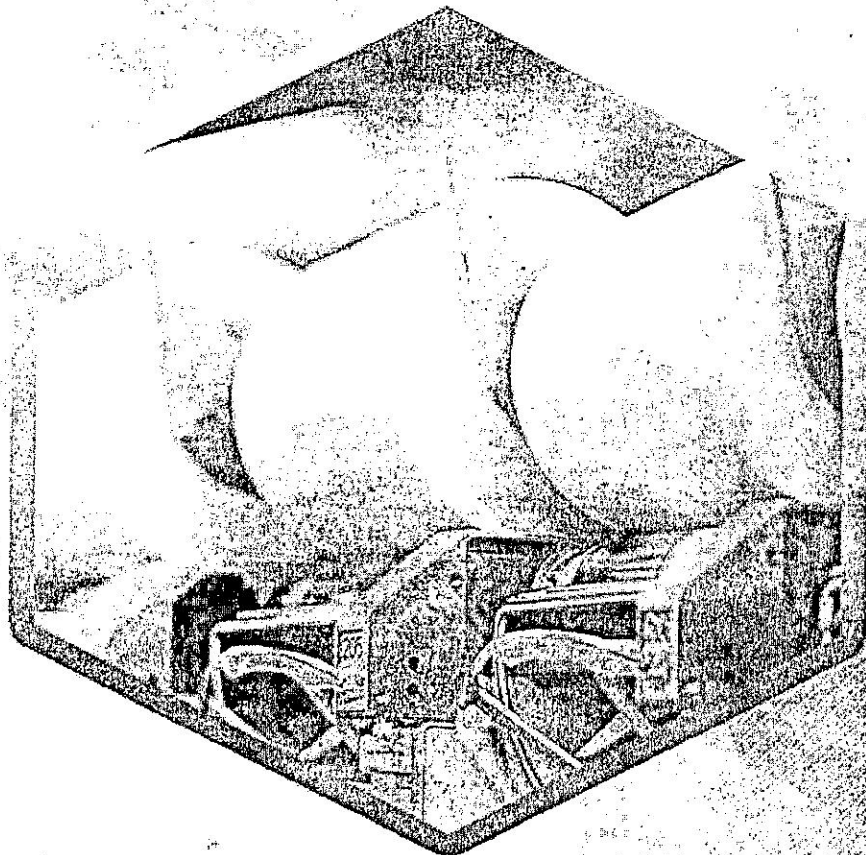
UN-AUDITED

For The Period Ended

December 31, 2022



Kohinoor Spinning Mills Limited



COMPANY INFORMATION

BOARD OF DIRECTOR

Khawaja Mohammad Jahangir	(Chairman)
Mohammad Naveed	(Chief Executive)
Khawaja Mohammad Tanveer	(Director)
Khawaja Mohammad Kaleem	(Director)
Mohammad Hamza Yousaf	(Director)
Aqsa Jahangir	(Director)
Faisal Qaiyum	(Independent Director)
Fiza Farhan	(Independent Director)

AUDIT COMMITTEE

Faisal Qaiyum	(Chairman)
Khawaja Mohammad Kaleem	(Member)
Aqsa Jahangir	(Member)

HR & REMUNERATION COMMITTEE

Faisal Qaiyum	(Chairman)
Khawaja Mohammad Jahangir	(Member)
Khawaja Mohammad Kaleem	(Member)

CORPORATE SECRETARY

Hasan Ahmad Khan	ACA
------------------	-----

CHIEF FINANCIAL OFFICER

Mr. Muhammad Saeed Zafar	M.B.A
--------------------------	-------

BANKERS

Habib Metro Bank Limited
MCB Bank Limited
National Bank of Pakistan
Allied Bank of Pakistan
Meezan Bank Limited
Askari Bank Limited
Saudi Pak Industrial and Agricultural Investment Company

AUDITOR

Nasir Javaid Maqsood Imran
Chartered Accountants
Office # 2, 3rd Floor, Pace Tower,
Plot # 27, Block H, M.M. Alam road, Extension,
Gulberg II, Lahore, Pakistan.

