

AN TEXTILE MILLS LIMITED



ANNUAL REPORT 2026


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COMPANY INFORMATION

Board of Directors	Mrs. Nazma Amer Mr. Aizad Amer Khawaja Amer Khurshid Mr. Anns Amer Mrs. Yusra Amer Syed Khalid Ali Mr. Umar Muneer	Chairperson Chief Executive Officer Director Director Director Director Director
Audit Committee	Mr. Umar Muneer Mrs. Yusra Amer Syed Khalid Ali	Chairman Member Member
HR and Remuneration Committee	Syed Khalid Ali Mr. Umar Muneer Mr. Anns Amer	Chairman Member Member
Nomination Committee	Mr. Umar Muneer Mrs. Yusra Amer Syed Khalid Ali	Chairman Member Member
Risk Management Committee	Mr. Anns Amer Mr. Umar Muneer Syed Khalid Ali	Chairman Member Member
Chief Financial Officer	Mr. Muhammad Saqib Ehsan	
Company Secretary	Mr. Muzammal Jamil	
Auditors	Riaz Ahmad and Company Chartered Accountants FS Tower, Outside Al-Fateh Garden, East Canal Road, Faisalabad	
Bankers	Bank Al Habib Limited Meezan Bank Limited Habib Bank Limited Bank Alfalah Limited National Bank of Pakistan Habib Metro Bank Limited	
Share Registrar	Corplink (Private) Limited Wings Arcade, I-K, Commercial, Model Town, Lahore	
Registered Office & Mills	35 Kilometer, Sheikhpura Road, Faisalabad	

VISION STATEMENT

To be a customer oriented Company having wide and diversified customer base with a team of professionals working together to add value to all the stakeholders and contributing to society to help build a strong and progressive Pakistan.

MISSION STATEMENT

The mission of AN Textile Mills Limited is, recognition of its project as the most modern units, and to produce fine quality of product with the understanding of customer behavior. Build the Company on sound financial footings, increase earnings for handsome distribution of dividend to its shareholders.

AN TEXTILE MILLS LIMITED

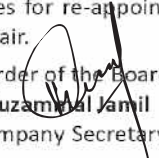
NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the 45th Annual General Meeting of the members of AN Textile Mills Limited ("the Company") will be held on Tuesday, October 27, 2026 at 11:00 A.M. at its registered office situated at 35 K.M. Sheikhpura Road, Faisalabad to transact the following business:

ORDINARY BUSINESS:

1. To confirm the minutes of last Annual General Meeting held on October 27, 2025.
2. To receive, consider and adopt the audited financial statements of the Company for the year ended June 30, 2026 together with the Chairperson's review, Directors' and Auditors' reports thereon.
3. To appoint the auditors of the Company for the next financial year and to fix their remuneration. The retiring auditors M/s Riaz Ahmad and Company, Chartered Accountants, being eligible, have offered themselves for re-appointment.
4. To transact any other business that may be brought forward with the permission of the Chair.

Dated: October 05, 2026
Faisalabad

By order of the Board

Muzamil Jamil
(Company Secretary)

NOTES:

1. CLOSURE OF SHARE TRANSFER BOOKS

The share transfer books of the Company shall remain close from October 21, 2026 to October 27, 2026 (both days inclusive). Transfers received at the Share Registrar Office M/s Corplink (Private) Limited, Wings Arcade, 1-K, Commercial, Model Town, Lahore by the close of business on October 20, 2026 will be considered in time.

2. PARTICIPATION IN ANNUAL GENERAL MEETING

A member entitled to attend and vote at the general meeting is entitled to appoint another member as proxy. The proxies in order to be effective must be received by the Company not less than 48 hours before the meeting.

CDC account holders will further have to follow the under mentioned guidelines:

A. FOR ATTENDING THE MEETING:

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 CDC Regulations, shall authenticate his identity by sharing scan copy his original CNIC or original passport at least 48 hours before the AGM.

B. FOR APPOINTING PROXIES

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 CDC Regulations, shall submit the proxy form as per the requirements notified by the Company.

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

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

In case of corporate entity, the Board of Directors' resolution/power of attorney with specimen signature shall be submitted along with proxy form.

Form of proxy is annexed at the end of annual report as well as available at Company's website i.e., www.antextile.com.pk

3. CHANGE OF ADDRESSES

Shareholders are requested to notify the change in their addresses if any, immediately.

4. COMPUTERISED NATIONAL IDENTITY CARD NUMBER / NATIONAL TAX NUMBER

In compliance with regulatory directives issued from time to time, members who have not yet provided their Computerized National Identity Card (CNIC) Numbers and/or National Tax Number (NTN), as the case may be, are requested to kindly provide copies of their valid CNIC and/or NTN certificates at the earliest.

5. UNCLAIMED SHARES / DIVIDEND

Shareholders of the Company are hereby informed that as per the record, there are some unclaimed/uncollected/unpaid dividends and shares. Shareholders who could not collect their dividends/shares are advised to contact our Shares Registrars to collect/enquire about their unclaimed dividend or shares, if any.

6. TRANSMISSION OF ANNUAL REPORT ELECTRONICALLY

SECP through its notification SRO 787(1)/2014 dated September 8, 2014 has allowed the circulation of audited financial statements along with the notice of Annual General Meeting electronically to the shareholders of the Company through email. Therefore, shareholders who wish to receive the soft copy of Annual Report are requested to send their e-mail addresses. The consent form for electronic transmission can be downloaded from the Company's website. The Company shall however, continue to provide hard copy of the audited financial statements to its shareholders, on request free of cost, within seven days of receipt of such request.

7. DEPOSIT OF PHYSICAL SHARES INTO CDC ACCOUNT

As per section 72 of the Companies Act, 2017, every existing Company shall be required to replace its physical shares with book-entry form in a manner as may be specified and from the date notified by the Securities and Exchange Commission of Pakistan (SECP), within a period not exceeding four years from the commencement of the Act. In this regard, SECP vide its Letter No. CSD/ED/Misc./2016-639-640 dated March 26, 2021 has advised all the listed companies to pursue their shareholders who still hold shares in physical form, requiring them to convert their shares in book-entry form. Holding shares in book-entry form has numerous benefits including secure custody of shares, instantaneous transfer of ownership and no risk of damaged, lost, forged or duplicate certificates. Accordingly, shareholders having physical shareholding are requested to convert their shares in book-entry form by opening CDC sub-account with any of the brokers or Investor Account directly with CDC to place their physical shares into script-less form.

8. AVAILABILITY OF AUDITED FINANCIAL STATEMENTS ON COMPANY'S WEBSITE

In compliance with SECP notification No. 634(1)/2014 dated July 10, 2014, the audited financial statements and reports of the Company for the year ended June 30, 2026 are being placed on the Company's website: www.antextile.com.pk for information and review of the members.

9. VIDEO LINK FACILITY

The members may demand the Company to provide the facility of video-link for participating in the AGM. To attend the meeting through video link, members and their proxies are requested to register themselves 48 hours before the meeting by providing the following information along with valid copy of Computerized National Identity Card (both sides)/ passport, attested copy of board resolution / power of attorney (in case of corporate shareholders) through email at cs@antextile.com.pk.

Name of Member/ Proxy holder	CNIC No. Account No.	Folio No./CDC	Cell No./ WhatsApp No.	Email Address

The video link and login credentials will be shared with the shareholders whose e-mails, containing all the requested particulars, are received at the given e-mail address.

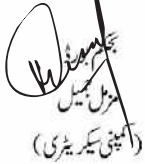
اے این ٹیکسٹائل ملز لمیٹڈ

اطلاع برائے سالانہ اجلاس عام

مطلع کیا جاتا ہے کہ اے این ٹیکسٹائل ملز لمیٹڈ (کمپنی) کے ممبران کا پینتالیسواں (45) سالانہ اجلاس عام بروز منگل 27 اکتوبر 2026 بوقت صبح 11:00 بجے کمپنی کے رجسٹرڈ آفس واقع 35K.M شیخوپورہ روڈ، فیصل آباد میں مندرجہ ذیل امور کی انجام دہی کیلئے منعقد کیا جائیگا۔

عمومی امور:

- (1) 27 اکتوبر 2025 کو منعقد ہونے والے گزشتہ سالانہ اجلاس عام کی کارروائی کی تصدیق کرنا۔
- (2) 30 جون 2026 کو مکمل ہونے والے سال کیلئے کمپنی کے آڈٹ شدہ مالیاتی گوشوارے مع چیئر پرسن Review، آڈیٹر اور ڈائریکٹرز کی رپورٹس کی وصولی، غور و خوض اور منظوری۔
- (3) اگلے مالی سال کیلئے کمپنی کے آڈیٹر کی تقرری اور ان کے مشاہرے کا تعین۔ سکہوش ہونے والے آڈیٹر میسرز ریاض احمد اینڈ کمپنی۔ چارٹرڈ اکاؤنٹنٹس نے اہلیت کی بنیاد پر دوبارہ تقرری کیلئے اپنی خدمات پیش کی ہیں۔
- (4) چیئر مین کی اجازت سے دیگر کاروباری امور جو طے کرنے ہوں کی کارروائی۔


(امین سیکریٹری)

تاریخ: 05 اکتوبر 2026ء

فیصل آباد

نوٹس:

1 شیئر ہولڈر کی بک کی بندش

کمپنی کی حصص منتقلی کی کتاب 21 اکتوبر 2026 تا 27 اکتوبر 2026ء (بشمول دونوں ایام) بند رہے گی۔ شیئر رجسٹر میں سرکارپ لنک (پرائیویٹ) لمیٹڈ، ونگز آرکیڈ، K-01 کمرشل، ماڈل ٹاؤن، لاہور میں 20 اکتوبر 2026ء کو کاروبار کے اختتام تک موصول ہونے والی منتقلیاں / تبدیلیاں بروقت سمجھی جائیں گی۔

2 سالانہ اجلاس عام میں شرکت

اجلاس عام میں شرکت اور رائے دی کا اہل ممبر اپنی جگہ کسی دوسرے ممبر کو بطور پراکسی مقرر کر سکتا ہے پراکسیز کی تقرری کی اطلاع کمپنی کو اجلاس سے کم از کم 48 گھنٹے قبل کمپنی کے رجسٹرڈ آفس پر موصول ہوجانی چاہئے۔
CDC اکاؤنٹ ہولڈر مندرجہ ذیل ہدایت پر عمل کریں:

(a) اجلاس میں شرکت:

انفرادی صورت میں، اکاؤنٹ ہولڈر یا سب اکاؤنٹ ہولڈر اور یا وہ شخص جسکی سکیورٹیز گروپ اکاؤنٹنٹس میں ہوں اور انکی رجسٹریشن کی تفصیلات CDC قواعد و ضوابط کے تحت اپ لوڈ کی گئی ہوں AGM کے انعقاد سے 48 گھنٹے قبل اپنے اصل شناختی کارڈ یا پاسپورٹ کی اسکن کاپی شیئر کر کے اپنی شناخت کی تصدیق کرے گا۔

(b) پراکسی کی تقرری کیلئے:

انفرادی صورت میں، اکاؤنٹ ہولڈر یا سب اکاؤنٹ ہولڈر اور یا وہ شخص جسکی سکیورٹیز گروپ اکاؤنٹنٹس میں ہوں اور انکی رجسٹریشن کی تفصیلات CDC قواعد و ضوابط کے تحت اپ لوڈ کی گئی ہوں پراکسی فارم کمپنی کی ضروریات کے تحت جمع ہونے چاہئے۔

پراکسی فارم دو افراد کی جانب سے گواہی کے ساتھ ہونا چاہئے، جن کے نام، پتے اور سی-این-آئی-سی نمبر فارم پر درج ہونے چاہئے۔

پراکسی فارم کے ساتھ سی-این-آئی-سی مصدقہ کاپیاں یا حق دار مالکان کا پاسپورٹ اور پراکسی پیش کرنا ہوگا۔

کارپوریٹ ادارے کی صورت میں کمپنی کو پراکسی فارم کے ساتھ بورڈ آف ڈائریکٹران کی قرارداد اور پاور آف اٹارنی بمع کارپوریٹ ادارے کی جانب سے ووٹ ڈالنے کیلئے نامزد کئے گئے فرد کے مخصوص دستخط جمع کرانے ہونگے۔

پراکسی فارم سالانہ رپورٹ کی آخر اور ساتھ ساتھ کمپنی کی ویب سائٹ www.antextile.com.pk پر موجود ہیں۔

3 پتے کی تبدیلی

حصص یافتگان سے درخواست ہے کہ اپنے پتے میں کسی بھی طرح کی تبدیلی کی صورت میں فوری طور پر مطلع کریں۔

4 کمپیوٹرائزڈ قومی شناختی کارڈ نمبر / نیشنل ٹیکس نمبر:

وقتاً فوقتاً جاری کردہ ریگولیری ہدایت کی تعمیل میں، جن ممبران نے اب تک اپنا کیوٹرائزڈ قومی شناختی کارڈ نمبر (CNIC) اور ایانیشنل ٹیکس نمبر (NTN) مہیا نہیں کیا، جیسا کہ ہو سکتا ہے، ان سے درخواست ہے کہ وہ جلد از جلد اپنا درست CNIC اور ایانیشنل ٹیکس کی کاپیاں فراہم کریں۔

۵ غیر دعویٰ شدہ شیئرز / منافع منقسمہ:

کمپنی کے شیئر ہولڈرز کو بذریعہ ہذا مطلع کیا جاتا ہے کہ ریکارڈ کے مطابق کچھ غیر دعویٰ شدہ / غیر وصول شدہ / غیر ادا شدہ منافع منقسمہ اور شیئرز ہیں۔ ایسے شیئر ہولڈرز جنہوں نے اپنے منافع منقسمہ / شیئرز وصول نہیں کئے انہیں ہدایت کی جاتی ہے کہ وہ اپنے غیر دعویٰ شدہ منافع منقسمہ یا شیئرز، اگر ہوں، سے متعلق وصول / اجاڑ پڑتال کرنے کیلئے ہمارے شیئرز رجسٹرار سے رابطہ کریں۔

۶ سالانہ رپورٹ کی الیکٹرانیکسلی ترسیل:

سیکیورٹیز اینڈ ایکسچینج کمیشن آف پاکستان (ایس۔ای۔سی۔پی) نے بذریعہ اس کے نوٹیفیکیشن SRO787(I)/2014 بتاریخ ستمبر 2014,08 کمپنی کے حصص یافتگان کو بذریعہ ای میل سالانہ اجلاس عام کے نوٹس کے ساتھ کمپنی کے آڈٹ شدہ مالیاتی گوشوارے الیکٹرانک طریقے سے تقسیم کرنے کی اجازت دی ہے۔ لہذا وہ حصص یافتگان جو سالانہ رپورٹ کی برقی نقل کی کاپی حاصل کرنا چاہتے ہوں سے درخواست کی جاتی ہے کہ وہ اپنا ای میل ایڈریس روانہ کریں۔ الیکٹرونک سالانہ آڈٹ شدہ مالیاتی گوشوارے منتقل کرنے کیلئے رضامندی فارم کمپنی کی ویب سائٹ سے ڈاؤن لوڈ کیا جاسکتا ہے۔ تاہم کمپنی اپنے حصص یافتگان کو ان کی درخواست پر سالانہ آڈٹ شدہ مالیاتی گوشواروں کی بارڈر کاپی بلا معاوضہ فراہم کرے گی۔ جو کہ ان کی درخواست کی وصولی کے اندرون سات یوم میں کردی جائیگی۔

۷ فزیکل شیئرز کی CDC کا ڈنٹ میں منتقلی:

کمپنیز ایکٹ 2017 کی دفعہ 72 کے تحت لحد کمپنی کو اپنے فزیکل شیئرز کو ایک مخصوص انداز میں بک اینٹری فارم میں سیکورٹیز اینڈ ایکسچینج کمیشن آف پاکستان (SECP) کی مطلع کردہ تاریخ تک تبدیل کرنا ہوگا، ایکٹ کے آغاز سے چار سال سے زائد مدت کے نوٹ میں۔ اس کے تحت SECP اپنے لیٹر نمبر CSD/ED/Misc./2016-639-640 بتاریخ مارچ 2021,26 کے ذریعے تمام فہرست شدہ کمپنیوں کو مشورہ دیا ہے کہ وہ اپنے شیئرز ہولڈرز کو باور کریں جو اب بھی فزیکل شکل میں شیئرز رکھتے ہیں، ان سے ان شیئرز کے بک اینٹری فارم میں تبادلے کی ضرورت ہے۔ بک اینٹری فارم میں شیئرز رکھنے کے بے شمار فوائد ہیں جن میں شیئرز کی محفوظ تحویل، ملکیت کی فوری منتقلی اور نقصان، گمشدہ، جعلی یا ڈبل کیلیکٹ خفگیٹ کا کوئی خطرہ نہیں ہے۔

اس کی رو سے، وہ حصص کنندگان جن کے پاس فزیکل شیئرز ہوں، ان سے درخواست ہے کہ وہ اپنے شیئرز کو بروکرز کے ساتھ سب کا ڈنٹ یا CDC کے ساتھ براہ راست انویسٹر کا ڈنٹ کھول کر سینٹرل ڈیپازٹری میں اپنے فزیکل شیئرز کو اسکرپٹ لیس فارم میں منتقل کر دیں۔

۸ کمپنی کی ویب سائٹ پر آڈیٹڈ مالیاتی گوشواروں کی دستیابی:

SECP کے نوٹیفیکیشن نمبر 634(ii)/2014 بتاریخ 10 جولائی 2014 کے مطابق 30 جون 2026 کو ختم ہونے والے سال کیلئے کمپنی کے آڈٹ شدہ مالیاتی گوشوارے اور رپورٹ کمپنی کی ویب سائٹ www.antextile.com.pk پر ممبران کی معلومات اور جائزے کیلئے اپ لوڈ کر دیئے گئے ہیں۔

۹ ویڈیولنک کی سہولت:

ممبران کمپنی سے مطالبہ کر سکتے ہیں کہ وہ AGM میں شرکت کیلئے ویڈیولنک کی سہولت فراہم کرے۔ ویڈیولنک کے ذریعے میٹنگ میں شرکت کیلئے ممبران اور ان کے پراکسیز سے درخواست کی جاتی ہے کہ وہ کمپیوٹرائزڈ قومی شناختی کارڈ (دونوں طرف) / پاسپورٹ کی Valid کاپی، بورڈ کی قرارداد کی تصدیق شدہ کاپی / پاور آف اٹارنی (کارپوریٹ حصص کنندگان کی صورت میں) معلومات مندرجہ ذیل معلومات اجلاس سے 48 گھنٹے قبل ای میل cs@antextile.com.pk پر فراہم کر کے اپنے آپ کو رجسٹر کریں۔

ممبر کا نام / پراکسی ہولڈر	CNIC نمبر / اکاؤنٹ نمبر	فولیو نمبر / CDC	موبائل نمبر / وائس اپ نمبر	ای میل ایڈریس

ویڈیولنک اور لاگ ان کی اسناد ان حصص یافتگان کے ساتھ شیئرز کی جاکس گی جن کے ای میلز، مقام، درخواست کردہ تفصیلات پر مشتمل، دیئے گئے ای میل ایڈریس پر موصول ہوئی ہیں۔

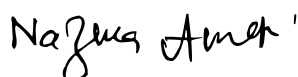
CHAIRPERSON'S REVIEW

For the year ended June 30, 2026

The Board of Directors of AN Textile Mills Limited ("the Company") is performing its duties in accordance with law and in the best interest of the Company and its shareholders as required under the Code of Corporate Governance, an annual evaluation of the Board of Directors of the Company is carried out. The purpose of this evaluation is to ensure that the Board's overall performance and effectiveness is measured and benchmarked against expectations in the context of objectives set for the Company.