CORPORATE & REGISTERED OFFICE

7/1-E-3 Main Boulevard Gulberg III, Lahore
Tel : (042) 35717510
Fax : (042) 35755760

SHARE REGISTRARS

Corplink (Pvt) Limited
Wings Arcade, 1-K, Commercial,
Model Town, Lahore
Tel : (042) 35839182
Fax : (042) 35869037

MILLS

Unit I & II

Aminabad, Chakwal
Tel : (0543) 644254 – 644281

Unit III

DIRECTORS' REPORT

On behalf of the Directors of Kohinoor Spinning Mills Limited, it is our pleasure to present six months accounts for the period ended 31th December 2022.


Your Company has incurred a net loss of Rs.207 million as compared to a net loss of Rs. 249 million for the corresponding period last year. The sales of the Company has reduced from Rs.933 million to Rs. 67 million for the corresponding period last year. This drastic reduction in sales is due to factors like global recession, non-existent demand for fabric, flood, current political turmoil in the country and closure of the mill in December 2022 etc. The directors of the Company have injected funds worth Rs. 316 M in the Company to run it smoothly in this period as well. This would build confidence among the shareholders and creditors of the Company.

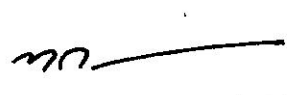
Our company has been incurring heavy losses for the last seven or more years despite our best efforts. One way to run the Company was to run it with same production plan and scarce resources. Other way was to stop production immediately, control expenses, arrange for resources, change production according to current requirements. We have opted for the second option. We have closed our production facility in December 2022 to ponder over new strategies to run mill affairs smoothly.

Due to inflation, flood, current political turmoil etc. textile industry is facing worst crises in recent times with no recipe in sight. Keeping in view these facts, we are not hopeful of spinning industry revival in our country immediately.

In the end, we assure you that the management will continue its efforts to improve the overall performance of the Company through increased productivity, cost control and by devising optimal production strategies.

Lahore:
28 February 2023


Khawaja Mohammad Jahangir
(Chairman)


Mohammad Naveed
(Chief Executive Officer)

ڈائریکٹرز رپورٹ

کوہ نور سپنگ ملز لمیٹڈ کے بورڈ آف ڈائریکٹرز کی جانب سے ہم 31 دسمبر 2022 پر اختتام شدہ ششماہی کے حسابات پیش کرتے ہوئے خوشی محسوس کر رہے ہیں۔

گزشتہ سال کے دو سو انچاس ملین روپے (Rs. 249 Million) کے نقصان کے مقابلے میں آپ کی کمپنی نے اس سال دو سو سات ملین (Rs. 207) روپے کا نقصان اٹھایا ہے۔ گزشتہ سال میں کمپنی کی سیل نو سو تینتیس ملین روپے سے کم ہو کر سرٹسٹھ ملین روپے ہو گئی ہے۔ کمپنی کی سیل میں اتنی بڑی کمی کی وجہ کئی عناصر ہیں جیسا کہ عالمی کساد بازاری، کپڑے کی غیر موجودہ مانگ، سیلاب، موجودہ سیاسی افراتفری اور کمپنی کا دسمبر 2022 میں بند ہو جانا وغیرہ۔ کمپنی کے ڈائریکٹرز نے کمپنی میں تین سو سولہ ملین روپے کے فنڈز بھی ڈالے تاکہ کمپنی ہموار طریقے سے چل سکے۔ اس سے کمپنی کے شیئر ہولڈرز اور کمپنی کے کریڈیٹرز کے مابین اعتماد پیدا ہوگا۔

ہماری پوری کوششوں کے باوجود ہماری کمپنی گزشتہ سات یا اس سے زیادہ سالوں سے بھاری خسارہ اٹھا رہی ہے۔ کمپنی کو چلانے کا ایک طریقہ اسے ایک ہی پیداواری پلان اور قلیل وسائل کے ساتھ چلانا تھا۔ دوسرا طریقہ یہ تھا کہ فوری طور پر پیداوار بند کی جائے، اخراجات کو کنٹرول کیا جائے، وسائل کا بندوبست کیا جائے، موجودہ ضروریات کے مطابق پیداوار میں تبدیلی کی جائے، ہم نے دوسرے آپشن کا انتخاب کیا ہے ہم نے اپنی پیداواری سہولت کو مورخہ دسمبر 2022 میں بند کر دیا ہے تاکہ مل کر معاملات کو آسانی سے چلانے کے لیے نئی حکمت عملیوں پر غور کیا جاسکے۔

مہنگائی، سیلاب، موجودہ سیاسی بحران وغیرہ کی وجہ سے ٹیکسٹائل انڈسٹری کو حالیہ دنوں میں بدترین بحران کا سامنا ہے جس کا کوئی حل نظر نہیں آ رہا ہے۔ ان حقائق کو مد نظر رکھتے ہوئے، ہم فوری طور پر اپنے ملک میں اسپننگ انڈسٹری کی بحالی کے لیے پرامید نہیں ہیں۔

آخر میں ہم آپ کو یقین دلاتے ہیں کہ انتظامیہ پیداواری صلاحیت میں اضافہ، لاگت پر کنٹرول اور بہترین پیداواری حکمت عملی وضع کر کے کمپنی کی مجموعی کارکردگی کو بہتر بنانے کی اپنی کوششیں جاری رکھے گی۔

محمد نوید

(چیف ایگزیکٹو آفسر)

خواجہ محمد جہانگیر

(چیرمین)

لاہور

28 فروری 2023



INDEPENDENT AUDITOR'S REVIEW REPORT

To the members of Kohinoor Spinning Mills Limited

Report on review of Interim Financial Statements

Introduction

We have reviewed the accompanying condensed interim statement of financial position of **Kohinoor Spinning Mills Limited** as at December 31, 2022 and the related condensed interim statement of profit or loss, condensed interim statement of comprehensive income, condensed statement of changes in equity, condensed interim statement of cash flows and notes to the condensed interim financial information for the six-month period then ended (here-in-after referred to as the "interim financial statements"). Management is responsible for the preparation and presentation of this interim financial statements in accordance with the approved accounting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on these statements based on our review.

The figures of the condensed interim profit or loss and condensed interim statement of comprehensive income for the quarters ended December 31, 2022 and December 31, 2021 have not been reviewed and we do not express a conclusion on them, as we are required to review only the cumulative figures for the half year ended December 31, 2022.

Scope of Review

We conducted our review in accordance with the International Standard on Review Engagements 2410, "Review of interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial information consists of making inquires primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim financial information is not prepared, in all material respects, in accordance with approved accounting standards as applicable in Pakistan relating to interim financial reporting.

The engagement partner on the audit resulting in this independent auditor's review report is Mr. Muhammad Maqsood.

Date: 28, February 2023

Lahore

UDIN: RR202210122ZAY9oLwgU

Nasir Javaid Maqsood Imran
Nasir Javaid Maqsood Imran
Chartered Accountants

Offices also at:

KARACHI: OFFICE # 807, 8TH FLOOR, Q.M. HOUSE, PLOT No. 11/2, ELLANDER ROAD, OPP. SHAHEEN COMPLEX,
OFF. I.I. CHUNDRIGAR ROAD, KARACHI - PAKISTAN.
Tel: +92-21-32212382, +92-21-32212383, +92-21-32211516 +92-21-32211515
Email: khi@njmi.net

ISLAMABAD: OFFICE # 17, 2nd FLOOR, HILL VIEW PLAZA, ABOVE FRESCO SWEETS, BLUE AREA JINNAH AVENUE ISLAMABAD, PAKISTAN.

KOHINOOR SPINNING MILLS LIMITED
CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION AS AT DECEMBER 31, 2022 (UN-AUDITED)

	Un-Audited	Audited	Notes	Un-Audited	Audited
	December 31, 2022 (Rupees)	June 30, 2022 (Rupees)		December 31, 2022 (Rupees)	June 30, 2022 (Rupees)
EQUITY AND LIABILITIES					
Share Capital and Reserves					
Authorised Capital	2,200,000,000	2,200,000,000			
440,000,000 (June 30, 2022 - 440,000,000) ordinary shares of Rs.5 each					
Issued, subscribed and paid up capital	1,078,571,425	1,078,571,425	5	1,480,013,502	1,512,275,386
215,714,285 (June 30, 2022 - 215,714,285) ordinary shares of Rs.5 each	(2,813,488,054)	(2,606,110,373)		44,221,312	44,221,312
Reserves	(1,734,916,629)	(1,527,538,948)		224,532	322,661
	1,284,684,419	968,254,259		1,524,459,346	1,556,819,359
	40,434,287	48,292,487			
	1,325,118,706	1,016,546,746			
NON-CURRENT LIABILITIES					
Long term Loans					
Deferred liabilities					
CURRENT LIABILITIES					
Trade and other payables	872,899,636	1,044,696,307		17,690,257	17,241,452
Accrued interest on loans and borrowings	471,877,939	471,877,939		1,093,661,045	1,018,002,853
Short-term borrowings	1,463,142,972	1,463,142,972		259,116,025	392,236,228
Current portion of long term loan	364,705,882	364,705,882		93,163,314	45,831,264
Supplier's credit	206,602,784	175,195,971		2,989,311	1,699,518
Un-claimed dividend	1,915,117	1,915,117		1,466,619,952	1,475,011,315
Provision for taxation	19,732,891	21,288,688			
	3,400,877,221	3,542,822,876			
	2,991,079,298	3,031,830,674		2,991,079,298	3,031,830,674