For the financial year ended June 30, 2026, the Board's overall performance and effectiveness has been assessed as satisfactory. This is based on an evaluation of integral components, including vision, mission and values; engagement in strategic planning; formulation of policies; monitoring the organization's business activities; monitor financial resource management; effective fiscal oversight; equitable treatment of all employees and efficiency in carrying out the Board's business.

AN Textile Mills Limited complies with all the requirements set out in the Law with respect to the composition, procedures and meetings of the Board of Directors and its committees. Necessary Board agenda and related supporting documents were duly made available to the board in sufficient time prior to the board and its committees' meetings. The Board has exercised all its powers in accordance with relevant laws and regulation and the non-executive and independent directors are equally involved in important decisions of the Board.



Mrs. Nazma Amer
Chairperson

چیئر پرسن کا جائزہ:

برائے سال اختتام 30 جون 2026

اے این ٹیکسٹائل ملز لمیٹڈ ("کمپنی") کا بورڈ آف ڈائریکٹرز قانون اور کمپنی اور اس کے شیئر ہولڈرز کے بہترین مفاد میں اپنے فرائض سرانجام دے رہا ہے جیسا کہ کارپوریٹ گورننس کے ضابطہ کار (کوڈ آف کارپوریٹ گورننس) کی طرف سے مطلوب ہے۔ کمپنی کے بورڈ آف ڈائریکٹرز کا سالانہ جائزہ لیا جاتا ہے۔ اس جائزے کا مقصد یہ یقینی بنانا ہے کہ کمپنی کے لیے مقرر کردہ اہداف کے تناظر میں بورڈ کی مجموعی کارکردگی اور افادیت کی پیمائش کی جائے اور توقعات کے ساتھ اس کا موازنہ کیا جائے۔

30 جون 2026 کو ختم ہونے والے مالی سال کے لیے، بورڈ کی مجموعی کارکردگی اور افادیت کو تسلی بخش قرار دیا گیا ہے۔ یہ تشخیص اہم پہلوؤں کی بنیاد پر کی گئی ہے، جن میں وژن، مشن اور اقدار؛ اسٹریٹجک منصوبہ بندی میں شمولیت؛ پالیسیوں کی تشکیل؛ کمپنی کی کاروباری سرگرمیوں کی نگرانی؛ مالی وسائل کے انتظام کی نگرانی؛ موثر مالیاتی نگرانی؛ تمام ملازمین کے ساتھ منصفانہ سلوک اور بورڈ کے امور کے انجام دہی میں کارکردگی شامل ہیں۔

اے این ٹیکسٹائل ملز لمیٹڈ، بورڈ آف ڈائریکٹرز اور اس کی کمیٹیوں کی تشکیل، طریقہ کار اور اجلاسوں کے حوالے سے قانون میں بیان کردہ تمام تقاضوں کی پاسداری کرتی ہے۔ بورڈ اور اس کی کمیٹیوں کے اجلاسوں سے قبل مناسب وقت پر بورڈ کا ضروری ایجنڈا اور متعلقہ معاون دستاویزات بورڈ کو فراہم کی گئیں۔ بورڈ نے اپنے تمام اختیارات کا استعمال متعلقہ قوانین اور ضوابط کے مطابق کیا ہے، اور نان ایگزیکٹو اور آڈٹ ڈائریکٹرز بورڈ کے اہم فیصلوں میں مساوی طور پر شامل رہے ہیں۔

Naqas Aneet

مسز ناظمہ عامر

چیئر پرسن

DIRECTORS' REPORT TO THE SHARE HOLDERS

The Directors of the Company are pleased to present their 45th Annual Report along with audited Financial Statements of the Company for the financial year ended June 30, 2026 along with Auditors' Report thereon and other required information prescribed under the Code of Corporate Governance. The comparative financial results of the Company are reproduced hereunder:

FINANCIAL RESULTS:

	2026 (RUPEES IN THOUSAND)	2025
REVENUE FROM CONTRACTS WITH CUSTOMERS	4,541,703	4,492,440
COST OF SALES	(4,497,480)	(4,440,080)
GROSS PROFIT	44,223	52,360
DISTRIBUTION COST	(10,539)	(6,942)
ADMINISTRATIVE EXPENSES	(79,449)	(62,179)
OTHER EXPENSES	(531)	(18)
	(90,519)	(69,139)
	(46,296)	(16,779)
OTHER INCOME	3,127	369
LOSS FROM OPERATIONS	(43,169)	(16,410)
FINANCE COST	(50,142)	(49,582)
LOSS BEFORE LEVY AND TAXATION	(93,311)	(65,992)
LEVY	(56,771)	(56,155)
LOSS BEFORE TAXATION	(150,082)	(122,147)
TAXATION	35,035	19,140
LOSS AFTER TAXATION	(115,047)	(103,007)
LOSS PER SHARE - BASIC AND DILUTED (RUPEES)	(11.91)	(10.66)

REVIEW OF OPERATING RESULTS

During the year under review, sales were Rupees 4,541.703 million as compared to last year's sales amounting to Rupees 4,492.440 million. The cost of sales was Rupees 4,497.480 million as compared to Rupees 4,440.080 million in the preceding year. The company earned gross profit of Rupees 44.223 million as compared to previous year's gross profit of Rupees 52.360 million. Moreover, the company faced loss after taxation of Rupees 115.047 million as compared to loss after taxation of Rupees 103.007 million in the last year.

During the financial year 2025–26, Pakistan’s textile sector, particularly the spinning industry, continued to face severe financial and operational challenges. The sector remained under pressure primarily due to the high cost of doing business, particularly high raw material, energy, labour, financing and other input costs. Weak domestic and international demand, increased competition from imported and regional products, and yarn selling prices that remained disproportionately low compared with the cost of production further compressed margins and adversely affected profitability. As a result, the spinning industry experienced significant pressure on margins, capacity utilization, working capital and cash flows.

FUTURE OUTLOOK

The outlook for the spinning sector remains dependent upon improvement in domestic and international demand, rationalization of energy tariffs, control over the cost of doing business, exchange-rate stability, availability of affordable financing, and a more predictable economic and regulatory environment.

For the industry to remain sustainable and regionally competitive, structural measures are required to reduce energy and production costs, improve productivity, facilitate exports, discourage unfairly competitive imports, and provide a stable and predictable policy environment.

The management remains focused on prudent cost control, efficient utilization of available resources, optimization of production capacity, effective working-capital management and maintaining close monitoring of market conditions. However, the sustainability and long-term competitiveness of the spinning industry will also depend significantly upon supportive government policies and improvement in the overall economic environment.

The Company continued its efforts towards adopting sustainable and environmentally responsible energy solutions during the year. In line with the growing importance of renewable energy and the need to reduce dependence on conventional energy sources, the Company has continued to explore and utilize green energy solutions, including solar power, where commercially and operationally feasible. These initiatives are aimed at reducing energy costs, improving energy efficiency, lowering the Company’s carbon footprint and supporting long-term sustainability. The Company remains committed to further enhancing the share of renewable energy in its overall energy mix, subject to economic viability, technological developments and the prevailing regulatory framework.

The management remains cognizant of these challenges as it continues its efforts to regain its profitability by increasing its market efforts to increase in share of the market. We also remain focused on the challenge of reducing our operating costs and using our efficiencies to maximize our returns. Moreover, the Company will operate on its optimum capacity as it has support from interest free loans obtained from the directors of the Company and facility of borrowings from the banks to meet the liquidity requirements.

LOSS PER SHARE

The loss per share for the year ended June 30, 2026 is Rupees 11.91 as compared to loss per share of Rupees 10.66 for the last year ended on June 30, 2025.

DIVIDEND

Since the company has incurred loss, therefore, the directors have not recommended any dividend for the year.

OUTSTANDING STATUTORY PAYMENTS

All outstanding payments are nominal and of routine nature.

PATTERN OF SHAREHOLDING

Pattern of shareholding as on June 30, 2026 is annexed. No trade in the shares of the company was carried out during the year by its Directors, CEO, CFO and Company Secretary and their spouses and minor children except for the sales / purchase of shares as mentioned on page no.74 of the financial statements.

RELATED PARTY TRANSACTIONS

All transactions with related parties are carried out at arm's length. The prices are determined in accordance with comparable un-controlled price method. The Company has complied with best practices on transfer pricing as contained in listing regulations of the Stock Exchanges of Pakistan.

AUDITORS

The auditors M/s Riaz Ahmad & Company, Chartered Accountants retired and being eligible for re-appointment, the Board of Directors has been suggested by the Audit Committee, the re-appointment of M/s Riaz Ahmad & Company, Chartered Accountants, as auditors of your company for the next financial year.

RISK MANAGEMENT

Risk assessment is an on-going process that highlights numerous uncertainties that poses potential threats which may hinder the accomplishment of objectives of the Company. If these risks are not being addressed in timely manner, may culminate in loss. Such risks and uncertainties can arise both from external as well as internal factors within the Company. Various risks are being faced by the company and summarized as follow along with mitigating strategies.

STRATEGIC RISKS

The strategic risks such as critical availability of gas, electricity and alternate fuels for power generation, and changes in domestic competitive scenario are being continuously monitored. The Company's expansion plans and growth targets are revisited with changing market situation. Changes in macro-economic indicators, inconsistent / arbitrary changes in Government Policies and significant increase in natural gas, electricity and other fuel prices making cost of production substantially higher are also being closely monitored & duly considered. Appropriate mitigation strategies are formulated to reduce the impact of these risks to an acceptable level.

OPERATIONAL RISKS

Business continuity and disaster recovery plans are in place to ensure that continuity in production and sales operations; in case of major failures and outages to ensure continuity, sustainability and avoid any disruption to the business. Raw material sourcing, adequate segregation of duties, self- sufficiency in power generation at our plants, efficient supply chain and logistic operations have enabled us to mitigate operational risk to an acceptable level.

FINANCIAL RISKS

One of the major financial risks is the fluctuation of the exchange rate and adverse movements can directly affect our raw material costs and also lead to a rise in manufacturing costs. The Company is aware of this situation and monitors such movements carefully to ensure minimum shocks. Strict financial discipline, cash flow management and investment of available funds in best possible avenues aid us in minimizing Financial Risks.

COMPLIANCE RISKS

Due to effective compliance with laws and regulations and transparent financial reporting framework, compliance risk posed to the Company remains low. The Board promotes risk management and compliance culture in the Company. Litigation risks involving significant cases against the Company are handled through reputable Law firms with specialized expertise wherever required.

HEALTH SAFETY AND ENVIRONMENT

Company believes in and are fully committed to improve Health, Safety and Environment standards to achieve sustainable performance. Your Company was quick to implement the Standards Operating Procedures (SOPs) to combat any climate change.

CORPORATE SOCIAL RESPONSIBILITY

The Company admits its Corporate Social Responsibility (CSR) towards the society and believes in supporting the community.

CORPORATE GOVERNANCE

The Board recognizes that well defined corporate governance processes are vital to enhancing accountability. We are committed to ensuring high standards of corporate governance to maintain stakeholder value. The Board has been diligent and has contributed effectively in guiding the Company in all its strategic affairs. The Company keep close co-ordination with the Securities and Exchange Commission of Pakistan and the Pakistan Stock Exchange and complies with the Code of Corporate Governance in the letter and spirit. The statement of compliance with best practices of Code of Corporate Governance is annexed.

CORPORATE AND FINANCIAL REPORTING FRAMEWORK:

In compliance to listing regulations of stock exchanges and as required under the Companies Act, 2017, your Directors are pleased to state as under:

1. The financial statements prepared by the Management of your Company present fairly its state of affairs, the results of its operations, cash flows and changes in equity.
2. Proper books of accounts of the Company have been maintained.
3. Appropriate accounting policies have been consistently applied in preparation of these financial statements and accounting estimates, which are based on reasonable and prudent judgment.
4. International Financial Reporting Standards and International Accounting Standards, as applicable in Pakistan, have been followed in preparation of financial statements. The system of internal control is sound in design and has been effectively implemented and monitored.
5. The system of internal control is sound in design and has been effectively implemented and monitored.
6. There is no doubt upon the Company's ability to continue as a going concern.
7. There has been no material departure from the best practices of corporate governance, as detailed in the listing regulations.
8. Key operating financial data of last six years in summarized form is annexed.
9. The Company operates un-funded gratuity scheme for its employees as reflected in these financial statements.

COMPOSITION OF BOARD AND ITS COMMITTEES

The total number of Directors are seven as per the following:

Male:	Five
Female:	Two

The composition of the Board is as follows:

- i. Independent Directors
 - Syed Khalid Ali
 - Mr. Umar Muneer
- ii. Non-executive Directors
 - Khawaja Amer Khurshid
- iii. Executive Directors
 - Mr. Aizad Amer
 - Mr. Anns Amer
- iv. Female / Non-executive Directors
 - Mrs. Nazma Amer
 - Mrs. Yusra Amer

The Board has formed committees comprising of members given below:

Audit Committee

Mr. Umar Muneer	Chairman
Mrs. Yusra Amer	Member
Syed Khalid Ali	Member

HR and Remuneration Committee

Syed Khalid Ali	Chairman
Mr. Umar Muneer	Member
Mr. Anns Amer	Member

Nomination Committee

Mr. Umar Muneer	Chairman
Mrs. Yusra Amer	Member
Syed Khalid Ali	Member

Risk Management Committee

Mr. Anns Amer	Chairman
Mr. Umar Muneer	Member
Syed Khalid Ali	Member

Sustainability Committee

Mr. Umar Muneer (Chairman)
Mrs. Yusra Amer (Member)
Syed Khalid Ali (Member)

NO. OF BOARD AND OTHER COMMITTEES' MEETINGS HELD:

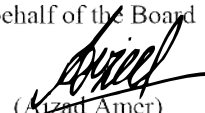
Sr. #	Name	Board Of Directors Meeting	Audit Committee Meeting	HR & Remuneration Committee Meeting	Nomination Committee	Risk Management Committee	Sustainability Committee
1	Mrs. Nazma Amer	4/4	-	-	-	-	-
2	Mr. Aizad Amer	4/4	-	-	-	-	-
3	Khawaja Amer Khurshid	4/4	-	-	-	-	-
4	Mr. Anns Amer	4/4	-	1/1	-	1/1	-
5	Mrs. Yusra Amer	4/4	4/4	-	1/1	-	1/1
6	Syed Khalid Ali	4/4	4/4	1/1	1/1	1/1	1/1
7	Mr. Umar Muneer	4/4	4/4	1/1	1/1	1/1	1/1

ACKNOWLEDGEMENT:

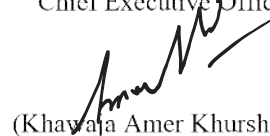
The Board places on record its appreciation for the cooperation, commitment and hard work extended to the Company by the customers, suppliers, bankers and all the employees of the Company.

FAISALABAD.
Dated: September 28, 2026

On behalf of the Board


(Aizad Amer)

Chief Executive Officer


(Khawaja Amer Khurshid)
Director

ڈائریکٹرز کی شیئر ہولڈروں کو رپورٹ

کمپنی کے ڈائریکٹرز پنچا لیسویں سالانہ رپورٹ پیش کرتے ہوئے خوشی محسوس کر رہے ہیں، جو کہ مشتمل ہے سالانہ فنانس رپورٹ برائے مالیاتی سال 30 جون 2026 بمعہ آڈیٹرز کی رپورٹ اور کوڈ آف کارپوریٹ گورننس کے مطابق دیگر معلومات فراہم کی گئی ہیں۔ پچھلے مالیاتی سال کے نتائج موازنہ کے لئے یہاں دوبارہ دیئے جا رہے ہیں۔

مالیاتی نتائج:

2025 (رقم ہزاروں میں)	2026 (رقم ہزاروں میں)	
4,492,440	4,541,703	آمدنی
(4,440,080)	(4,497,480)	فروخت کی لاگت
52,360	44,223	مجموعی منافع
(6,942)	(10,539)	تقسیم کی لاگت
(62,179)	(79,449)	انتظامی اخراجات
(18)	(531)	دیگر اخراجات
(69,139)	(90,519)	
(16,779)	(46,296)	
369	3,127	دیگر آمدنی
(16,410)	(43,169)	آپریشنز سے نقصان
(49,582)	(50,142)	مالیاتی لاگت
(65,992)	(93,311)	ٹیکس اور لیوی سے پہلے نقصان
(56,155)	(56,771)	لیوی
(122,147)	(150,082)	ٹیکس سے پہلے نقصان
19,140	35,035	ٹیکس
(103,007)	(115,047)	ٹیکس کے بعد نقصان
(10.66)	(11.91)	نقصان فی حصہ اور بنیادی تنصیب (روپے)
		کارروائی کے رزلٹ کا جائزہ:

زیر نظر مالی سال میں آمدنی 4,541.703 ملین رہی جبکہ اس کے مقابل پچھلے سال کی آمدنی 4,492.440 ملین تھی۔ جبکہ فروخت کی لاگت 4,497.480 ملین رہی جبکہ اس کے مقابل پچھلے سال کی فروخت کی لاگت 4,440.080 ملین تھی۔ کمپنی کو اس سال 44.223 ملین روپے کا مجموعی نفع ہوا جبکہ اس کے مقابلے میں پچھلے سال کمپنی نے

52.360 ملین روپے کا مجموعی نفع کمایا۔ مزید برآں کمپنی کو اس سال ٹیکس کے بعد 115.047 ملین کا نقصان ہوا۔ جبکہ اس کے مقابل پچھلے سال ٹیکس کے بعد 103.007 ملین کا نقصان ہوا تھا۔

مالی سال 2025-26 میں پاکستانی ٹیکسٹائل کے شعبے میں خاص طور پر سپننگ کو شدید مالی اور معاملاتی تناؤ کا سامنا رہا ہے۔ بنیادی طور پر کاروبار کرنے کی زیادہ لاگت، خاص طور پر خام مال، توانائی، مزدوری، فنانسنگ اور ان پٹ کے زیادہ اخراجات کی وجہ سے یہ شعبہ دباؤ کا شکار رہا۔ کمزور ملکی اور بین الاقوامی طلب، درآمدی اور علاقائی مصنوعات سے مسابقت میں اضافہ، اور دھاگے کی فروخت کی قیمتیں جو کہ پیداواری لاگت کے مقابلے میں غیر متناسب طور پر کم رہیں اور مارجن کو مزید کم کیا اور منافع پر منفی اثر ڈالا۔ نتیجے کے طور پر سپننگ انڈسٹری کو مارجن، صلاحیت کے استعمال، ورکنگ کپیکلٹی اور کیش فلو پر نمایاں دباؤ کا سامنا رہا۔ مستقبل کا ڈھانچہ:

سپننگ سیکٹر کے لیے آؤٹ لک ملکی اور بین الاقوامی طلب میں بہتری، توانائی کے نرخوں کو معقول بنانے، کاروبار کرنے کی لاگت پر کنٹرول، شرح مبادلہ میں استحکام، سستی مالیات کی دستیابی، اور زیادہ متوقع اقتصادی اور ریگولیٹری ماحول پر منحصر ہے۔

صنعت کے پائیدار اور علاقائی طور پر مسابقتی رہنے کے لیے، توانائی اور پیداواری لاگت کو کم کرنے، پیداواری صلاحیت کو بہتر بنانے، برآمدات کی حوصلہ افزائی، غیر منصفانہ مسابقتی درآمدات کی حوصلہ شکنی، اور ایک مستحکم اور متوقع پالیسی ماحول فراہم کرنے کے لیے ساختی اقدامات کی ضرورت ہے۔

انتظامیہ کی توجہ لاگت پر احتیاط، دستیاب وسائل کے موثر استعمال، پیداواری صلاحیت کو بہتر بنانے، کام کرنے والے سرمائے کے موثر انتظام اور مارکیٹ کے حالات کی کڑی نگرانی پر مرکوز ہے۔ تاہم، سپننگ انڈسٹری کی پائیداری اور طویل مدتی مسابقت کا انحصار حکومت کی معاون پالیسیوں اور مجموعی اقتصادی ماحول میں بہتری پر بھی ہوگا۔

کمپنی نے سال کے دوران پائیدار اور ماحولیاتی طور پر ذمہ دار توانائی کے حل کو اپنانے کے لیے اپنی کوششیں جاری رکھیں۔ قابل تجدید توانائی کی بڑھتی ہوئی اہمیت اور توانائی کے روایتی ذرائع پر انحصار کم کرنے کی ضرورت کے مطابق، کمپنی نے سبز توانائی کا حل تلاش کرنا اور استعمال کرنا جاری رکھا بشمول شمسی توانائی، جہاں تجارتی اور آپریشنل طور پر ممکن ہے۔ ان اقدامات کا مقصد توانائی کی لاگت کو کم کرنا، توانائی کی کارکردگی کو بہتر کرنا، کمپنی کے کاربن فوٹ پرنٹ کو کم کرنا اور طویل مدتی پائیداری کی حمایت کرنا ہے۔ کمپنی اپنے مجموعی توانائی کس میں قابل تجدید توانائی حصے کو مزید بڑھانے کے لیے پرعزم ہے۔ جو کہ

اقتصادی قابل عملیت، تکنیکی ترقیات اور مروجہ ریگولیٹری فریم ورک کے تابع ہے۔

انتظامیہ ان چیلنجوں سے باخبر رہتی ہے کیونکہ وہ مارکیٹ میں حصہ بڑھانے کے لیے اپنی مارکیٹ کی کوششوں کو بڑھا کر اپنے منافع کو دوبارہ حاصل کرنے کی کوششیں جاری رکھے ہوئے ہے۔ ہم اپنے آپریٹنگ اخراجات کو کم کرنے اور اپنے منافع کو زیادہ سے زیادہ کرنے کے لیے اپنی صلاحیتوں کو استعمال کرنے کے چیلنج پر بھی توجہ مرکوز کیے ہوئے ہیں۔ مزید برآں کمپنی اپنی بہترین صلاحیت پر کام کرے گی کیونکہ اس سے اپنے کمپنی کے ڈائریکٹرز سے حاصل کیے گئے بلا سود قرضوں اور مالی ضروریات کو پورا کرنے کے لیے بینکوں سے قرضے لینے کی سہولت حاصل ہے۔

نقصان فی حصہ دار:

فی حصہ دار نقصان مالی سال 30 جون 2026 کے اختتام پر مبلغ 11.91 روپے جبکہ مالی سال 30 جون 2025 کے اختتام پر نقصان مبلغ 10.66 روپے فی حصہ دار تھا۔

منافع بخش:

آپ کی کمپنی کے بورڈ آف ڈائریکٹرز نے مالی سال 30 جون 2026 کے اختتام پر کوئی منافع فی حصہ تجویز نہیں کیا ہے۔

بقایا قانونی ادائیگی:

تمام ادائیگی نارمل ہیں اور معمول کے مطابق ہیں۔

شیئر ہولڈرز کا نقشہ:

30 جون 2026 کا شیئر ہولڈرز کا نقشہ ساتھ لگا دیا گیا ہے۔ کمپنی کے ڈائریکٹرز، CEO، CFO اور کمپنی کے سیکرٹری اور ان کی ازواج اور نابالغ بچوں کی طرف سے کوئی فروخت / خرید نہیں کی گئی ماسوائے اس خرید و فروخت کے جو کہ صفحہ نمبر 74 پر درج ہے۔

متعلقہ پارٹی کی لین دین:

متعلقہ پارٹیوں سے تمام لین دین بازار کے ریٹ کے مطابق ہیں جو کہ قابل موازنہ ناقابل کنٹرول طریقہ سے وضع کی گئیں۔ کمپنی نے پاکستان سٹاک ایکسچینج کے تمام قوانین کی اس معاملہ میں پابندی کی ہے۔

آڈیٹرز:

موجودہ آڈیٹرز میسرز ریاض احمد اینڈ کمپنی، چارٹرڈ اکاؤنٹنٹس ریٹائرڈ ہوئے اور یہ دوبارہ تعیناتی کے اہل ہیں۔ آڈٹ کمیٹی اور ڈائریکٹرز کے بورڈ نے پیش آمدہ سالانہ اجلاس عام میں میسرز ریاض احمد اینڈ کمپنی چارٹرڈ اکاؤنٹنٹس آپ کی کمپنی کا بطور آڈیٹرز کی دوبارہ تعیناتی کی منظوری دی ہے۔

اہم خطرات

خطرات کا جائزہ لینا ایک جاری رہنے والا عمل ہے جس کے ذریعے ممکنہ غیر یقینی صورت حال کی نشاندہی ہوتی ہے۔ جو کمپنی کے اہداف کے حصول میں رکاوٹ بننے کا باعث بن سکتی ہے۔ اگر ان خطرات کا بروقت تدارک نہ کیا جائے تو اس کا نتیجہ نقصان کی صورت میں نکلتا ہے۔ ایسے خطرات کو غیر یقینی بیرونی عناصر کے ساتھ ساتھ کمپنی کے اندرونی عناصر کی وجہ سے پیدا ہو سکتے ہیں۔ وہ خطرات جو کمپنی کے معمولات پر اثر انداز ہو سکتے ہیں۔ وہ مندرجہ ذیل ہیں:

اسٹریجک خطرات

اسٹریجک خطرات جیسے کہ بجلی پیدا کرنے کے لئے گیس، بجلی اور متبادل ایندھن کی فراہمی، اور مقامی مسابقتی منظر نامے میں تبدیلیوں کی مستقل نگرانی کی جارہی ہے۔ مارکیٹ کی بدلتی صورتحال کے ساتھ کمپنی کے توسیعی منصوبوں اور نمو کے اہداف پر دوبارہ نظر ثانی کی گئی ہے۔ میکرو معاشی اشاروں میں بدلاؤ، حکومتی پالیسیوں میں متضاد / صوابدیدی تبدیلیاں اور قدرتی گیس، بجلی اور دیگر فیول کی قیمتوں میں نمایاں اضافے سے پیداوار کی لاگت میں اضافہ ہوا ہے۔ اور اس کی گہری نگرانی اور باقاعدہ غور بھی کیا جا رہا ہے۔ ان خطرات کے اثرات کو قابل قبول سطح تک کم کرنے کے لئے مناسب تخفیف کی حکمت عملی مرتب کی گئی ہے۔

آپریشنل رسک

کاروباری تسلسل اور تباہی کی بحالی کے منصوبے زیر عمل ہے تاکہ پیداوار اور فروخت کے کاموں میں تسلسل کو یقینی بنایا جاسکے۔ اہم ناکامیوں اور بندش کی صورت میں تسلسل، استحکام اور کاروبار میں کسی قسم کی رکاوٹ سے بچنے کو یقینی بنانا، خام مال کی

سورسنگ، فرائض کی مناسب تفریق، ہمارے پلانٹوں میں بجلی کی پیداوار میں خود کفالت، موثر سپلائی چین اور لاجسٹک آپریشنوں نے ہمیں قابل قبول سطح پر آپریشنل رسک کو کم کرنے میں مدد فراہم کی ہے۔

مالی خطرات

ایک بہت اہم مالی خطرہ ذرمبادلہ کی شرح میں اتار چڑھاؤ ہے اور منفی محرکات براہ راست ہمارے خام مال کے اخراجات کو متاثر کر سکتی ہے۔ اور پیداواری لاگت میں اضافے کا باعث بھی بن سکتی ہے۔ کمپنی اس صورت حال سے واقف ہے اور کم از کم شکس یقینی بنانے کے لئے اس طرح کے محرکات پر نظر رکھتی ہے۔ سخت مالی نظم و ضبط، کیش فلو مینجمنٹ اور دستیاب فنڈز کی بہترین سرمایہ کاری سے ہمیں مالی خطرات کو کم سے کم کرنے میں مدد ملی ہے۔

تعمیل کے خطرات

قوانین اور ضوابط کی موثر تعمیل اور شفاف مالیاتی رپورٹنگ فریم ورک کی وجہ سے کمپنی کو درپیش تعمیل کے خطرات کو کم کیا گیا ہے بورڈ کمپنی میں رسک مینجمنٹ اور تعمیل کے کلچر کو فروغ دیتا ہے۔ کمپنی کے خلاف اہم مقدمات میں ملوث قانونی چارہ جوئی کے خطرات کو جہاں بھی ضرورت ہو خصوصی ماہر معروف لاء فیرموں کے ذریعے ہینڈل کیا جاتا ہے۔

صحت اور ماحولیات کی حفاظت

کمپنی کی پائیدار کارکردگی کے حصول کے لئے صحت اور ماحولیات کی حفاظت کے معیارات کو بہتر بنانے پر یقین رکھتی ہے۔ اور پوری طرح پر عزم ہے آپکی کمپنی کسی بھی موسمیاتی تبدیلی سے نمٹنے کے لئے معیاری آپریٹنگ پروسیجر (SOPs) کو نافذ العمل کرنے کے لئے تیزی سے کام کر رہی ہے۔

کارپوریٹ سماجی ذمہ داری

کمپنی معاشرے کے تئیں اپنی کارپوریٹ سماجی ذمہ داری (CSR) کو تسلیم کرتی ہے اور کمیونٹی کی حمایت میں یقین رکھتی ہے کوڈ آف کارپوریٹ گورننس

بورڈ اس بات کو تسلیم کرتا ہے کہ کارپوریٹ گورننس کے اچھی طرح سے طے شدہ عمل احتساب کو بڑھانے کے لئے ضروری ہیں ہم اسٹیک ہولڈرز کی قدر کو برقرار رکھنے کے لئے کارپوریٹ گورننس کے اعلیٰ معیار کو یقینی بنانے کے لئے پر عزم ہیں۔ بورڈ

مستعد رہا ہے اور اس نے کمیٹی کو اس کے تمام اسٹریٹجک امور میں رہنمائی کرنے میں موثر طریقے سے تعاون کیا ہے۔ کمپنی سکیورٹیز اینڈ ایکسچینج کمیشن آف پاکستان اور پاکستان اسٹاک ایکسچینج کے ساتھ قریبی تال میل برقرار رکھتی ہے۔ اور کوڈ آف کارپوریٹ گورننس کی مکمل طور پر تعمیل کرتی ہے۔ کوڈ آف کارپوریٹ گورننس کے بہترین طریقوں کی تعمیل کا بیانیہ لف ہے۔ کارپوریٹ اور مالیاتی رپورٹنگ کے فریم ورک پر بیان:

سٹاک ایکسچینج کے قواعد و ضوابط اور کمپنیز ایکٹ 2017 کے مطابق ڈائریکٹرز آپ کو مندرجہ ذیل بیان کرتے ہوئے خوشی محسوس کرتے ہیں۔

- 1- کمپنی کی انتظامیہ کی طرف سے تیار کردہ مالیاتی سٹیٹمنٹس منصفانہ طور پر اس کے معاملات کی حالت، اس کے عوامل کے نتائج، کیش کا بہاؤ اور مساوات میں تبدیلی پر مشتمل ہے۔
- 2- اکاؤنٹس کی کتابیں مناسب طریقہ سے مرتب کی گئی ہیں۔
- 3- مالیاتی سٹیٹمنٹس کی تیاری میں اکاؤنٹنگ کی مخصوص پالیسیوں کو مسلسل لاگو کیا گیا ہے اور اکاؤنٹنگ کے تخمینہ جات مناسب اور ٹھوس فیصلوں پر مبنی ہیں۔
- 4- مالیاتی سٹیٹمنٹس کی تیاری اور انٹرنیشنل فنانشنل رپورٹنگ کے معیارات جیسے پاکستان میں لاگو ہیں، ان کی پیروی کی گئی ہے اور ان سے کسی بھی رخصت پر مناسب وضاحت دی گئی ہے۔
- 5- اندرونی کنٹرول کا نظام ڈیزائن میں محفوظ ہے اور اس کا نفاذ اور نگرانی موثر طریقے سے کی گئی ہے۔
- 6- کمپنی میں متعلقہ معاملات کو جاری رکھنے کے لئے ممکنہ صلاحیت موجود ہے۔
- 7- کارپوریٹ نظام کے بہترین تجربہ سے مادی طور پر روگردانی ممکن نہیں۔
- 8- پچھلے چھ سال کا مالیاتی ڈیٹا لف ہے۔
- 9- کمپنی اپنے ملازمین کی فلاح و بہبود کے لئے گریجویٹ اسکیم چلا رہی ہے جو کہ اس سٹیٹمنٹ میں بیان کی گئی ہے۔

بورڈ اور اس کی کمیٹیوں کا مرکب

مندرجہ ذیل تفصیل کے مطابق سات ڈائریکٹرز ہیں:

مرد: پانچ

عورتیں: دو

بورڈ کا مرکب مندرجہ ذیل ہے:

1- آزاد ڈائریکٹرز

عمر منیر

سید خالد علی

2- نان ایگزیکٹو ڈائریکٹرز

خواجہ عامر خورشید

3- ایگزیکٹو ڈائریکٹرز

ایزد عامر

انس عامر

4- مونٹ / نان ایگزیکٹو ڈائریکٹرز

مسز ناظمہ عامر

یسر ای عامر

بورڈ نے جو کمیٹیاں بنائی ہیں ان کے ممبر مندرجہ ذیل ہیں:

آڈٹ کمیٹی

عمر منیر (چیئر مین)

یسر ای عامر (ممبر)

سید خالد علی (ممبر)

HR اور معاوضہ کمیٹی میٹنگ

سید خالد علی (چیئر مین)

عمر منیر (ممبر)

انس عامر (ممبر)

ٹائمینیشن کمیٹی

عمر منیر (چیئر مین)

یسر ای عامر (ممبر)

سید خالد علی (ممبر)

رسک مینجمنٹ کمیٹی

انس عامر (چیئر مین)

عمر منیر (ممبر)

سید خالد علی (ممبر)

سسٹیمیٹیشن کمیٹی

عمر منیر (چیئر مین)

یسر ای عامر (ممبر)

سید خالد علی (ممبر)

بورڈ اور دوسری کمیٹی میٹنگز کی تعداد

سیریل نمبر	نام	بورڈ آف ڈائریکٹرز میٹنگ	آڈٹ کمیٹی میٹنگ	HR اور معاوضہ کمیٹی میٹنگ	ٹائمینشن کمیٹی	رِسک منیجمنٹ کمیٹی	سٹینڈیبلٹی کمیٹی
1	مسز ناظمہ عامر	4/4	-	-	-	-	-
2	جناب ایزد عامر	4/4	-	-	-	-	-
3	جناب انس عامر	4/4	-	1/1	-	1/1	-
4	خواجہ عامر خورشید	4/4	-	-	-	-	-
5	محترمہ یسری عامر	4/4	4/4	-	1/1	-	1/1
6	سید خالد علی	4/4	4/4	1/1	1/1	1/1	1/1
7	عمر منیر	4/4	4/4	1/1	1/1	1/1	1/1

اعتراف:

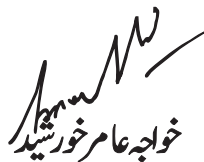
بورڈ اپنے گاہکوں سپلائرز بینکرز اور ملازموں کے تعاون، عزم اور محنت کی تعریف کرتا ہے اور اس کو اپنے ریکارڈ میں لاتا ہے۔

منجانب: بورڈ آف ڈائریکٹرز



ایزد عامر

چیف ایگزیکٹو آفیسر



خواجہ عامر خورشید

ڈائریکٹر

**Statement of Compliance with Listed Companies (Code of Corporate Governance)
Regulations, 2019**

Name of Company: AN Textile Mills Limited
Year Ending: 30 June 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: Five
- b. Female: Two

2. The composition of the Board is as follows:

i. Independent Directors

Syed Khalid Ali
Mr. Umar Munir

ii. Non-executive Director

Khawaja Amer Khurshid

iii. Executive Directors

Mr. Aizad Amer
Mr. Anns Amer

iv. Female / Non-executive Directors

Mrs. Nazma Amer
Mrs. Yusra Amer

* The fraction of independent directors is not rounded up as one because the fraction of 0.33 was less than 0.50.