The annexed notes form an integral part of these condensed interim financial information.


CHAIRMAN

Lahore,
 February 28, 2023


CHIEF FINANCIAL OFFICER

KOHINOOR SPINNING MILLS LIMITED
CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS ACCOUNT (UN-AUDITED)
FOR THE HALF YEAR ENDED DECEMBER 31, 2022

	Half Year Ended		Quarter Ended	
	Un-Audited	Un-Audited	Un-Audited	Un-Audited
	Notes December 31,2022 (Rupees)	December 31,2021 (Rupees)	December 31,2022 (Rupees)	December 31,2021 (Rupees)
SALES - NET	106,673,397	932,528,874	4,336,239	370,276,096
COST OF SALES	<u>(235,290,453)</u>	<u>(1,101,209,284)</u>	<u>(44,260,913)</u>	<u>(511,812,943)</u>
GROSS (LOSS)	(128,617,056)	(168,680,410)	(39,924,674)	(141,536,847)
OPERATING EXPENSES				
Distribution Cost	-	(393,990)	-	(360,385)
Administrative	<u>(48,742,337)</u>	<u>(62,640,731)</u>	<u>(20,568,015)</u>	<u>(25,900,756)</u>
	<u>(48,742,337)</u>	<u>(63,034,721)</u>	<u>(20,568,015)</u>	<u>(26,261,141)</u>
OPERATING (LOSS)	(177,359,393)	(231,715,131)	(60,492,689)	(167,797,988)
Financial cost	<u>(37,049,553)</u>	<u>(5,700,455)</u>	<u>(33,995,229)</u>	<u>(2,814,284)</u>
Other operating income	<u>8,462,811</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>(28,586,742)</u>	<u>(5,700,455)</u>	<u>(33,995,229)</u>	<u>(2,814,284)</u>
(LOSS) BEFORE TAXATION	<u>(205,946,135)</u>	<u>(237,415,586)</u>	<u>(94,487,918)</u>	<u>(170,612,272)</u>
TAXATION	<u>(1,333,417)</u>	<u>(11,656,611)</u>	<u>(54,203)</u>	<u>(3,222,819)</u>
(LOSS) AFTER TAXATION	<u>(207,279,552)</u>	<u>(249,072,197)</u>	<u>(94,542,121)</u>	<u>(173,835,091)</u>
(LOSS) PER SHARE - BASIC & DILUTED	<u>(0.96)</u>	<u>(1.15)</u>	<u>(0.44)</u>	<u>(0.81)</u>

The annexed notes form an integral part of these condensed interim financial information.

Lahore,
February 28, 2023



CHAIRMAN



CHIEF EXECUTIVE



CHIEF FINANCIAL OFFICER

KOHINOOR SPINNING MILLS LIMITED
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE HALF YEAR ENDED DECEMBER 31, 2022

	<u>Half Year Ended</u>		<u>Quarter Ended</u>	
	December 31, 2022 (Rupees)	December 31, 2021 (Rupees)	December 31, 2022 (Rupees)	December 31, 2021 (Rupees)
(Loss) after taxation	(207,279,552)	(249,072,197)	(132,042,447)	(173,835,092)
Other Comprehensive income				
Items that may be reclassified subsequently to profit and loss	-	-	-	-
Unrealized (loss) due to change in fair value of long term investment	(98,129)	(113,098)	(181,289)	(196,258)
Items that will not reclassified to profit and loss	-	-	-	-
Total comprehensive (Loss)	<u>(207,377,681)</u>	<u>(249,185,295)</u>	<u>(132,223,736)</u>	<u>(174,031,350)</u>


The annexed notes form an integral part of these condensed interim financial information.