3. The Directors have confirmed that none of them is serving as a director on more than seven listed companies, including this Company;
4. The Company has prepared a code of conduct and has ensured that appropriate steps have been taken to disseminate it throughout the Company along with its supporting policies and procedures;
5. The Board has developed a vision/mission statement, overall corporate strategy and significant policies of the Company. The Board has ensured that complete record of particulars of the significant policies along with their date of approval or updating is maintained by the Company;
6. All the powers of the Board have been duly exercised and decisions on relevant matters have been taken by the Board/ shareholders as empowered by the relevant provisions of the Act and these Regulations;
7. The meetings of the Board were presided over by the Chairperson and, in her absence, by a director elected by the Board for this purpose. The Board has complied with the requirements of Act and the Regulations with respect to frequency, recording and circulating minutes of meeting of the Board;

8. The Board has a formal policy and transparent procedures for remuneration of directors in accordance with the Act and these Regulations;
9. Four directors, Mr. Aizad Amer, Mr. Anns Amer, Syed Khalid Ali and Muhammad Umar Muneer has already acquired the certification under Directors' Training Program (DTP) whereas another director, Khawaja Amer Khurshid meets the exemption criteria of minimum of 14 years of education and 15 years of experience on the Boards of listed companies, hence exempt from DTP.
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:
 - a) Audit Committee

Syed Khalid Ali	(Chairman)
Mrs. Yusra Amer	(Member)
Mr. Umar Munir	(Member)
 - b) HR and Remuneration Committee

Syed Khalid Ali	(Chairman)
Mr. Umar Munir	(Member)
Mr. Anns Amer	(Member)
 - c) Nomination Committee

Mr. Umar Munir	(Chairman)
Mrs. Yusra Amer	(Member)
Syed Khalid Ali	(Member)
 - d) Risk Management Committee

Mr. Anns Amer	(Chairman)
Mr. Umar Munir	(Member)
Syed Khalid Ali	(Member)
 - d) Sustainability Committee

Mr. Umar Munir	(Chairman)
Mrs. Yusra Amer	(Member)
Syed Khalid Ali	(Member)
13. The terms of reference of the aforesaid committees have been formed, documented and advised to the committee for compliance;
14. The frequency of meetings of the committees were as follows-

Committee	Frequency
Audit committee	Quarterly
HR and remuneration committee	Yearly
Nomination committee	Yearly
Risk Management committee	Yearly
Sustainability Committee	Yearly

15. The Board has set up an effective internal audit function by appointing Head of Internal Audit who is considered suitably qualified and experienced for the purpose and is conversant with the policies and procedures of the Company;
16. The statutory auditors of the Company have confirmed that they have been given a satisfactory rating under the Quality Control Review program of The Institute of Chartered Accountants of Pakistan and registered with 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 requirements of regulations 3, 6, 7, 8, 27, 32, 33 and 36 of the Regulations have been complied with; and
19. Explanation for non-compliance with requirements, other than regulations 3, 6, 7, 8, 27, 32, 33 and 36 are below:

Sr. No.	Requirement	Explanation for Non-compliance	Reg. No.
1	Directors' Training Program (DTP): It is encouraged that by 30 June, 2022 all the directors on the board to acquire the prescribed certification under any Director Training Program (DTP) offered by institutions.	The Board will arrange DTP for its remaining three directors in the next financial year.	19(1)(iii)
2	Training of Head of Department: Companies are encouraged to arrange training for at least one head of department every year under DTP from July 2022.	The Company will organize the training of its one head of department each year from next financial year.	19(3)(ii)

For and on behalf of the Board of Directors

Nazma Amer

NAZMA AMER
Chairperson

Aizad Amer

AIZAD AMER
Chief Executive Officer



**KEY OPERATING & FINANCIAL DATA
FOR LAST SIX YEARS**

<u>PARTICULARS</u>	<u>2026</u>	<u>2025</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>
	(Rupees in Thousand).....					
<u>FINANCIAL POSITION</u>						
Paid up capital	96,600	96,600	96,600	96,600	96,600	96,600
Share premium	17,250	17,250	17,250	17,250	17,250	17,250
Fixed assets at cost/revalued amount	2,515,513	2,190,586	2,121,371	2,093,101	1,839,197	1,758,151
Accumulated depreciation	1,002,653	943,393	884,465	826,745	780,085	731,980
Current assets	537,925	706,691	679,745	683,125	871,610	929,132
Current liabilities	847,399	1,089,743	952,239	876,706	843,447	956,477
<u>INCOME</u>						
Revenue	4,541,703	4,492,440	3,460,089	1,676,679	2,806,815	2,096,653
Other income	3,127	369	5,070	3,913	10,832	19,889
Pre tax (loss) / profit	(150,082)	(122,147)	(114,542)	(231,764)	105,969	239,024
Taxation	21,736	37,015	39,085	36,029	(9,472)	(119,529)
<u>STATISTICS AND RATIOS</u>						
Pre tax (loss) to sales %	(3.30)	(2.72)	(3.31)	(13.82)	3.78	11.4
Pre tax (loss) to capital %	(155.36)	(126.45)	(118.57)	(239.92)	109.70	247.44
Current ratio	10.63	10.65	10.71	10.78	11.03	10.97
Paid up value per share (Rs.)	10	10	10	10	10	10
(Loss) / Earnings after tax per share (Rs.)	(11.91)	(10.66)	(11.43)	(20.26)	9.99	12.37
Cash dividend %	-	-	-	-	-	7.00
Break up value per share (Rs.)	108.66	73.60	84.75	95.68	96.74	87.05

INDEPENDENT AUDITOR'S REVIEW REPORT

To the members of AN Textile Mills Limited

Review Report on the Statement of Compliance Contained in Listed Companies (Code of Corporate Governance) Regulations, 2019

We have reviewed the enclosed Statement of Compliance with the Listed Companies (Code of Corporate Governance) Regulations, 2019 (the Regulations) prepared by the Board of Directors of AN Textile Mills Limited (the Company) for the year ended 30 June 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 30 June 2026.



RIAZ AHMAD & COMPANY
Chartered Accountants

Faisalabad

Date: 28 September 2026

UDIN: CR2026101842tFUya3mf

INDEPENDENT AUDITOR'S REPORT

To the members of AN Textile Mills Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the annexed financial statements of AN Textile Mills Limited (the Company), which comprise the statement of financial position as at 30 June 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 loss, 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 30 June 2026 and of the loss, 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:

Sr. No.	Key audit matters	How the matters were addressed in our audit
1.	Inventory existence and valuation Inventories as at 30 June 2026 amounting to Rupees 276.824 million, break up of which is as follows: - Stores, spare parts and loose tools of Rupees 60.179 million - Stock in trade of Rupees 216.645 million Inventories are measured at the lower of cost and net realizable value. We identified existence and valuation of inventories as a key audit matter due to its size, representing 13.47% of the total assets of the Company as at 30 June 2026, and the judgment involved in valuation. For further information on inventories, refer to the following: - Material accounting policy information, Inventories (Note 2.5 to the financial statements). - Stores, spare parts and loose tools (Note 17) and Stock in trade (Note 18) to the financial statements.	Our procedures over existence and valuation of inventories included, but were not limited to: • To test the quantity of inventories at all locations, we assessed the corresponding inventory observation instructions and participated in inventory counts on site. Based on samples, we performed test counts and compared the quantities counted by us with the results of the counts of the management. • For a sample of inventory items, re-performed the weighted average cost calculation and compared the weighted average cost appearing on valuation sheets. • On a sample basis, we tested the net realizable value of inventory items to recent selling prices and re-performed the calculation of the inventory write down, if any. • In the context of our testing of the calculation, we analyzed individual cost components and traced them back to the corresponding underlying documents. • We also made inquiries from management, including those outside of the finance function, and considered the results of our testing above to determine whether any specific write downs were required. • We also assessed the adequacy of the disclosures made in respect of the accounting policies and related notes to the financial statements.

Sr. No.	Key audit matters	How the matters were addressed in our audit
2.	Revenue recognition The Company recognized net revenue of Rupees 4,541.703 million for the year ended 30 June 2026. We identified recognition of revenue as a key audit matter because revenue is one of the key performance indicators of the Company and gives rise to an inherent risk that revenue could be subject to misstatement to meet expectations or targets. For further information, refer to the following: - Material accounting policy information, Revenue recognition (Note 2.15 to the financial statements). - Revenue (Note 25 to the financial statements).	Our procedures included, but were not limited to: • We obtained an understanding of the process relating to recognition of revenue and testing the design, implementation and operating effectiveness of key internal controls over recording of revenue. • We compared a sample of revenue transactions recorded during the year with sales orders, sales invoices, delivery documents and other relevant underlying documents. • We compared a sample of revenue transactions recorded around the year-end with the sales orders, sales invoices, delivery documents and other relevant underlying documentation to assess if the related revenue was recorded in the appropriate accounting period. • We assessed whether the accounting policies for revenue recognition complies with the requirements of IFRS 15 'Revenue from Contracts with Customers'. • We also considered the appropriateness of disclosures in the financial statements.

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);

- a) statement of financial position, the statement of profit or loss, the statement of comprehensive income, the statement of changes in equity and the statement of cash flows together with the notes thereon have been drawn up in conformity with the Companies Act, 2017 (XIX of 2017) and are in agreement with the books of account and returns;
- 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 Liaqat Ali Panwar.



RIAZ AHMAD & COMPANY
Chartered Accountants

Faisalabad

Date: 28 September 2026

UDIN: AR202610184hOqu3LaUP

STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2026

NOTE	2026 (RUPEES IN THOUSAND)	2025 (RUPEES IN THOUSAND)	NOTE	2026 (RUPEES IN THOUSAND)	2025 (RUPEES IN THOUSAND)
EQUITY AND LIABILITIES					
SHARE CAPITAL AND RESERVES					
Authorized share capital of Rupees 10 each	100,000	100,000			
	96,600	96,600			
Issued, subscribed and paid up share capital	96,600	96,600			
Directors' loans	680,000	360,000			
Reserves					
Capital reserves	17,250	17,250			
	44,778	44,778			
Premium on issue of shares	558,377	448,255			
Equity portion of shareholders' loans	620,405	510,283			
Surplus on revaluation of property, plant and equipment - net of deferred income tax	(347,318)	(255,886)			
Total reserves	1,049,687	710,997			
Accumulated loss					
TOTAL EQUITY					
LIABILITIES					
NON-CURRENT LIABILITIES					
Deferred income tax liability	88,072	89,437			
Staff retirement gratuity	69,771	68,041			
	157,843	157,478			
CURRENT LIABILITIES					
Trade and other payables	389,771	333,669			
Contract liabilities	13,896	98,376			
Short term borrowings	430,130	675,943			
Accrued mark-up	12,579	10,732			
Unclaimed dividend	1,023	1,023			
	847,399	1,089,743			
TOTAL LIABILITIES	1,005,242	1,247,221			
CONTINGENCIES AND COMMITMENTS					
TOTAL EQUITY AND LIABILITIES	2,054,929	1,958,218	TOTAL ASSETS	2,054,929	1,958,218

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


AIZAD AMER
Chief Executive Officer


Muhammad Saqib Ehsan
Chief Financial Officer

**AN TEXTILE MILLS LIMITED****STATEMENT OF PROFIT OR LOSS
FOR THE YEAR ENDED 30 JUNE 2026**

	NOTE	2026 (RUPEES IN THOUSAND)	2025
REVENUE	25	4,541,703	4,492,440
COST OF SALES	26	(4,497,480)	(4,440,080)
GROSS PROFIT		44,223	52,360
DISTRIBUTION COST	27	(10,539)	(6,942)
ADMINISTRATIVE EXPENSES	28	(79,449)	(62,179)
OTHER EXPENSES	29	(531)	(18)
		(90,519)	(69,139)
		(46,296)	(16,779)
OTHER INCOME	30	3,127	369
LOSS FROM OPERATIONS		(43,169)	(16,410)
FINANCE COST	31	(50,142)	(49,582)
LOSS BEFORE LEVY AND TAXATION		(93,311)	(65,992)
LEVY	32	(56,771)	(56,155)
LOSS BEFORE TAXATION		(150,082)	(122,147)
TAXATION	33	35,035	19,140
LOSS AFTER TAXATION		(115,047)	(103,007)
LOSS PER SHARE - BASIC AND DILUTED (RUPEES)	34	(11.91)	(10.66)

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


AIZAD AMER
Chief Executive Officer


KHAWAJA AMER KHURSHID
Director


Muhammad Saqib Ehsan
Chief Financial Officer

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2026

	NOTE	2026 (RUPEES IN THOUSAND)	2025 (RUPEES IN THOUSAND)
LOSS AFTER TAXATION		(115,047)	(103,007)
OTHER COMPREHENSIVE INCOME / (LOSS)			
Items that will not be reclassified subsequently to profit or loss:			
Remeasurement gain / (loss) arising on staff retirement gratuity	9.4	15,391	(6,543)
Related deferred income tax liability		(4,463)	1,897
		10,928	(4,646)
Surplus on revaluation of property, plant and equipment	14	152,016	-
Related deferred income tax liability		(29,207)	-
		122,809	-
		133,737	(4,646)
Items that may be reclassified subsequently to profit or loss		-	-
Other comprehensive income / (loss) for the year - net of deferred income tax		133,737	(4,646)
TOTAL COMPREHENSIVE INCOME / (LOSS) FOR THE YEAR		18,690	(107,653)

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


AIZAD AMER
Chief Executive Officer


KHAWAJA AMER KHURSHID
Director


Muhammad Saqib Ehsan
Chief Financial Officer

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

	SHARE CAPITAL	DIRECTORS' LOANS	CAPITAL RESERVES				ACCUMULATED LOSS	TOTAL EQUITY
			Premium on issue of shares	Equity portion of shareholders' loans	Surplus on revaluation of property, plant and equipment - net of deferred income tax	Total		
(RUPEES IN THOUSAND)								
Balance as at 30 June 2024	96,600	360,000	17,250	44,778	461,610	523,638	(161,588)	818,650
Transfer from surplus on revaluation of property, plant and equipment on account of incremental depreciation - net of deferred income tax	-	-	-	-	(13,355)	(13,355)	13,355	-
Loss for the year	-	-	-	-	-	-	(103,007)	(103,007)
Other comprehensive income for the year	-	-	-	-	-	-	(4,646)	(4,646)
Total comprehensive loss for the year	-	-	-	-	-	-	(107,653)	(107,653)
Balance as at 30 June 2025	96,600	360,000	17,250	44,778	448,255	510,283	(255,886)	710,997
Transactions with owners:								
Directors' loan transferred from short term borrowings (Note 5)	-	320,000	-	-	-	-	-	320,000
Transfer from surplus on revaluation of property, plant and equipment on account of incremental depreciation - net of deferred income tax	-	-	-	-	(12,687)	(12,687)	12,687	-
Loss for the year	-	-	-	-	-	-	(115,047)	(115,047)
Other comprehensive income for the year	-	-	-	-	122,809	122,809	10,928	133,737
Total comprehensive loss for the year	-	-	-	-	122,809	122,809	(104,119)	18,690
Balance as at 30 June 2026	96,600	680,000	17,250	44,778	558,377	620,405	(347,318)	1,049,687

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

AIZAD AMER
 Chief Executive Officer

KHAWAJA AMER KHURSHID
 Director

Muhammad Saqib Ehsan
 Chief Financial Officer

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

	NOTE	2026 (RUPEES IN THOUSAND)	2025
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash generated from operations	35	244,805	34,453
Finance cost paid		(48,295)	(49,001)
Income tax and levy paid		(71,984)	(88,674)
Staff retirement gratuity paid	9.1	(28,093)	(18,104)
Net decrease / (increase) in long term deposits and prepayments		55	(320)
Net decrease in long term loans		135	10
Net cash generated from / (used in) operating activities		<u>96,623</u>	<u>(121,636)</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Capital expenditure on property, plant and equipment	14	(175,605)	(69,839)
Proceeds from sale of property, plant and equipment		3,700	624
Net cash used in investing activities		<u>(171,905)</u>	<u>(69,215)</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
Short term borrowings - net	35.2	74,187	181,001
Net cash from financing activities		<u>74,187</u>	<u>181,001</u>
NET DECREASE IN CASH AND CASH EQUIVALENTS		<u>(1,095)</u>	<u>(9,850)</u>
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR		17,018	26,868
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	24	<u><u>15,923</u></u>	<u><u>17,018</u></u>

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


AIZAD AMER
Chief Executive Officer


KHAWAJA AMER KHURSHID
Director


Muhammad Saqib Ehsan
Chief Financial Officer

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2026**

1. THE COMPANY AND ITS OPERATIONS

AN Textile Mills Limited (the Company) is a public limited company incorporated in Pakistan under the Companies Act, 1913 (Now Companies Act, 2017) on 04 February 1982 and listed on Pakistan Stock Exchange Limited on 08 March 1989. Its registered office and mills premises are situated at 35-Kilometers Sheikhpura Road, Faisalabad. The principal activity of the Company is manufacturing, sale and trading of yarn and cloth. A liaison office is situated at 404-405, 4th Floor, Business Centre, Mumtaz Hassan Road, Karachi.

2. MATERIAL ACCOUNTING POLICY INFORMATION

The material accounting policy information applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented, unless otherwise stated:

2.1 Basis of preparation

a) 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.

b) Accounting convention

These financial statements have been prepared under the historical cost convention, except as otherwise stated in the respective accounting policies.

c) Critical accounting estimates and judgments

The preparation of financial statements in conformity with the approved accounting and reporting standards requires the use of certain critical accounting estimates. It also requires the management to exercise its judgment in the process of applying the Company's accounting policies. Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The areas where various assumptions and estimates are significant to the Company's financial statements or where judgments were exercised in application of accounting policies are as follows:

Useful lives, patterns of economic benefits and impairments

The estimates for revalued amounts of different classes of property, plant and equipment, are based on valuation performed by external professional valuer and recommendation of technical teams of the Company. The said recommendations also include estimates with respect to residual values and depreciable lives. Further, the Company reviews the value of the assets for possible impairment on an annual basis. Any change in the estimates in future years might affect the carrying amounts of the respective items of property, plant and equipment with a corresponding effect on the depreciation charge and impairment.

Inventories

Inventory write-down is made based on the current market conditions, historical experience and selling goods of similar nature. It could change significantly as a result of changes in market conditions. A review is made on each reporting date on inventories for excess inventories, obsolescence and declines in net realizable value and an allowance is recorded against the inventory balances for any such declines.

Income tax and levy

In making the estimates for income tax and levy currently payable by the Company, the management takes into account the current income tax law and the decisions of appellate authorities on certain issues in the past.

Allowance for expected credit losses

The allowance for expected credit losses assessment requires a degree of estimation and judgement. It is based on the lifetime expected credit loss, grouped based on days overdue, and makes assumption to allocate an overall expected credit loss rate for each group. These assumptions include recent sale experience and historical collection rates.

Provisions

As the actual outflows can differ from estimates made for provisions due to changes in laws, regulations, public expectations, technology, prices and conditions, and can take place many years in the future, the carrying amounts of provisions are reviewed at each reporting date and adjusted to take account of such changes. Any adjustments to the amount of previously recognized provision is recognized in the statement of profit or loss unless the provision was originally recognized as part of

Contingencies

The Company reviews the status of all pending litigations and claims against the Company. Based on the judgment and the advice of the legal advisors for the estimated financial outcome, appropriate disclosure or provision is made. The actual outcome of these litigations and claims can have an effect on the carrying amounts of the liabilities recognized at the statement

Revenue from contracts with customers involving sale of goods

When recognizing revenue in relation to the sale of goods to customers, the key performance obligation of the Company is considered to be the point of delivery of the goods to the customer, as this is deemed to be the time that the customer obtains control of the promised goods and therefore the benefits of unimpeded access.

Staff retirement gratuity

The actuarial valuation of staff retirement gratuity requires the use of certain assumptions related to future periods, including increase in future salary and the rate used to discount future cash flows to present value.

d) Amendments to published approved accounting standard that are effective in current year and are relevant to the

Following amendments to published approved accounting standard are mandatory for the Company's accounting periods beginning on or after 01 July 2025:

- Lack of Exchangeability (Amendments to IAS 21 'The Effects of Changes in Foreign Exchange Rates')

The above-mentioned amendments to approved accounting standard did not have any impact on the amounts recognized in prior period and are not expected to significantly affect the current or future periods.

e) Amendments to published approved accounting standards that are effective in current year but not relevant to the

There are amendments to published standards that are mandatory for accounting periods beginning on or after 01 July 2025 but are considered not to be relevant or do not have any significant impact on the Company's financial statements and are therefore not detailed in these financial statements.

f) Standards, amendments and improvements to published approved accounting standards that are not yet effective but relevant to the Company

Following standards, amendments and improvements to existing standards have been published and are mandatory for the Company's accounting periods beginning on or after 01 July 2026 or later periods:

IFRS 18 'Presentation and Disclosure in Financial Statements' (effective for annual periods beginning on or after 01 January 2027) with a focus on updates to the statement of profit or loss. The objective of IFRS 18 is to set out requirements for the presentation and disclosure of information in general purpose financial statements to help ensure they provide relevant information that faithfully represents an entity's assets, liabilities, equity, income and expenses. The key new concepts introduced in IFRS 18 relate to: the structure of the statement of profit or loss; required disclosures in the financial statements for certain profit or loss performance measures that are reported outside an entity's financial statements (that is, management-defined performance measures); and enhanced principles on aggregation and disaggregation which apply to the primary financial statements and notes in general. IFRS 18 will replace IAS 1; many of the other existing principles in IAS 1 are retained, with limited changes. IFRS 18 will not impact the recognition or measurement of items in the financial statements, but it might change what an entity reports as its 'operating profit or loss'.

IFRS S1 'General Requirements for Disclosure of Sustainability-related Financial Information'. IFRS S1 sets out overall requirements for sustainability-related financial disclosures with the objective to require an entity to disclose information about its sustainability-related risks and opportunities that is useful to primary users of general purpose financial reports in making decisions relating to providing resources to the entity.

IFRS S2 'Climate-related Disclosures'. IFRS S2 sets out the requirements for identifying, measuring and disclosing information about climate-related risks and opportunities that is useful to primary users of general purpose financial reports in making decisions relating to provision of resources to the entity.

As per the current scenario, the Company will fall in Phase-III of the criteria as per the order from Securities and Exchange Commission of Pakistan (SECP) dated 31 December 2024. Therefore the effective date of these two sustainability standards for the Company is for annual reporting periods beginning on or after 01 July 2027.

Amendment to IFRS 7 'Financial Instruments: Disclosures' and IFRS 9 'Financial Instruments' – Classification and Measurement of Financial Instruments (effective for annual reporting periods beginning on or after 01 January 2026). These amendments clarify the requirements for the timing of recognition and derecognition of some financial assets and liabilities, with a new exception for some financial liabilities settled through an electronic cash transfer system; clarify and add further guidance for assessing whether a financial asset meets the SPPI criterion; add new disclosures for certain instruments with contractual terms that can change cash flows; and make updates to the disclosures for equity instruments designated at FVTOCI.

Amendment to IFRS 7 'Financial Instruments: Disclosures' and IFRS 9 'Financial Instruments' – Contracts Referencing Nature-dependent Electricity (effective for annual reporting periods beginning on or after 01 January 2026). These amendments change the 'own use' and hedge accounting requirements of IFRS 9 and include targeted disclosure requirements to IFRS 7.

The International Accounting Standards Board (IASB) has published 'Annual Improvements to IFRS Accounting Standards – Volume 11'. The amendments are effective for annual reporting periods beginning on or after 01 January 2026. It contains amendments to following standards relevant to the Company, as result of the IASB's annual improvements project:

- IFRS 7 Financial Instruments: Disclosures;
- IFRS 9 Financial Instruments; and
- IAS 7 Statement of Cash flows.

The above standards, amendments and improvements are likely to have no significant impact on the financial statements apart from certain additional disclosures.

g) Standards and amendments to published approved accounting standards that are not yet effective and not considered relevant to the Company

There are other standards and amendments to published approved standards that are mandatory for accounting periods beginning on or after 01 July 2026 but are considered not to be relevant or do not have any significant impact on the Company's financial statements and are therefore not detailed in these financial statements.

2.2 Property, plant and equipment

a) Operating fixed assets

All operating fixed assets are stated at cost less accumulated depreciation and any identified impairment loss, except those subject to revaluation which are stated at revalued amount less accumulated depreciation and any identified impairment loss. Cost of operating fixed assets consists of historical cost, borrowing cost pertaining to the construction / erection period of qualifying assets and other directly attributable costs of bringing the asset to working condition.

Increases in the carrying amounts arising on revaluation of property, plant and equipment are recognized, net of deferred income tax, in other comprehensive income and accumulated in revaluation surplus in shareholders' equity. To the extent that increase reverses a decrease previously recognized in the statement of profit or loss, the increase is first recognized in the statement of profit or loss. Decreases that reverse previous increases of the same asset are first recognized in other comprehensive income to the extent of the remaining surplus attributable to the asset; all other decreases are charged to the statement of profit or loss. Each year, the difference between depreciation based on the revalued carrying amount of the asset charged to the statement of profit or loss and depreciation based on the asset's original cost, net of deferred income tax, is reclassified from surplus on revaluation of property, plant and equipment to accumulated loss.

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

Valuations are performed frequently enough to ensure that the fair value of a revalued asset does not differ materially from its carrying amount.

b) Depreciation

Depreciation on operating fixed assets is charged to the statement of profit or loss applying the reducing balance method so as to write off the cost / depreciable amount of the assets over their estimated useful lives at the rates given in Note 14. The Company charges the depreciation on additions from the month when the asset is available for use and on deletions up to the month preceding the month when the asset is de-recognized. The residual values and useful lives are reviewed by the management, at each financial year-end and adjusted if impact on depreciation is significant.

c) De-recognition

An item of property, plant and equipment is de-recognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset is included in the statement of profit or loss in the year the asset is de-recognized.

d) Capital work-in-progress

Capital work-in-progress is stated at cost less any recognized impairment loss. It consists of expenditure incurred and advances made in respect of operating fixed assets in the course of their construction and installation. These are transferred to operating fixed assets as and when these are available for use.

2.3 Impairment of non-financial assets

Assets that have an indefinite useful life are not subject to depreciation and are tested annually for impairment. Assets that are subject to depreciation are reviewed for impairment at each reporting date or whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount for which asset's carrying amount exceeds its recoverable amount. Recoverable amount is the higher of an asset's fair value less cost to sell and value in use. Non-financial assets that suffered an impairment are reviewed for possible reversal of the impairment at each reporting date. Reversals of the impairment losses are restricted to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation, if impairment losses had not been recognized. An impairment loss or reversal of impairment loss is recognized in the statement of profit or loss.

2.4 Borrowing cost

Interest, mark-up and other charges on borrowings are capitalized up to the date of commissioning of respective qualifying assets acquired out of the proceeds of such borrowings. All other interest, mark-up and other charges are recognized in statement of profit or loss.

2.5 Inventories

Inventories, except for stock in transit, are stated at the lower of cost and net realizable value. Cost is determined as follows:

Stores, spare parts and loose tools

Usable stores, spare parts and loose tools are valued principally at moving average cost, while items considered obsolete are carried at nil value. In transit stores, spare parts and loose tools are valued at invoice amount plus other charges paid thereon.

Stock in trade

Cost of raw materials, work-in-process and finished goods is determined as follows:

- | | |
|--|--|
| (i) For raw materials: | Weighted average cost |
| (ii) For work-in-process and finished goods: | Average manufacturing cost including a portion of production overheads |

Materials in transit are valued at cost comprising invoice value plus other charges paid thereon. Waste stock is valued at net realizable value.

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

2.6 Cash and cash equivalents

Cash and cash equivalents comprise cash in hand, balance with banks in current and saving accounts and other short term highly liquid instruments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in values.

2.7 Staff retirement gratuity

The Company operates an unfunded gratuity scheme for its permanent employees, who have completed the minimum qualifying period of service as defined under the scheme, calculated from the date of their joining with the Company. The Company's obligation under the scheme is determined through actuarial valuation using the Projected Unit Credit Actuarial Cost Method. The method involves making assumptions about discount rates, future salary increases and mortality rates. The latest actuarial valuation was conducted by an independent actuary. The obligation at the date of statement of financial position is measured at the present value of the estimated future cash outflows. All contributions are charged to the statement of profit or loss for the year.

Actuarial gains and losses (remeasurement gains / losses) on staff retirement gratuity are recognized immediately in other comprehensive income.

2.8 Provisions

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

2.9 Taxation and levy

Current

Provision for current tax is based on the taxable income for the year determined in accordance with the prevailing law for taxation of income. The charge for current tax is calculated using prevailing tax rates or tax rates expected to apply to the profit for the year, if enacted. Final taxes levied under the Income Tax Ordinance, 2001 and any excess over the amount designated as provision for current tax are charged as levy in statement of profit or loss. The charge for current tax and levy also includes adjustments, where considered necessary, to provision for tax and levy made in previous years arising from assessments framed during the year for such years.

Deferred

Deferred tax is accounted for using the liability method in respect of all temporary differences arising from differences between the carrying amount of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of the taxable profit. Deferred tax liabilities are generally recognized for all taxable temporary differences and deferred tax assets to the extent that it is probable that taxable profits will be available against which the deductible temporary differences, unused tax losses and tax credits can be utilized.

Deferred tax is calculated at the rates that are expected to apply to the period when the differences reverse based on tax rates that have been enacted or substantively enacted by the reporting date. Deferred tax is charged or credited in the statement of profit or loss, except to the extent that it relates to items recognized in other comprehensive income or directly in equity. In this case, the tax is also recognized in other comprehensive income or directly in equity, respectively.

2.10 Financial instruments
i) Classification and measurement of financial instruments
Financial assets
a) Classification

The Company classifies its financial assets at amortized cost. The classification depends on the Company's business model for managing the financial assets and the contractual terms of the cash flows.

b) Measurement

At initial recognition, the Company measures a financial asset at its fair value plus transaction costs that are directly attributable to the acquisition of the financial asset. Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payments of principal and interest. Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. The Company classifies its debt instruments at amortized cost. Financial assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortized cost. Interest income from these financial assets is included in other income using the effective interest rate method. Financial liabilities are subsequently measured at amortized cost using the effective interest method. Interest expense is recognized in the statement of profit or loss. Any gain or loss arising on de-recognition is recognized directly in profit or loss and presented in other income / (other expenses).

Financial liabilities
Classification and measurement

Financial liabilities are classified and measured at amortized cost. Financial liabilities are subsequently measured at amortized cost using the effective interest method. Interest expense is recognized in the statement of profit or loss. Any gain or loss on de-recognition is also included in statement of profit or loss.

ii) Impairment of financial assets

The Company recognizes allowance for Expected Credit Losses (ECLs) on financial assets measured at amortized cost.

The Company measures loss allowance for ECLs at an amount equal to lifetime ECLs except for the bank balances and debt securities for which credit risk (the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.

12-month ECLs are the portion of ECLs that result from default events that are possible within the 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months).

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and informed credit assessment and including forward-looking information.

The Company assumes that the credit risk on a financial asset has increased significantly if it is more than past due for a reasonable period of time. Lifetime ECLs are the ECLs that result from all possible default events over the expected life of a financial instrument. 12-months ECLs are the portion of ECLs that result from default events that are possible within the 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months).

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

The gross carrying amount of a financial asset is written off when the Company has no reasonable expectations of recovering a financial asset in its entirety or a portion thereof. The Company individually makes an assessment with respect to the timing and amount of write-off based on whether there is a reasonable expectation of recovery. The Company expects no significant recovery from the amount written off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Company's procedures for recovery of amounts due.

At each reporting date, the Company assesses whether financial assets are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable data:

- significant financial difficulty of the debtor;
- a breach of contract such as a default;
- the restructuring of a loan or advance by the Company on terms that the Company would not consider otherwise; or
- it is probable that the debtor will enter bankruptcy or other financial reorganization.

iii) De-recognition of financial assets and financial liabilities

(a) Financial assets

The Company de-recognizes a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred, or it neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control over the transferred asset. Any interest in such de-recognized financial assets that is created or retained by the Company is recognized as a separate asset or liability.

(b) Financial liabilities

The Company de-recognizes a financial liability (or a part of financial liability) from its statement of financial position when the obligation specified in the contract is discharged or cancelled or expired.

iv) Offsetting of financial instruments

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

2.11 Borrowings

Financing and borrowings are initially recognized at fair value and are subsequently measured at amortized cost. Any difference between the proceeds and redemption value is recognized in the statement of profit or loss over the period of borrowings using the effective interest method.

2.12 Trade debts and other receivables

Trade debts are initially recognized at fair value and subsequently measured at amortized cost using the effective interest method, less any allowance for expected credit losses.

Other receivables are recognized at amortized cost, less any allowance for expected credit losses.

2.13 Trade and other payables

Liabilities for trade and other amounts payable are initially recognized at fair value, which is normally the transaction cost and subsequently measured at amortized cost using the effective interest method.

2.14 Functional and presentation currency along with foreign currency transactions and translation

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the Company operates (the functional currency). The financial statements are presented in Pak Rupees, which is the Company's functional and presentation currency. All monetary assets and liabilities in foreign currencies are translated into Pak Rupees at exchange rates prevailing at the reporting date. Transactions in foreign currencies are translated into Pak Rupees at exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year end exchange rates of monetary assets and liabilities denominated in foreign currencies are charged or credited to statement of profit or loss.

2.15 Revenue recognition

i) Revenue from contracts with customers

a) Sale of goods

Revenue from the sale of goods is recognized at the point in time when the customer obtains control of the goods, which is generally at the time of delivery.

ii) **Other income recognition**

a) **Interest**

Interest income is recognized as interest accrues using the effective interest method. This is a method of calculating the amortized cost of a financial asset and allocating the interest income over the relevant period using the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset.

b) **Other revenue**

Other revenue is recognized when it is received or when the right to receive payment is established.

iii) **Contract assets**

Contract assets arise when the Company performs its performance obligations by transferring goods to a customer before the customer pays its consideration or before payment is due. Contract assets are treated as financial assets for impairment purposes.

iv) **Right of return assets**

Right of return assets represents the right to recover inventory sold to customers and is based on an estimate of customers who may exercise their right to return the goods and claim a refund. Such rights are measured at the value at which the inventory was previously carried prior to sale, less expected recovery costs and any impairment.

v) **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 received. Contract liabilities are recognized as revenue when the Company accomplishes its performance obligations under the contract.

2.16 Contingent assets

Contingent assets are disclosed when the Company has a possible asset 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. Contingent assets are not recognized until their realization becomes certain.

2.17 Contingent liabilities

Contingent liability is disclosed when the Company has a possible obligation as a result of past events 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. Contingent liabilities are not recognized, only disclosed, unless the probability of future outflow of resources is considered remote. In the event that the outflow of resources allocated with a contingent liability is assessed as probable, and if the size of the outflow can be reliably estimated, provision is recognized in the financial statements.

3 SUMMARY OF OTHER ACCOUNTING POLICIES

3.1 Leases

Right-of-use assets

A right-of-use asset is recognized at the commencement date of a lease. The right-of-use asset is measured at cost less accumulated depreciation and accumulated impairment losses, if any. The cost comprises the initial amount of the lease liability, adjusted for, as applicable, any lease payments made at or before the commencement date net of any lease incentives received and any initial direct costs incurred.

Right-of-use assets are depreciated on a straight-line basis over the unexpired period of the lease or the estimated useful life of the asset, whichever is shorter. Where the Company expects to obtain ownership of the leased asset at the end of the lease term, the depreciation is charged over its estimated useful life. Right-of use assets are subject to impairment or adjusted for any re-measurement of lease liabilities.

The Company has elected not to recognize a right-of-use asset and corresponding lease liability for short-term leases with terms of 12 months or less and leases of low-value assets. Lease payments of these assets are recognized as expense on straight-line basis over the lease term.

Lease liabilities

A lease liability is recognized at the commencement date of a lease. The lease liability is initially recognized at the present value of the lease payments to be made over the term of the lease, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate. Lease payments comprise of fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, amounts expected to be paid under residual value guarantees, exercise price of a purchase option when the exercise of the option is reasonably certain to occur, and any anticipated termination penalties. The variable lease payments that do not depend on an index or a rate are expensed in the period in which these are incurred.

Lease liabilities are measured at amortized cost using the effective interest method. The carrying amounts are re-measured if there is a change in the following: future lease payments arising from a change in an index or a rate used; residual guarantee; lease term; certainty of a purchase option and termination penalties. When a lease liability is re-measured, an adjustment is made to the corresponding right-of-use asset, or to statement of profit or loss if the carrying amount of the right-of-use asset is fully written down.

3.2 Share capital

Ordinary shares are classified as share capital and recognized at their face value. Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction, net of tax, if any.

3.3 Dividend and other appropriations

Dividend distribution to the Company's shareholders is recognized as a liability in the Company's financial statements in the period in which it is declared and other appropriations are recognized in the period in which these are approved by the Board of Directors.

3.4 Earnings / (loss) per share

The Company presents Earnings Per Share (EPS) / Loss Per Share (LPS) data for its ordinary shares. EPS / (LPS) is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the year.

4. ISSUED, SUBSCRIBED AND PAID UP SHARE CAPITAL

2026 (NUMBER OF SHARES)			2025 (RUPEES IN THOUSAND)	
9 060 000	9 060 000	Ordinary shares of Rupees 10 each fully paid in cash	90,600	90,600
600 000	600 000	Ordinary shares of Rupees 10 each issued as fully paid bonus shares	6,000	6,000
<u>9 660 000</u>	<u>9 660 000</u>		<u>96,600</u>	<u>96,600</u>

4.1 All shares are equally eligible to receive dividends and the repayment of capital. Moreover each share represents one vote at shareholders' meeting of the Company.

5. DIRECTORS' LOANS

These represent unsecured interest free loans obtained from the directors of the Company to meet the liquidity requirements of the Company. These loans are repayable at the discretion of the Company.

	2026 (RUPEES IN THOUSAND)	2025
Balance as at 01 July	360,000	360,000
Add: Transferred from short term borrowings (Note 12.2.1)	320,000	-
	<u>680,000</u>	<u>360,000</u>

6. PREMIUM ON ISSUE OF SHARES

This reserve can be utilized by the Company only for the purpose specified in section 81 of the Companies Act, 2017.

7. SURPLUS ON REVALUATION OF PROPERTY, PLANT AND EQUIPMENT - NET OF DEFERRED INCOME TAX

Balance as at 01 July	448,255	461,610
Effect of revaluation of property, plant and equipment - net of deferred income tax	122,809	-
	<u>571,064</u>	<u>461,610</u>
Less: Transferred to accumulated loss in respect of incremental depreciation charged during the year - net of deferred income tax	12,687	13,355
Balance as at 30 June	<u>558,377</u>	<u>448,255</u>

- 7.1 Freehold land, buildings thereon, plant and machinery, electric installations / appliances, generators and laboratory equipment of the Company were revalued by an independent valuer, Messrs Property Valuation Services (Private) Limited on 30 June 2026 on the basis of present prevailing market prices.