Lahore,
February 28, 2023



CHAIRMAN



CHIEF EXECUTIVE



CHIEF FINANCIAL OFFICER

KOHINOOR SPINNING MILLS LIMITED
CONDENSED INTERIM STATEMENT OF CHANGE IN EQUITY (UN-ADITED)
FOR THE HALF YEAR ENDED DECEMBER 31, 2022

	Share Capital	Capital Reserves	Revenue Reserves		Total
			Accumulated	Fair Value	
	(Rupees)	(Rupees)	(Rupees)	(Rupees)	(Rupees)
Balance as at July 01, 2021	1,078,571,425	171,428,570	(2,341,717,971)	(552,599)	(1,092,270,575)
Loss for the period ended after taxation		-	(249,072,197)	-	(249,072,197)
Unrealized gain due to change in fair Value of long term investment	-	-	-	(113,098)	(113,098)
Balance as on December 31, 2021	<u>1,078,571,425</u>	<u>171,428,570</u>	<u>(2,590,790,168)</u>	<u>(665,697)</u>	<u>(1,341,455,870)</u>
Balance as on July 01, 2022	1,078,571,425	171,428,570	(2,776,861,604)	(677,339)	(1,527,538,948)
Loss for the period ended after taxation	-	-	(207,279,552)	-	(207,279,552)
Unrealised (loss) to change in fair value of long term investment	-	-	-	(98,129)	(98,129)
Balance as on December 31, 2022	<u>1,078,571,425</u>	<u>171,428,570</u>	<u>(2,984,141,156)</u>	<u>(775,468)</u>	<u>(1,734,916,629)</u>

Lahore,
February 28, 2023



CHAIRMAN



CHIEF EXECUTIVE



CHIEF FINANCIAL OFFICE

KOHINOOR SPINNING MILLS LIMITED
CONDENSED INTERIM STATEMENT OF CASH FLOW (UN-AUDITED)
FOR THE HALF YEAR ENDED DECEMBER 31, 2022

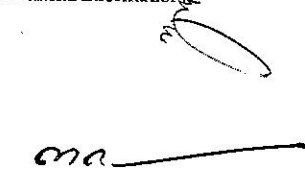
	Un-Audited December 31, 2022 (Rupees)	Un-Audited December 31, 2021 (Rupees)
CASH FLOW FROM OPERATING ACTIVITIES		
(Loss) before taxation	(205,946,135)	(237,415,586)
Adjustments of non cash charges and other items:		
Depreciation / amortization	39,797,696	41,630,093
Gratuity	2,372,198	6,445,800
Gain/loss on sale of fixed assets	(8,462,811)	1,288
Financial cost	5,642,740	5,699,167
Operating profit before working capital changes	(166,596,312)	(183,639,238)
(Increase)/decrease in current assets		
Stores and spares	(448,805)	9,176,324
Stock-in-trade	(75,658,192)	(402,984,680)
Trade debts	133,120,203	61,950,360
Loan & advances	24,236,493	17,595,404
Other receivables	(71,568,543)	(2,181,916)
	9,681,156	(316,444,508)
Increase in current liabilities		
Trade and other payables	(140,389,858)	511,428,912
	(297,305,014)	11,345,166
Financial cost paid	(5,642,740)	(5,699,167)
Income tax paid	(2,889,214)	(19,762,837)
Gratuity paid	(10,230,400)	(12,632,017)
Net cash used in operations	(316,067,368)	(26,748,855)
CASH FLOW FROM INVESTING ACTIVITIES		
Property, Plant & Equipment	(8,860,000)	(90,900)
Proceeds from disposal property, plant and equipment	9,787,000	20,000
Net cash used in investing activities	927,000	(70,900)
CASH FLOW FROM FINANCING ACTIVITIES		
(Repayments)/proceeds from:		
Increase in Long term loan from directors	316,430,160	20,264,000
Net cash generated from financing activities	316,430,160	20,264,000
NET DECREASE IN CASH AND CASH EQUIVALENTS	1,289,793	6,804,324
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	1,699,518	2,476,109
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	2,989,311	9,280,433

The annexed notes form an integral part of these condensed interim financial information.