8. DEFERRED INCOME TAX LIABILITY
Taxable temporary difference

Accelerated tax depreciation	270,995	239,760
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Deductible temporary differences

Staff retirement gratuity	(20,234)	(19,732)
Provision for doubtful loans and advances	-	(73)
Provision for doubtful other receivables	(25)	(187)
Provision for obsolete stores, spare parts and loose tools	(5,912)	(5,912)
Allowance for expected credit losses	(148)	(204)
Unused tax losses and unabsorbed tax depreciation	(156,604)	(124,215)
	<u>(182,923)</u>	<u>(150,323)</u>
	<u>88,072</u>	<u>89,437</u>

2026 2025
(RUPEES IN THOUSAND)

8.1 Movement in deferred income tax liability balance is as follows:

At beginning of the year	89,437	110,474
Add / (less):		
- accelerated tax depreciation	31,235	7,678
- staff retirement gratuity	(502)	(8,332)
- provision for doubtful loans and advances	73	(1)
- provision for doubtful other receivables	162	-
- allowance for expected credit losses	56	(5)
- unused tax losses and unabsorbed tax depreciation	(32,389)	(20,377)
Net movement of temporary differences (Note 8.1.1)	(1,365)	(21,037)
	<u>88,072</u>	<u>89,437</u>

8.1.1 Charged to the statement of profit or loss:

Net movement of temporary differences (Note 8.1)	(1,365)	(21,037)
- on remeasurement of staff retirement gratuity	(4,463)	1,897
- on revaluation of property, plant and equipment	(29,207)	-
	<u>(35,035)</u>	<u>(19,140)</u>

9. STAFF RETIREMENT GRATUITY

The latest actuarial valuation was carried out as at 30 June 2026.

Present value of defined benefit obligation	<u>69,771</u>	<u>68,041</u>
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9.1 Movement in present value of defined benefit obligation

Balance as at 01 July	68,041	39,312
Add:		
Provision for the year (Note 9.3)	45,214	40,290
Remeasurements chargeable to other comprehensive income (Note 9.4)	(15,391)	6,543
	<u>97,864</u>	<u>86,145</u>
Less: Retirement benefit paid	(28,093)	(18,104)
Balance as at 30 June	<u>69,771</u>	<u>68,041</u>

9.2 Reconciliation of present value of defined benefit obligation as at 30 June is given below:

Present value of defined benefit obligation as at 01 July	68,041	39,312
Current service cost	38,869	30,413
Past service cost	-	5,414
Interest cost	6,345	4,463
Retirement benefit paid	(28,093)	(18,104)
Actuarial gain from changes in financial assumptions	-	(91)
Experience adjustments	(15,391)	6,634
Present value of defined benefit obligation as at 30 June	<u>69,771</u>	<u>68,041</u>

	2026 (RUPEES IN THOUSAND)	2025
9.3 Provision for the year		
Current service cost	38,869	30,413
Past service cost	-	5,414
Interest cost	6,345	4,463
	<u>45,214</u>	<u>40,290</u>
9.3.1 Provision for the year has been allocated as follows:		
Cost of sales (Note 26)	41,597	37,067
Distribution cost (Note 27)	134	139
Administrative expenses (Note 28)	3,483	3,084
	<u>45,214</u>	<u>40,290</u>
9.4 Remeasurements chargeable to other comprehensive income		
Actuarial gain from changes in financial assumptions	-	(91)
Experience adjustments	(15,391)	6,634
	<u>(15,391)</u>	<u>6,543</u>
9.5 Principal actuarial assumptions used	2026	2025
Discount rate for interest cost in the statement of profit or loss charge (per annum)	11.75%	14.75%
Discount rate for year end obligation (per annum)	11.75%	11.75%
Average duration of the benefit	5	5
Mortality rates	SLIC 2001-05 set back 1 year	SLIC 2001-05 set back 1 year
Withdrawal rate	Age based	Age based
Retirement assumption	Age 60	Age 60
9.6	The estimated expenses to be charged to the statement of profit or loss for the year ending on 30 June 2027 is Rupees 45.436 million.	
9.7 Sensitivity analysis for actuarial assumptions:		
A sensitivity analysis for the above financial assumptions on the reporting date showing how the defined benefit obligation would have been effected by changes in said assumptions is as follows:		
Discount rate	1.00%	1.00%
Increase in assumption (Rupees in thousand)	(3,469)	(3,230)
Decrease in assumption (Rupees in thousand)	3,934	3,653
Future salary increase	1.00%	1.00%
Increase in assumption (Rupees in thousand)	3,934	3,653
Decrease in assumption (Rupees in thousand)	(3,529)	(3,285)

9.8 Expected benefit payments for future years:

	Within 1 year	1 - 2 years	2 - 3 years	3 - 4 years	More than 4 years
	-----RUPEES IN THOUSAND-----				
2026	21,850	19,901	19,693	17,416	1,292,959
2025	23,615	20,541	18,310	18,398	1,129,616

9.9 Risks associated with the scheme
a) Final salary risk (linked to inflation risk)

The risk that the final salary at the time of cessation of service is greater than what we assumed. Since the benefit is calculated on the final salary (which will closely reflect inflation and other macroeconomic factors), the benefit amount increases as salary increases.

b) Demographic risks
i) Mortality risk

The risk that the actual mortality experience is different than the assumed mortality. This effect is more pronounced in schemes where the age and service distribution is on the higher side.

ii) Withdrawal risk

The risk of actual withdrawals experience is different from assumed withdrawal probability. The significance of the withdrawal risk varies with the age, service and the entitled benefits of the beneficiary.

10. TRADE AND OTHER PAYABLES

2026
2025
(RUPEES IN THOUSAND)

Creditors	239,706	138,991
Accrued liabilities and other payables (Note 10.1)	127,699	141,880
Income tax deducted at source	2,051	2,075
Sales tax payable	12,746	43,154
Workers' welfare fund	7,569	7,569
	<u>389,771</u>	<u>333,669</u>

10.1 These include gratuity due but not paid to an ex-employee amounting to Rupees Nil (2025: Rupees 0.630 million).

11. CONTRACT LIABILITIES

These represent unsecured contract liabilities of the Company towards various parties. The amount of Rupees 63.713 million included in contract liabilities as at 30 June 2025 has been recognized as revenue in 2026 (2025: Rupees 154.733 million).

12. SHORT TERM BORROWINGS
From banking companies - secured

Running and cash finances (Note 12.1)

321,031 346,844

Others - unsecured

Related parties (Note 12.2)

109,099 329,099

430,130 675,943

9.8 Expected benefit payments for future years:

	Within 1 year	1 - 2 years	2 - 3 years	3 - 4 years	More than 4 years
	-----RUPEES IN THOUSAND-----				
2026	21,850	19,901	19,693	17,416	1,292,959
2025	23,615	20,541	18,310	18,398	1,129,616

9.9 Risks associated with the scheme
a) Final salary risk (linked to inflation risk)

The risk that the final salary at the time of cessation of service is greater than what we assumed. Since the benefit is calculated on the final salary (which will closely reflect inflation and other macroeconomic factors), the benefit amount

b) Demographic risks
i) Mortality risk

The risk that the actual mortality experience is different than the assumed mortality. This effect is more pronounced in schemes where the age and service distribution is on the higher side.

ii) Withdrawal risk

The risk of actual withdrawals experience is different from assumed withdrawal probability. The significance of the withdrawal risk varies with the age, service and the entitled benefits of the beneficiary.

	2026 (RUPEES IN THOUSAND)	2025
10. TRADE AND OTHER PAYABLES		
Creditors	239,706	138,991
Accrued liabilities and other payables (Note 10.1)	127,699	141,880
Income tax deducted at source	2,051	2,075
Sales tax payable	12,746	43,154
Workers' welfare fund	7,569	7,569
	<u>389,771</u>	<u>333,669</u>

10.1 These include gratuity due but not paid to an ex-employee amounting to Rupees Nil (2025: Rupees 0.630 million).

11. CONTRACT LIABILITIES

These represent unsecured contract liabilities of the Company towards various parties. The amount of Rupees 63.713 million included in contract liabilities as at 30 June 2025 has been recognized as revenue in 2026 (2025: Rupees 154.733

12. SHORT TERM BORROWINGS
From banking companies - secured

Running and cash finances (Note 12.1) 321,031 346,844

Others - unsecured

Related parties (Note 12.2) 109,099 329,099

<u>430,130</u>	<u>675,943</u>
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- 12.1** These finances are obtained from banking companies under mark-up arrangements and are secured against hypothecation of stocks and further secured against the pledge of cotton, tencel and yarn. These form part of total credit facility of Rupees 580 million (2025: Rupees 580 million). The rates of mark-up range from 12.08% to 13.66% (2025: 13.59% to 21.72%) per annum on the balance outstanding.
- 12.1.1** The main facilities of letters of credit and guarantees aggregate to Rupees 344.40 million (2025: Rupees 382.40 million). The amounts utilized at 30 June 2026 were Rupees 176.257 million (2025: Rupees 272.760 million). Securities of these facilities are the same as mentioned in Note 12.1.
- 12.2** These represent interest free loans obtained from directors of the Company to meet the Company's working capital requirements. These are repayable on demand.
- 12.2.1** During the year, a collective amount of Rupees 320 million (2025: Rupees Nil) was transferred to directors' loans (Note 5) with mutually decided agreements between the directors and the Company.

13. CONTINGENCIES AND COMMITMENTS

a) Contingencies

i) An appeal has been filed by the Company before Appellate Tribunal Inland Revenue, Lahore on 30 July 2021 against the order of Assistant Commissioner Inland Revenue for the tax year 2017 against demand of Rupees 8.966 million regarding non-deduction of withholding tax from certain parties under various clauses of section 153 of the Income Tax Ordinance, 2001. The related provision is not made in these financial statements in view of favorable outcome of the appeal, on advice of legal counsel.

ii) An appeal has been filed before Appellate Tribunal Inland Revenue, Lahore in March 2019 because Additional Commissioner Inland Revenue amended the assessment for the tax year 2007 and created a demand of Rupees 5.766 million on the issue of proration of specific expenses related to normal tax regime to final tax regime. The related provision is not made in these financial statements in view of favorable outcome of the appeal, on advice of legal counsel.

iii) A reference has been filed before the Lahore High Court, Lahore by Regional Tax Office (RTO), Faisalabad on 04 December 2019 against the order made by Appellate Tribunal Inland Revenue, Lahore regarding an appeal filed by the Company dated 07 June 2017 against the demand of Rupees 22.378 million by the RTO, Faisalabad regarding the disallowance of minimum tax adjustment for the tax year 2011. The related provision is not made in these financial statements on the basis of the advice from legal counsel that the reference filed by the Department will not be successful.

iv) An appeal has been filed by the Company before Commissioner Inland Revenue (Appeals), Multan on 02 February 2026 against the order of Additional Commissioner Inland Revenue, Large Taxpayers' Office (LTO) Multan regarding disallowance of refund of Rupees 5.917 million adjusted against the tax liability for the tax year 2020. The related provision is not made in these financial statements in view of favorable outcome of the appeal, on advice of legal counsel.

v) An appeal has been filed by the Company before Commissioner Inland Revenue (Appeals), Multan on 09 March 2026 against the order of Additional Commissioner Inland Revenue, LTO Multan regarding disallowance of refund of Rupees 13.788 million adjusted against the tax liability for the tax year 2024. The related provision is not made in these financial statements in view of favorable outcome of the appeal, on advice of legal counsel.

vi) On 13 August 2020, the Supreme Court of Pakistan upheld the Gas Infrastructure Development Cess (GIDC) Act, 2015 to be constitutional and intra vires. In connection with this decision, the Company filed a writ petition in Lahore High Court, Lahore on 16 September 2020 against the charge of GIDC at the rate of captive power consumer instead of industrial consumer. Lahore High Court, Lahore suspended the payment of Rupees 26.344 million related to this difference, subject to furnishing of undated cheques which have been submitted by the Company. Keeping in view the opinion of the legal counsel of the Company, the related provision is not made in these financial statements as there are strong grounds of favourable outcome of the petition.

vii) An appeal was filed in Lahore High Court, Lahore on 10 August 2017 against cost of supply of Re-Gasified Liquefied Natural Gas (RLNG) by Sui Northern Gas Pipelines Limited (SNGPL) amounting to Rupees 12.224 million. This appeal was allowed by Lahore High Court, Lahore on 13 December 2019 by asking Oil and Gas Regulatory Authority (OGRA) to conduct a public hearing to determine the level of cost of supply of RLNG. Keeping in view the opinion of the legal counsel of the Company, the related provision is not made in these financial statements as there are strong grounds that the decision of the proposed public hearing of OGRA will be decided in favour of the Company.

viii) Sindh High Court, Karachi made decision on 04 June 2021 about the levy of Sindh Infrastructure Cess, against which the Company was contingently liable for Rupees 3 million although guarantees were submitted by the Company's Bank for the same amount. Against the decision, the Company lodged a constitution petition no. 4719/2021 dated 13 August 2021 in Supreme Court of Pakistan (SCP). Thereafter, on 01 September 2021, SCP allowed the petition, suspended the judgement of Sindh High Court, Karachi and leave to appeal was granted. Following the establishment of the Federal Constitutional Court of Pakistan (FCCP) under the Twenty-Seventh Constitutional Amendment, all pending appeals, including the Company's appeal, were transferred to FCCP. This matter is currently pending adjudication. The related provision is not made in these financial statements due to possible favourable outcome of this appeal on advise of legal council.

ix) Sui Northern Gas Pipelines Limited (SNGPL) has demanded an amount of Rupees 19.666 million on account of RLNG tariff adjustment relating to the period from 2015 to 2024. The Company has disputed the entire calculation made by SNGPL and has filed a petition before Lahore High Court, Lahore against the said demand. The Company obtained a stay order from Lahore High Court, Lahore on 12 January 2026 in respect of the disputed demand. The recovery of the demanded amount through 24 instalments commenced from December 2025. The Company has recognized a provision of Rupees 4.985 million in these financial statements relating to the instalments pertaining to the current financial year. Keeping in view the opinion of the legal counsel of the Company, who is of the view that the matter will be decided in favour of the Company, remaining provision of Rupees 14.681 million is not made in these financial statements.

x) Guarantees of Rupees 106.253 million (2025: Rupees 142.960 million) are given by the banks of the Company to SNGPL against gas connections and Faisalabad Electric Supply Company Limited (FESCO) against electricity connection.

b) Commitments

i) Letters of credit for capital expenditure are of Rupees Nil as at 30 June 2026 (2025: Rupees Nil).

ii) Letters of credit for other than capital expenditure are of Rupees 70.004 million as at 30 June 2026 (2025: Rupees 129.800 million).

14 PROPERTY, PLANT AND EQUIPMENT
At 30 June 2024

Cost / revalued amount	207,818	283,743	83,501	1,285,720	54,982	-	1,768	110,802	16,191	4,011	3,444	3,955	56,456	2,121,371
Accumulated depreciation	-	(94,277)	(30,730)	(608,008)	(21,068)	-	(1,577)	(73,252)	(7,842)	(3,574)	(3,073)	(3,928)	(37,536)	(884,465)
Net book value	207,818	189,466	52,771	677,712	33,914	-	191	46,550	8,549	637	371	27	18,920	1,236,906

Year ended 30 June 2025

Opening net book value	207,818	189,466	52,771	677,712	33,914	-	191	46,550	8,549	637	371	27	18,920	1,236,906
Additions	-	-	-	19,832	49,738	-	-	-	-	86	-	-	163	89,939

Transferred from right-of-use asset

Disposals	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Cost	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Accumulated depreciation	-	-	-	-	-	-	-	-	-	-	-	-	-	-

Depreciation charge

Closing net book value	207,818	179,993	50,132	663,292	32,199	45,179	172	44,222	8,122	855	334	19	15,058	1,247,193
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At 30 June 2025

Cost / revalued amount	207,818	283,743	83,501	1,305,572	54,982	40,738	1,768	110,802	16,191	4,007	3,444	3,955	55,005	2,100,586
Accumulated depreciation	-	(103,750)	(33,369)	(642,080)	(22,763)	(4,559)	(1,566)	(75,960)	(8,069)	(3,442)	(3,110)	(3,936)	(40,939)	(943,963)
Net book value	207,818	179,993	50,132	663,292	32,199	45,179	172	44,222	8,122	655	334	19	15,055	1,247,193

Year ended 30 June 2026

Opening net book value	207,818	179,993	50,132	663,292	32,199	45,179	172	44,222	8,122	855	334	19	15,058	1,247,193
Additions	-	-	-	76,821	-	85,817	-	-	-	-	-	-	12,967	175,805
Effect of surplus on revaluation	51,303	48,052	17,181	24,797	5,410	-	-	2,989	2,284	-	-	-	-	152,016
Disposals	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Cost	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Accumulated depreciation	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Depreciation charge	-	(9,000)	(2,507)	(34,811)	(1,610)	(6,552)	(17)	(2,211)	(406)	(66)	(33)	(6)	(4,144)	(61,363)
Closing net book value	259,121	219,045	64,806	730,099	35,999	124,444	155	45,000	10,000	589	301	13	23,288	1,512,860

At 30 June 2026

Cost / revalued amount	259,121	331,795	100,862	1,407,160	60,372	135,555	1,768	122,791	18,475	4,087	3,444	3,955	66,268	2,515,513
Accumulated depreciation	-	(112,750)	(35,876)	(677,061)	(24,373)	(11,111)	(1,613)	(77,791)	(8,475)	(3,508)	(3,143)	(3,942)	(42,980)	(1,002,653)
Net book value	259,121	219,045	64,806	730,099	35,999	124,444	155	45,000	10,000	589	301	13	23,288	1,512,860

Annual rate of depreciation (%)

20

14.1 Forced sale value of revalued property, plant and equipment as per revaluation carried out as at 30 June 2026 was Rupees 1,091,257 million.

14.1.1 All items of property, plant and equipment disposed of during the year had net book value of less than Rupees 500,000.

14.2 Depreciation charge for the year is allocated as follows:

	2026 (RUPEES IN THOUSAND)	2025 (RUPEES IN THOUSAND)
Cost of sales (Note 26)	57,114	55,412
Administrative expenses (Note 28)	4,249	3,883
	<u>61,363</u>	<u>59,295</u>

14.3 Particulars of immovable properties are as follows:

Particulars	Location	Area	Covered area
		Kanals	Sq ft.
Manufacturing facility and Head Office	35-Kilometers, Shekhupura Road, Faisalabad.	126.40	340 097

14.4 Had there been no revaluation, cost, accumulated depreciation and book value of the revalued assets would have been as follows:

	Cost	Accumulated depreciation	Net book value
	----- (RUPEES IN THOUSAND) -----		
Freehold land	13,299	-	13,299
Buildings on freehold land:			
Mills	121,939	88,961	32,978
Other	29,180	18,850	10,330
Plant and machinery	1,320,251	738,269	581,982
Electric installations / appliances	38,254	19,828	18,426
Generators	82,044	64,264	17,780
Laboratory equipment	11,533	8,300	3,233
2026	<u>1,616,500</u>	<u>938,472</u>	<u>678,028</u>
2025	<u>1,539,679</u>	<u>905,795</u>	<u>633,884</u>

	2026 (RUPEES IN THOUSAND)	2025
15. LONG TERM DEPOSITS AND PREPAYMENTS		
Security deposits (Note 15.1)	3,726	3,726
Prepayments	1,147	1,524
	<u>4,873</u>	<u>5,250</u>
Less: Current portion shown under current assets (Note 22)	784	1,106
	<u>4,089</u>	<u>4,144</u>
15.1 These mainly include interest free deposits made to utility companies for provision of utility connections.		
16. LONG TERM LOANS		
Considered good - secured	265	466
Less: Current portion shown under current assets (Note 20)	210	276
	<u>55</u>	<u>190</u>
16.1 These long term loans to employees represent interest free loans given to employees, receivable in monthly installments. These loans are secured against balance to the credit of employees in the staff retirement gratuity. Fair value adjustment in accordance with the requirements of IFRS 9 'Financial Instruments' arising in respect of staff loans is not considered material and hence not recognized.		
17. STORES, SPARE PARTS AND LOOSE TOOLS		
Stores (Note 17.1)	32,692	32,764
Spare parts	47,551	61,522
Loose tools	323	298
	<u>80,566</u>	<u>94,584</u>
Less: Provision for slow moving / obsolete stores, spare parts and loose tools	20,387	20,387
	<u>60,179</u>	<u>74,197</u>
17.1 These include stores in transit of Rupees 0.585 million (2025: Rupees Nil).		
17.2 Stores and spare parts include items which may result in fixed capital expenditure but are not distinguishable.		
18. STOCK IN TRADE		
Raw materials (Note 18.1)	94,148	199,548
Work-in-process	98,871	81,717
Finished goods	22,863	11,617
Waste	763	11,345
	<u>216,645</u>	<u>304,227</u>
18.1 These include raw material in transit of Rupees Nil (2025: Rupees 24.874 million).		
18.2 Stock in trade of Rupees 20.985 million (2025: Rupees 22.161 million) is being carried at net realizable value.		
18.3 The aggregate amount of write-down of inventories to net realizable value recognized as an expense during the year was Rupees 0.970 million (2025: Rupees 2.421 million)		
19. TRADE DEBTS		
Considered good:		
Unsecured	110,235	156,428
Less: Allowance for expected credit losses (Note 19.1)	510	702
	<u>109,725</u>	<u>155,726</u>
19.1 Allowance for expected credit losses		
Balance as on 01 July	702	687
Add: Recognized during the year (Note 29)	510	15
Less: Written off during the year	(702)	-
Balance as on 30 June	<u>510</u>	<u>702</u>
19.2 Revenue from the sale of goods is recognized at the time of delivery, while payment is generally due within 30 days from delivery.		

	2026	2025
	(RUPEES IN THOUSAND)	
20. LOANS AND ADVANCES		
Considered good:		
Employees - interest free:		
Against salary	1,346	344
Against expenses:		
Executive	-	200
Other employees	594	190
	594	390
	1,940	734
Advances to suppliers / service providers	802	919
Letters of credit	118	281
Current portion of long term loans (Note 16)	210	276
	3,070	2,210
Less: Provision for doubtful loans and advances (Note 20.1)	-	252
	3,070	1,958
20.1 Provision for doubtful loans and advances		
Balance as on 01 July	252	249
Add: Recognized during the year (Note 29)	21	3
Less: Written off during the year	(273)	-
Balance as on 30 June	-	252
21. TAXATION AND LEVY - NET		
Advance income tax	150,110	134,281
Less: Levy payable (Note 32)	56,771	56,155
	93,339	78,126
22. SHORT TERM DEPOSITS AND PREPAYMENTS		
Deposits	4,263	10,927
Prepaid insurance	136	543
Current portion of long term deposits and prepayments (Note 15)	784	1,106
	5,183	12,576
23. OTHER RECEIVABLES		
Considered good:		
Sales tax and special excise duty refundable	33,698	60,916
Miscellaneous	250	2,591
	33,948	63,507
Less: Provision for doubtful other receivables (Note 23.1)	87	644
	33,861	62,863
23.1 Provision for doubtful other receivables		
Balance as on 01 July	644	644
Less: Written off during the year	(557)	-
Balance as on 30 June	87	644
24. CASH AND BANK BALANCES		
With banks:		
on current accounts	12,476	8,670
on saving accounts (Note 24.1)	898	6,942
	13,374	15,612
Cash in hand	2,549	1,406
	15,923	17,018
24.1 Saving accounts carried profit ranging from 0.04% to 7.08% per annum (2025: 0.05% to 0.12% per annum).		

	2026 (RUPEES IN THOUSAND)	2025
25. REVENUE		
Revenue from contracts with customers:		
Sales of yarn / others	4,916,935	4,908,925
Waste	447,087	397,517
	<u>5,364,022</u>	<u>5,306,442</u>
Less: Sales tax	822,319	814,002
	<u>4,541,703</u>	<u>4,492,440</u>
25.1	Revenue is recognized at point in time as per the terms and conditions of underlying contracts with customers. Moreover all sales were made within Pakistan.	
26. COST OF SALES		
Raw materials consumed (Note 26.1)	2,616,399	2,665,503
Loading, unloading and weighment charges	487	270
Salaries, wages and other benefits	443,518	310,944
Staff retirement benefit (Note 9.3.1)	41,597	37,067
Stores, spare parts and loose tools consumed	155,105	121,263
Packing materials consumed	49,696	43,043
Repair and maintenance	1,099	406
Fuel and power	1,142,793	1,223,473
Insurance	4,162	3,728
Other factory overheads	3,328	2,960
Depreciation on property, plant and equipment (Note 14.2)	57,114	55,412
	<u>4,515,298</u>	<u>4,464,069</u>
Work-in-process		
Opening stock	81,717	53,826
Closing stock	(98,871)	(81,717)
	<u>(17,154)</u>	<u>(27,891)</u>
Cost of goods manufactured	<u>4,498,144</u>	<u>4,436,178</u>
Finished goods		
Opening stock	22,962	26,864
Closing stock	(23,626)	(22,962)
	<u>(664)</u>	<u>3,902</u>
	<u>4,497,480</u>	<u>4,440,080</u>
26.1 Raw materials consumed		
Opening stock	199,548	116,875
Add: Purchased during the year	2,510,999	2,748,176
	<u>2,710,547</u>	<u>2,865,051</u>
Less: Closing stock	94,148	199,548
	<u>2,616,399</u>	<u>2,665,503</u>

	2026 (RUPEES IN THOUSAND)	2025
27. DISTRIBUTION COST		
Salaries and other benefits	1,236	1,236
Staff retirement benefit (Note 9.3.1)	134	139
Outward freight and handling	25	14
Commission to selling agents	9,144	5,553
	<u>10,539</u>	<u>6,942</u>
28. ADMINISTRATIVE EXPENSES		
Salaries and other benefits	33,358	28,680
Staff retirement benefit (Note 9.3.1)	3,483	3,084
Rent, rates and taxes	1,533	2,186
Insurance	2,299	2,286
Travelling and conveyance	3,536	4,176
Vehicles' running	8,045	5,867
Entertainment	2,269	1,915
Auditor's remuneration (Note 28.1)	1,206	1,179
Advertisement	138	147
Postage and telephone	1,430	1,473
Utilities	2,853	2,733
Printing and stationery	639	404
Repair and maintenance	908	547
Fee and subscription	10,885	1,720
Legal and professional	1,184	847
Miscellaneous	1,434	1,052
Depreciation on property, plant and equipment (Note 14.2)	4,249	3,883
	<u>79,449</u>	<u>62,179</u>
28.1 Auditor's remuneration		
Audit fee	900	900
Half yearly review	125	125
Other certification	50	50
Reimbursable expenses	50	50
Government levy	81	54
	<u>1,206</u>	<u>1,179</u>
29. OTHER EXPENSES		
Allowance for expected credit losses (Note 19.1)	510	15
Provision for doubtful loans and advances (Note 20.1)	21	3
	<u>531</u>	<u>18</u>
30. OTHER INCOME		
Income from financial assets		
Profit on saving accounts	18	2
Income from non-financial assets		
Gain on sale of property, plant and equipment	3,109	367
	<u>3,127</u>	<u>369</u>

	2026	2025
	(RUPEES IN THOUSAND)	
31. FINANCE COST		
Mark-up on short term borrowings	48,181	47,936
Bank charges and commission	1,961	1,646
	<u>50,142</u>	<u>49,582</u>
32. LEVY		
Levy for the year (Note 21)	<u>56,771</u>	<u>56,155</u>
32.1	Levy represents minimum tax on turnover under section 113 of the Income Tax Ordinance, 2001.	
33. TAXATION		
Deferred (Note 8.1.1)	<u>(35,035)</u>	<u>(19,140)</u>

- 33.1** The Company has unused tax losses of Rupees 540.014 million (2025: Rupees 428.328 million) representing unabsorbed depreciation of Rupees 342.096 million (2025: Rupees 247.790 million) and tax losses of Rupees 197.918 million (2025: Rupees 180.538 million). Reconciliation of tax expense and product of accounting profit multiplied by the applicable tax rate is not presented in view of unused tax losses of the Company. Alternative corporate tax for the year ended 30 June 2021 amounting to Rupees 28.475 million is available for carry forward under section 113C of the Ordinance. Total minimum tax available for carry forward under section 113 of the Ordinance as at 30 June 2026 is of Rupees 156.177 million. The Company has not recognized deferred income tax asset in respect of minimum tax available for carry forward and alternative corporate tax as sufficient taxable profits would not be available to utilize these in the foreseeable future. The tax losses other than unabsorbed tax depreciation, alternate corporate tax and minimum tax would expire as follows:

Accounting year to which the tax loss relates	Amount of tax loss	Accounting year in which tax loss will expire
RUPEES IN THOUSAND		
2026	16,082	2032
2023	181,836	2029
	<u>197,918</u>	

Accounting year to which the alternate corporate tax relates	Amount of alternate corporate tax	Accounting year in which alternate corporate tax will expire
RUPEES IN THOUSAND		
2021	<u>28,475</u>	2031

Accounting year to which the minimum tax relates	Amount of minimum tax	Accounting year in which minimum tax will expire
RUPEES IN THOUSAND		
2026	56,771	2028
2025	56,155	2028
2024	43,251	2027
	<u>156,177</u>	

34. LOSS PER SHARE - BASIC AND DILUTED

There is no dilutive effect on the basic loss per share which is based on:

		2026	2025
Loss for the year	(Rupees in thousand)	(115,047)	(103,007)
Weighted average number of ordinary shares	(Numbers)	9 660 000	9 660 000
Loss per share	(Rupees)	(11.91)	(10.66)

35. CASH GENERATED FROM OPERATIONS

	2026	2025
Loss before levy and taxation	(93,311)	(65,992)
Adjustments for non-cash charges and other items:		
Depreciation (Note 14)	61,363	59,295
Gain on sale of property, plant and equipment (Note 30)	(3,109)	(367)
Provision for staff retirement gratuity (Note 9.3)	45,214	40,290
Finance cost (Note 31)	50,142	49,582
Allowance for expected credit losses (Note 29)	510	15
Provision for doubtful loans and advances (Note 29)	21	3
Working capital changes (Note 35.1)	183,975	(48,373)
	244,805	34,453

35.1 Working capital changes

Decrease / (increase) in current assets:		
Stores, spare parts and loose tools	14,018	(6,748)
Stock in trade	87,582	(106,662)
Trade debts	45,491	111,465
Loans and advances	(1,133)	160
Short term deposits and prepayments	7,393	(268)
Other receivables	29,002	(2,242)
	182,353	(4,295)
Increase / (decrease) in current liabilities:		
Trade and other payables	56,102	86,283
Contract liabilities	(54,480)	(130,361)
	1,622	(44,078)
	183,975	(48,373)

35.2 Reconciliation of movement of liabilities to cash flows arising from financing activities:

	2026		2025	
	Short term borrowings	Unclaimed dividend	Short term borrowings	Unclaimed dividend
----- (RUPEES IN THOUSAND) -----				
Balance as at 01 July	675,943	1,023	494,922	1,023
Short term borrowings - net	74,187	-	181,001	-
Non-cash movement (Note 12.2.1)	(320,000)	-	-	-
Balance as at 30 June	430,130	1,023	675,923	1,023

36. REMUNERATION OF CHIEF EXECUTIVE OFFICER, DIRECTORS AND EXECUTIVES

The aggregate amount charged in these financial statements for remuneration including all benefits to the executives of the Company is as follows:

	Executives	
	2026	2025
(RUPEES IN THOUSAND)		
Managerial remuneration	3,834	3,200
Allowances		
House rent	1,725	1,516
Utilities	192	84
Staff retirement gratuity paid	600	-
	6,351	4,800
Number of persons	2	2

36.1 Chief Executive Officer, some of the directors and executives of the Company are provided with free Company maintained vehicles and entitled to reimbursement of travelling expenses, electricity, gas and water bills.

36.2 No remuneration was paid to any director and Chief Executive Officer of the Company.

37. TRANSACTIONS WITH RELATED PARTIES

The related parties comprise directors and key management personnel. Detail of transactions with related parties, except for remuneration to key management personnel as discussed in Note 36, is as follows:

Particulars	Basis of relationship	Nature of transaction	2026 (RUPEES IN THOUSAND)	2025 (RUPEES IN THOUSAND)
Directors	Members of board of directors	Borrowings obtained - net	100,000	22,000

37.1 The Company had entered into transactions or have arrangements / agreements in place with following directors:

- i) Khawaja Amer Khurshid
- ii) Mrs. Nazma Amer
- iii) Mr. Aizad Amer
- iv) Mr. Anns Amer

2026
(NUMBER OF PERSONS)

38. NUMBER OF EMPLOYEES

The total number of persons employed as on the reporting date and the average number of employees during the year are as follows:

Number of employees as at 30 June	868	911
Average number of employees during the year	902	694

39. PLANT CAPACITY AND ACTUAL PRODUCTION

	2026	2025
100% plant capacity converted to 20s count based on 3 shifts per day for 1 095 shifts (2025: 1 095 (Kgs.))	14 275 000	14 275 000
Actual production converted to 20s count based on 3 shifts per day for 1 087 shifts (2025: 1 087 shifts) (Kgs.)	11 325 766	10 993 840

39.1 Reasons for low production

The main reason for low production is due to manufacturing of fine counts of yarn, due to which the machines run on slow speed. Moreover, normal repair and maintenance was also the factor for low production.

40. ENTITY - WIDE INFORMATION

These financial statements have been prepared on the basis of single reportable segment. All non-current assets of the Company at the reporting date are located and operating in Pakistan. There was one major customer during the year representing revenue of Rupees 469.082 million (2025: no major customer).

41. FINANCIAL RISK MANAGEMENT

41.1 Financial risk factors

The Company's activities expose it to a variety of financial risks: market risk (including currency risk, other price risk and interest rate risk), credit risk and liquidity risk. The Company's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the Company's financial performance.

Risk management is carried out by the Company's finance department under policies approved by the Board of Directors. The Board provides principles for overall risk management, as well as policies covering specific areas such as currency risk, other price risk, interest rate risk, credit risk, liquidity risk, investment of excess liquidity and use of non-derivative financial instruments.

(a) Market risk

(i) Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. Currency risk arises mainly from future commercial transactions or receivables and payables that exist due to transactions in foreign currencies. The Company has no receivable / payable balance in foreign currency as at 30 June 2026 (2025: Nil).

(ii) Other price risk

Other price risk represents the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. As at the reporting date, the Company is not exposed to other price risk.

(iii) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

The Company's exposure to the risk of changes in market interest rates relates primarily to bank balance in saving account and short term borrowings. Financial instruments at variable rates expose the Company to cash flow interest rate risk. Financial instruments at fixed rate expose the Company to fair value interest rate risk.

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

	2026	2025
	(RUPEES IN THOUSAND)	
Floating rate instruments		
Financial assets		
Balance in saving accounts (Note 24)	898	6,941
Financial liabilities		
Short term borrowings (Note 12)	321,031	346,844

Fair value sensitivity analysis for fixed rate instruments

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

Cash flow sensitivity analysis for variable rate instruments

If interest rates at the year end date, fluctuates by 1% higher / lower with all other variables held constant, loss before taxation for the year would have been Rupees 3.201 million (2025: Rupees 3.399 million) higher / lower mainly as a result of higher / lower interest expense / income on floating rate financial instruments. This analysis is prepared assuming the amounts of financial instruments outstanding at reporting date were outstanding for the whole year.

(b) Credit risk

Credit risk represents the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date was as follows:

Loans and advances	1,611	810
Deposits	7,989	14,653
Trade debts	109,725	155,726
Other receivables	-	700
Bank balances	13,374	15,612
	<u>132,699</u>	<u>187,501</u>

The credit quality of financial assets that are neither past due nor impaired can be assessed by reference to external credit ratings (if available) or to historical information about counterparty default rate.

	Rating			2026	2025
	Short Term	Long term	Agency	(RUPEES IN THOUSAND)	
Banks					
Conventional accounts					
Bank Alfalah Limited	A-1+	AAA	PACRA	973	958
Faysal Bank Limited	A-1+	AA+	PACRA	79	79
Habib Bank Limited	A-1+	AAA	VIS	2	1
National Bank of Pakistan	A-1+	AAA	PACRA	1	1
Habib Metropolitan Bank Limited	A-1+	AAA	PACRA	157	177
MCB Bank Limited	A-1+	AAA	PACRA	1,190	89
Soneri Bank Limited	A-1+	AA	PACRA	6	6
Bank AL Habib Limited	A-1+	AAA	PACRA	4	4
Sindh Bank Limited	A-1+	AA	VIS	10	10
				2,422	1,325
Shariah compliant accounts					
Bank Alfalah Limited	A-1+	AAA	PACRA	1	1
Al Baraka (Pakistan) Bank Limited	A-1	AA-	VIS	634	634
Faysal Bank Limited	A-1+	AA+	PACRA	325	1
Meezan Bank Limited	A-1+	AAA	VIS	9,413	6,703
Habib Bank Limited	A-1+	AAA	VIS	579	6,948
				10,952	14,287
				13,374	15,612

Due to the Company's long standing business relationships with these counterparties and after giving due consideration to their strong financial standing, the management does not expect non-performance by these counterparties on their obligations to the Company. Accordingly, the credit risk is minimal.