Lahore,
February 28, 2023



CHAIRMAN



CHIEF EXECUTIVE



CHIEF FINANCIAL OFFICE

KOHINOOR SPINNING MILLS LIMITED
NOTES TO THE FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE HALF YEAR ENDED DECEMBER 31, 2022

1 NATURE AND STATUS OF BUSINESS

KOHINOOR SPINNING MILLS LIMITED was incorporated on 23rd July, 1970 as a public limited company in Pakistan under the Companies Act, 1913 (Now Companies Act 2017) and is quoted on Pakistan stock exchange. The company is engaged in the business of textile spinning.

Geographical Location of Head Office and business Units :

Registered Office	7-E, 3/1, Main Boulevard, Gulberg III, Lahore.
Unit 01/02	Aminabad 8 Km Pindi Road, Chakwal
Unit 03	8 Km Bhaun Road, Chakwal

2. BASIS OF PRESENTATION

This interim condensed financial statement is unaudited and are being submitted to the shareholders as required under section 245 of the Companies Act 2017 and section 245 with section 237. These interim condensed financial statements has been prepared in accordance with the International Accounting Standard 34 (Interim Financial Reporting). In case where requirement differ, the provisions of or directives issued under the Companies Act, 2017 have been followed. These condensed interim financial statements should be read in conjunction with the audited annual published Financial statements of the company for the year ended June 30, 2022.

3. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies and the the methods of computation adopted in the preparation of this condensed interim financial information are the same as those applied in the preparation of the preceding annual published financial statements of the company for the year ended June 30, 2022.

Amendments to certain existing standards and new interpretation on approved accounting standards that become effective during the period either were not relevant to the Company's operations or did not have any significant impact on the accounting policies of the Company.

4. ACCOUNTING ESTIMATES, JUDGEMENTS AND FINANCIAL RISK MANAGEMENT

4.1 The preparation of this condensed interim financial information in conformity with approved accounting standards requires management to make estimates, assumptions and use judgements that affect the application of policies and reported amounts of assets and liabilities and income and expenses. Estimates, assumptions and judgements are continually evaluated and are based on historical experience and other factors, including reasonable expectations of future events. Revisions to accounting estimates are recognised prospectively commencing from the period of revision.

Judgments and estimates made by the management in the preparation of this condensed interim financial information are the same as those that were applied to the financial statements as at and for the year ended 30 June 2022.

4.2 The company's financial risk management objectives and policies are consistent with those disclosed in the financial statements as at and for the year ended 30 June 2022.

5. SHARE CAPITAL

Issued, subscribed and paid up

213,439,285 (June 30, 2022 -213,439,285) ordinary shares of Rupees 5/- each, issued for cash

2,275,000 (June 30, 2022 -2,275,000) ordinary shares of Rupees 5/- each, issued as bonus shares

Un-Audited December 31, 2022 (Rupees)	Audited June 30, 2022 (Rupees)
1,067,196,425	1,067,196,425
<u>11,375,000</u>	<u>11,375,000</u>
<u>1,078,571,425</u>	<u>1,078,571,425</u>

		Un-Audited December 31, 2022 (Rupees)	Audited June 30, 2022 (Rupees)
6. PROPERTY, PLANT AND EQUIPMENT			
Opening writtendown value		1,512,275,386	1,594,114,680
Additions during the period	6.1	8,860,000	90,900
		<u>1,521,135,386</u>	<u>1,594,205,580</u>
Deletion during the period	6.3	(11,095,724)	(69,900)
		<u>1,510,039,662</u>	<u>1,594,135,680</u>
Depreciation charged during the period		(39,797,695)	(81,860,294)
Depreciation Adjusted during the period		9,771,535	-
		<u>1,480,013,502</u>	<u>1,512,275,386</u>
6.1 ADDITION DURING THE PERIOD			
Vehicle		8,860,000	90,900
		<u>8,860,000</u>	<u>90,900</u>
6.2 DELECTION DURING THE PERIOD			
Vehicle		11,095,724	69,900
		<u>11,095,724</u>	<u>69,900</u>

7. AUTHORISATION FOR ISSUE

These condensed interim Financial statement have been authorised for issue on February 28, 2023 by the Board of Directors of the company.

8. GENERAL

Figures have been rounded off to the nearest rupee.

Lahore,
February 28, 2023



CHAIRMAN



CHIEF EXECUTIVE



CHIEF FINANCIAL OFFICE