The Company applies the IFRS 9 simplified approach to measure expected credit losses which uses a lifetime expected loss allowance for all trade debts. Management uses actual historical credit loss experience, credit risk characteristics and past days due, adjusted for forward-looking factors specific to the debtors and the economic environment to determine expected credit loss allowance.

To manage exposure of credit risk in respect of trade debts, management performs credit reviews taking into account the customer's financial position, past experience and other factors. Company's significant revenue is earned from customers where advance payment is received. Sales contracts and credit terms are approved by the senior management. The management has set a maximum credit period limit for each type of customer in order to reduce the credit risk.

The Company's exposure to credit risk and allowance for expected credit losses related to trade debts is as follows:

	GROSS AMOUNT		EXPECTED CREDIT LOSSES	
	2026	2025	2026	2025
	(RUPEES IN THOUSAND)		(RUPEES IN THOUSAND)	
Not past due	64,046	85,798	-	-
Upto 1 month	6,666	14,628	-	-
1 to 6 months	38,491	44,576	-	-
6 months to 1 year	522	10,724	-	-
More than 1 year	510	702	510	702
	110,235	156,428	510	702

The management believes that all unimpaired amounts are collectable in full, based on historical payment behaviour and extensive analysis of consumer credit risk.

(c) Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or other financial asset. The Company's approach to manage liquidity risk is by maintaining sufficient cash and the availability of funding through an adequate amount of committed credit facilities. At 30 June 2026, the Company had Rupees 258.969 million (2025: Rupees 233.156 million) available funded borrowing limits from financial institutions and Rupees 15.923 million (2025: Rupees 17.018 million) cash and bank balances. The management believes the liquidity risk to be low. Following are the contractual maturities of financial liabilities, including interest payments. The amounts disclosed in the table are undiscounted cash flows:

	Carrying amount	Contractual cash flows	6 months or less
------(RUPEES IN THOUSAND)-----			
Contractual maturities of financial liabilities as at 30 June 2026:			
Non-derivative financial liabilities:			
Trade and other payables	367,405	367,405	367,405
Short term borrowings	430,130	450,981	450,981
Accrued mark-up	12,579	12,579	12,579
Unclaimed dividend	1,023	1,023	1,023
	<u>811,137</u>	<u>831,988</u>	<u>831,988</u>
Contractual maturities of financial liabilities as at 30 June 2025:			
Non-derivative financial liabilities:			
Trade and other payables	280,871	280,871	280,871
Short term borrowings	675,943	699,632	699,632
Accrued mark-up	10,732	10,732	10,732
Unclaimed dividend	1,023	1,023	1,023
	<u>968,569</u>	<u>992,258</u>	<u>992,258</u>

The contractual cash flows relating to the above financial liabilities have been determined on the basis of mark-up rates effective as at 30 June. The rates of mark-up have been disclosed in Note 12 to these financial statements.

1.2 Financial instruments by categories

	At amortized cost	
	2026	2025
(RUPEES IN THOUSAND)		
Financial assets as per statement of financial position		
Loans and advances	1,611	810
Deposits	7,989	14,653
Trade debts	109,725	155,726
Other receivables	-	700
Cash and bank balances	15,923	17,018
	<u>135,248</u>	<u>188,907</u>
Financial liabilities as per statement of financial position		
Trade and other payables	367,405	280,871
Short term borrowings	430,130	675,943
Accrued mark-up	12,579	10,732
Unclaimed dividend	1,023	1,023
	<u>811,137</u>	<u>968,569</u>

41.3 Reconciliation to the line items presented in the statement of financial position is as follows:

	2026			2025		
	Financial assets	Other than financial assets	Assets as per statement of financial position	Financial assets	Other than financial assets	Assets as per statement of financial position
	(RUPEES IN THOUSAND)					
Long term deposits and prepayments	3,726	363	4,089	3,726	418	4,144
Long term loans	55	-	55	190	-	190
Trade debts	109,725	-	109,725	155,726	-	155,726
Loans and advances	1,556	1,514	3,070	620	1,338	1,958
Short term deposits and prepayments	4,263	920	5,183	10,927	1,649	12,576
Other receivables	-	33,861	33,861	700	62,163	62,863
Cash and bank balances	15,923	-	15,923	17,018	-	17,018
	135,248	36,658	171,906	188,907	65,568	254,475

	2026			2025		
	Financial liabilities	Other than financial liabilities	Liabilities as per statement of financial position	Financial liabilities	Other than financial liabilities	Liabilities as per statement of financial position
	(RUPEES IN THOUSAND)					
Trade and other payables	367,405	22,366	389,771	280,871	52,798	333,669
Contract Liabilities	-	13,896	13,896	-	68,376	68,376
Short term borrowings	430,130	-	430,130	675,943	-	675,943
Accrued mark-up	12,579	-	12,579	10,732	-	10,732
Unclaimed dividend	1,023	-	1,023	1,023	-	1,023
	811,137	36,262	847,399	968,569	121,174	1,089,743

41.4 Offsetting financial assets and financial liabilities

As on reporting date, recognized financial instruments are not subject to offsetting as there are no enforceable master netting arrangements and similar agreements.

41.5 Capital risk management

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends to be paid to shareholders, issue new shares or sell assets to reduce debt. Consistent with others in the industry and the requirements of the lenders, the Company monitors the capital structure on the basis of gearing ratio. This ratio is calculated as borrowings divided by total capital employed. Borrowings represent short term borrowings obtained by the Company as referred to Note 12. Total capital employed includes 'total equity' as shown in the statement of financial position plus 'borrowings'.

		2026	2025
Borrowings	Rupees in thousand	430,130	675,943
Total equity	Rupees in thousand	1,049,687	710,997
Total capital employed	Rupees in thousand	1,479,817	1,386,940
Gearing ratio	Percentage	29.07	48.74

The decrease in gearing ratio resulted mainly due to increase in directors' loans shown under equity of the Company.

42. RECOGNIZED FAIR VALUE MEASUREMENTS - FINANCIAL INSTRUMENTS
Fair value hierarchy

Certain financial assets and financial liabilities are not measured at fair value if the carrying amounts are a reasonable approximation of fair value. Due to the short-term nature, carrying amounts of certain financial assets and financial liabilities are considered to be the same as their fair value. For the majority of the non-current receivables, the fair values are also not significantly different to their carrying amounts. Judgments and estimates are made in determining the fair values of the financial instruments that are recognized and measured at fair value in these financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into following three levels. However as at the reporting date, the Company has no such type of financial instruments which are required to be grouped into these levels. These levels are explained as under:

Level 1: Quoted prices (unadjusted) in active market for identical assets or liabilities.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

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

43. RECOGNIZED FAIR VALUE MEASUREMENTS - NON FINANCIAL ASSETS
(i) Fair value hierarchy

The judgments and estimates made in determining the fair values of the non-financial assets that are recognized and measured at fair value in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its non-financial assets into the following three levels:

	Level 1	Level 2	Level 3	Total
-----RUPEES IN THOUSAND-----				
At 30 June 2026				
Freehold land	-	259,121	-	259,121
Buildings on freehold land	-	283,851	-	283,851
Plant and machinery	-	730,099	-	730,099
Electric installations / appliances	-	35,999	-	35,999
Generators	-	45,000	-	45,000
Laboratory equipment	-	10,000	-	10,000
Total non-financial assets	-	1,364,070	-	1,364,070
At 30 June 2025				
Freehold land	-	207,818	-	207,818
Buildings on freehold land	-	230,125	-	230,125
Plant and machinery	-	663,292	-	663,292
Electric installations / appliances	-	32,199	-	32,199
Generators	-	44,222	-	44,222
Laboratory equipment	-	8,122	-	8,122
Total non-financial assets	-	1,185,778	-	1,185,778

The Company's policy is to recognize transfers into and transfers out of fair value hierarchy levels as at the end of the reporting period.

There was no transfer between level 1 and 2 for recurring fair value measurements during the year. Further, there was no transfer in and out of level 3 measurements.

(ii) **Valuation techniques used to determine level 2 fair values**

The Company obtains independent valuation for its freehold land, buildings thereon, plant and machinery, electric installations / appliances, generators and laboratory equipment (classified as property, plant and equipment). The management updates the assessment of the fair value of each property taking into account the most recent independent valuations. The management determines property's value within a range of reasonable fair value estimates. The best evidence of fair value of freehold land is current prices in an active market for similar lands. The best evidence of fair value of buildings is to calculate fair depreciated market value by applying an appropriate annual rate of depreciation on the new construction / replacement value of the same buildings. The best evidence of fair value of plant and machinery, electric installations / appliances, generators and laboratory equipment is to calculate fair depreciated market value by applying an appropriate annual rate of depreciation on the value of new plant and machinery, electric installations / appliances, generators and laboratory equipment of the same specifications.

Valuation processes

The Company engages external, independent and qualified valuers to determine the fair value of the Company's freehold land, buildings thereon, plant and machinery, electric installations / appliances, generators and laboratory equipment after significant intervals. The fair value of the freehold land, buildings thereon, plant and machinery, electric installations / appliances, generators and laboratory equipment has been determined by Messrs Property Valuation Services (Private) Limited as at 30 June 2026.

Changes in fair values are analyzed at each reporting date during discussion between the management of the Company and the valuer. As part of this discussion the team presents a report that explains the reason for the fair value movements.

44. SHARIAH DISCLOSURES UNDER CLAUSE VII OF PART 1 OF SCHEDULE IV OF THE COMPANIES ACT, 2017

Description	Note	2026	2025
(RUPEES IN THOUSAND)			
Statement of Financial Position - Liability Side			
i) Financing (long-term, short-term, or lease financing) obtained as per Islamic mode:			
Long term financing		-	-
Short term borrowings	12	109,099	329,099
Lease financing		-	-
ii) Interest or mark-up accrued on any conventional loan or advance	31	48,181	47,936
Statement of Financial Position - Asset Side			
iii) Long term and short term shariah compliant investments		-	-
iv) Shariah-compliant bank deposits, bank balances and TDRs	41.1 (b)	10,952	14,287
Statement of Profit or Loss			
v) Revenue earned from shariah compliant business segment	25	4,541,703	4,492,440
vi) Break - up of late payments or liquidated damages		-	-
vii) Gain / (loss) or dividend earned on shariah compliant investments or share of (loss) / profit from shariah-compliant associate		-	-
viii) Profit earned from Shariah-compliant bank deposits, bank balances or TDRs	30	18	2
ix) Exchange (loss incurred) / gain earned from actual currency		-	-
x) Exchange gain earned using conventional derivative financial instruments		-	-
xi) Profit paid on Islamic mode of financing		-	-
xii) Total Interest earned on any conventional loan or advance		-	-
Source and detailed breakup of other income			
Shariah compliant			
Income from non-financial assets:			
Profit on saving accounts	30	18	2
Gain on sale of property, plant and equipment	30	3,109	367
Non-Shariah compliant			
Profit on saving account		-	-

Relationship with Shariah-compliant financial institutions, including banks, takaful operators and their windows, etc.

Name	Relationship
Bank Alfalah Limited	Bank balance
Al Baraka (Pakistan) Bank Limited	Bank balance
Faysal Bank Limited	Bank balance
Meezan Bank Limited	Bank balances
Habib Bank Limited	Bank balances

45. DATE OF AUTHORIZATION FOR ISSUE

These financial statements were authorized for issue on September 27, 2026 by the Board of Directors of the Company.

46. CORRESPONDING FIGURES

Corresponding figures have been re-arranged / reclassified, wherever necessary, for the purpose of comparison. However, no significant re-arrangements / reclassification have been made except for 'contract liabilities' of Rupees 68 376 million which has been reclassified from 'trade and other payables' to the face of statement of financial position for better presentation.

47. GENERAL

Figures have been rounded off to the nearest thousand of Rupees, unless otherwise stated.


AIZAD AMER
 Chief Executive Officer


KHAWAJA AMER KHURSHID
 Director


Muhammad Saqib Ehsan
 Chief Financial Officer

FORM 20

THE COMPANIES ACT, 2017
(Section 227(2)(f))
PATTERN OF SHAREHOLDING

1.1 Name of the Company **AN TEXTILE MILLS LIMITED**

2.1. Pattern of holding of the shares held by the shareholders as at **30-06-2026**

2.2 No. of Shareholders	-----Shareholdings-----		Total Shares Held
	From	To	
616	1	100	18,592
243	101	500	52,583
37	501	1,000	31,857
51	1,001	5,000	115,141
10	5,001	10,000	78,496
6	10,001	15,000	74,510
4	15,001	20,000	68,611
1	20,001	25,000	25,000
1	30,001	35,000	30,680
1	35,001	40,000	39,421
1	40,001	45,000	40,587
2	55,001	60,000	115,699
1	60,001	65,000	62,000
1	75,001	80,000	78,225
1	95,001	100,000	100,000
1	115,001	120,000	116,193
1	260,001	265,000	264,125
1	280,001	285,000	281,759
1	430,001	435,000	431,446
1	740,001	745,000	742,697
1	885,001	890,000	890,000
1	1,180,001	1,185,000	1,184,193
1	1,475,001	1,480,000	1,475,611
1	1,640,001	1,645,000	1,640,170
1	1,700,001	1,705,000	1,702,404
986			9,660,000

**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):

- -

Mutual Funds (Name Wise Detail)

1	CDC - TRUSTEE GOLDEN ARROW SELECTED STOCK FUND (CDC)	6,500	0.0673
---	--	-------	--------

Directors and their Spouse and Minor Children (Name Wise Detail):

1	MR. AIZAD AMER	1,740,170	18.0142
2	MRS. NAZIMA AMER	1,966,311	20.3552
3	MR. ANNS AMER	1,475,611	15.2755
4	MISS YUSRA AMER	890,000	9.2133
5	KHAWAJA AMER KHURSHID	2,100,356	21.7428
6	SYED KHALID ALI	1,000	0.0104
7	MR. MUHAMMAD UMAR MUNEEF	1,000	0.0104

Executives:

- -

Public Sector Companies & Corporations:

- -

Banks, Development Finance Institutions, Non Banking Finance

41,246 0.4270

Companies, Insurance Companies, Takaful, Modarabas and Pension Funds:

Shareholders holding five percent or more voting interest in the listed company (Name Wise Detail)

S. No.	Name	Holding	% AGE
1	MRS. NAZIMA AMER	1,966,311	20.3552
2	MR. AIZED UMER	1,740,170	18.0142
3	KHAWAJA AMER KHURSHID	2,100,356	21.7428
4	MR. ANNS UMER	1,475,611	15.2755
5	MRS. YUSRA AMER	890,000	9.2133

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:

S. No.	Name	Sale	Purchase
1	KHAWAJA AMER KHURSHID (CDC)	-	106,193

GENDER PAY GAP STATEMENT UNDER CIRCULAR NO. 10 DATED 17 APRIL 2024

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

i.	Mean gender pay gap	:	Nil
ii.	Median gender pay gap	:	Nil
iii.	Any other data	:	Nil



Aizad Amer
Chief Executive Officer

28 September 2026

FORM OF PROXY

I/We _____ of _____ being member(s) of **AN TEXTILE MILLS LIMITED** holding _____ ordinary shares as per Registered Folio No./CDC A/c No. (for members who have shares in CDS) _____ hereby appoint Mr./Mrs./Miss _____ of (full address) _____ or failing him/her Mr./Mrs./Miss _____ of (full address) _____ (being member of the Company) as my/our Proxy to attend, act and vote for me/us and on my/our behalf at the 45th Annual General Meeting of the Company to be held on October 27, 2026 at 11:00 a.m. at its Registered Office 35 K.M. Sheikhpura Road, Faisalabad and/or any adjournment thereof.

As witness my/our hand seal this _____ day of _____ 2026
Signed by _____ in the presence of _____

Signatures on
Rs.5/-
Revenue Stamps

(Signature must agree with the specimen
signatures registered with the Company)

Notes:

1. This proxy form duly completed and signed, must be received at the Office of the Share Registrar M/S Corplink (Pvt.) Limited, Wings Arcade, 01-K Commercial, Model Town, Lahore not less than 48 hours before the time of holding the meeting.
2. No person shall act as proxy unless he/she himself/herself is a member of the Company, except that a Corporation may appoint a person who is not a member.
3. If a member appoints more than one proxy and more than one instruments of proxy are deposited by a member with the Company, all such instruments of proxy shall be rendered invalid.
4. Any individual Beneficial Owner of the Central Depository Company, entitled to vote at this meeting must bring his / her National Identity Card with him/her to prove his/her identity, and in case of proxy, must enclose an attested copy of his / her National Identity Card. Representatives of Corporate members should bring the usual documents required for such purpose.

پروکسی فارم

[illegible]

2026

دستخط مورخہ

گواہی:

1: دستخط

نام

سی این آئی سی یا اسپورٹ نمبر

2: دستخط

نام

سی این آئی سی یا پاسپورٹ نمبر

5 روپے کا

محصول ٹکٹ

دستخط

(کمپنی کے پاس دستخط کے نمونے کے مطابق ہوں)

سی این آئی سی / پاسپورٹ نمبر-----

ضروری:

- 1- پروکسی فارم ہذا مکمل اور دستخط کے ہمراہ اجلاس کے انعقاد سے کم از کم اڑتالیس (48) گھنٹے قبل کمپنی کے رجسٹرڈ آفس یا شیئر رجسٹرار کے آفس میں جمع کرادیا جائے۔
- 2- فارم پر ممبر یا اس کا تحریراً مقرر کردہ اثرائتی دستخط کرلیگا۔ ممبر کا رپورٹیشن ہونے کی صورت میں اس کی مہر فارم پر ثبت کرنی ہوگی۔
- 3- اجلاس میں شرکت اور رائے دہی کا الٹا ممبر اپنی جانب سے شرکت اور رائے دہی کیلئے دوسرے ممبر کو اپنا پروکسی مقرر کر سکتا ہے تاہم کارپوریشن کسی بھی غیر ممبر کو اپنا پروکسی مقرر کر سکتی ہے۔

برائے سی ڈی سی اکاؤنٹ ہولڈرز / کارپوریشن اینٹیٹی

مزید براں مندرجہ ذیل شرائط پر عمل کرنا ہوگا۔

- (i) پر کسی فارم پر دو افراد کی گواہی ہونی چاہئے جن کے نام اور سی این آئی سی یا پاسپورٹ نمبر فارم پر درج ہوں۔
- (ii) ممبر اور پر کسی کے سی این آئی سی یا پاسپورٹ کی تصدیق شدہ کاپیاں پر کسی فارم کے ہمراہ منسلک کرنی ہوں گی۔
- (iii) پر کسی اجلاس کے وقت اپنا اصل سی این آئی سی یا اصل پاسپورٹ پیش کرنا ہوگا۔
- (iv) کارپوریٹ اینٹیلی کی صورت میں بورڈ آف ڈائریکٹرز کی قرارداد اور آف انار نی معہ تاحز و فرد کے دستخط کا نمونہ (اگر پہلے فراہم نہ کئے گئے ہوں) پر کسی فارم کے ہمراہ کمپنی کو پیش کرنے ہوں گے۔

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