



STYLERS
INTERNATIONAL LIMITED

CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE SIX MONTHS ENDED DEC 31, 2024



COMPANY INFORMATION

Board of Directors

Mr. Javed Arshad Bhatti	Director/Chairman
Mr. Mian Muhammad Ahsan	Director
Mr. Muhammad Umer	Director
Mr. Muhammad Saqib	Director
Mr. Mustanser Ahmed	Director/CEO
Mr. Jehanzeb Khan	Director-Independent
Ms. Samar Masood Soofi	Director-Independent

Audit Committee

Mr. Jehanzeb Khan	Chairman
Mr. Muhammad Umer	Member
Ms. Samar Masood Soofi	Member
Mr. Tariq Mehmood Noor	Secretary

Human resource & Remuneration Committee

Ms. Samar Masood Soofi	Chairman
Mr. Muhammad Saqib	Member
Mr. Mustanser Ahmed	Member
Mr. Tanweer Alam	Secretary

Chief Financial Officer

Mr. Muhammad Umer Kibria Majal

Company Secretary

Mr. Tariq Majeed

Shares Registrar

F.D. Registrar Services (Pvt.) Limited
Suite 1705-A 17th Floor, Saima Trade
Tower, I.I. Chundrigar Road,
Karachi
(92-21) 32271905-6, 32213243

STYLERS

Banks

Meezan Bank Ltd
Bank Alfalah Ltd –Islamic Banking Group
Bank Islami Pakistan Limited
Habib Metropolitan Bank Ltd
Bank Al-Habib Limited
Faysal Bank Limited
Habib Bank Limited

Auditors

M/s. BDO Ebrahim & Co.
Chartered Accountants

Legal Adviser

M/s. Ahmer Bilal Soofi & Co.

Registered Office

20-KM, Glaxo Town, Ferozepur Road,
Lahore

Production Units

Unit 1: 20-KM, Glaxo Town, Ferozepur Road, Lahore
Unit 2: Village Bhuchoki Mahja, Tehsil Raiwind, Raiwind Road, Lahore

Regional Office

Office No. 601, 6th Floor, Charlie Trade Tower, 123, Block A, SMCH
Society, Karach

Website

www.stylersintl.com

Mission

Doing well by giving back.

Vision

We aspire to grow by protecting our core business & moderately diversifying in attractive segments while implementing good governance for long term sustainability of the organization.

As we reflect on our past and future, our mission and vision guide every decision we make. Our mission reflects our commitment to achieving success while making a meaningful impact on the communities and stakeholders we serve. We believe that true success comes from not only excelling in our business but also contributing to the greater good, ensuring that our growth benefits those around us.

Our vision is clear and this strategic focus ensures that we maintain our strengths, explore new opportunities with care, and build a foundation of responsible governance that drives sustainable growth. By balancing innovation with stability, and purpose with profit, we are confident in our ability to create lasting values for our stakeholders and the communities we serve.

STYLERS

DIRECTORS' REVIEW REPORT

For Six Months Ended December 31, 2024

The Directors of Stylers International Limited (the Company) are pleased to present their review along with the condensed financial statements of the Company for the quarter and six months ended December 31, 2024.

FINANCIAL HIGHLIGHTS

The financial performance of the Company for the half year and quarter ended December 31, 2024, is as follows:

Description	HALF YEAR ENDED		QUARTER ENDED	
	December 31, 2024	December 31, 2023	December 31, 2024	December 31, 2023
	----- (Rupees in Thousand) -----			
Revenue	10,063,514	6,048,502	5,178,969	3,456,144
Cost of sales	(8,322,058)	(4,642,062)	(4,285,062)	(2,584,806)
Gross profit	1,741,456	1,406,440	893,907	871,339
Admin / Selling & Distribution / Other Exp.	(853,606)	(623,211)	(410,109)	(365,440)
Other Income	114,494	152,932	42,453	74,118
Financial and Other Charges	(181,043)	(114,725)	(108,381)	(49,430)
Profit / (loss) before Taxation and Levy	821,301	821,436	417,870	530,586
Profit / (loss) after Taxation	509,688	706,671	219,656	448,284
Earnings / (loss) per share	1.05	1.63	0.45	1.03

FINANCIAL REVIEW

The Company achieved strong revenue growth of 66.6%, reaching Rs. 10.06 billion in the current half year as compared to Rs. 6.05 billion in the corresponding period. Despite the appreciation of the Pakistani Rupee (PKR) against the US Dollar and decrease in selling prices, mainly because of change in product mix, the Company successfully expanded its topline performance. This was made possible through higher production volumes, following capacity expansion and sustained growth from our key export markets.

The Gross Profit Margin stood at 17.3% in the current half year, down from 23.3% primarily due to decrease in selling price and appreciation of PKR against USD. Administrative, Selling and other expenses rose 36.9%, mainly due to salaries, air freight and depreciation. A key factor affecting profitability was the shift from the Final Tax Regime (FTR) to the Normal Tax Regime (NTR), leading to a higher tax burden. As a result, profit after tax declined by 27.9% to Rs. 509.7 million, despite revenue growth.

Additionally, Earnings Per Share (EPS) declined to Rs. 1.05 from Rs. 1.63 in the corresponding period last year. This decrease is attributable to reduction in net profit and the dilutive effect of additional right shares issued during the period.

ECONOMIC AND INDUSTRY OVERVIEW

Pakistan's political situation has stabilized, and the economy is showing signs of improvement. Reports indicate a positive trend in economic growth with encouraging figures. The government's focus on structural reforms

STYLERS

and fiscal discipline has aimed to stabilize macroeconomic indicators. Global economic uncertainties have impacted international trade dynamics. Nevertheless, Pakistan's export sector, particularly textiles, has remained a key contributor to foreign exchange earnings.

The textile industry, being the backbone of the country's economy, accounts for a significant portion of exports and employment. With strong demand for denim and other value-added products in international markets, textile manufacturers have focused on enhancing sustainability and operational efficiency. However, rising salaries, energy and transport costs, coupled with global price competition due to economic slowdown, continue to impact profit margins. Despite these challenges, Pakistan's textile sector remains resilient to strengthen its presence in global supply chains. The recent shift from the Final Tax Regime (FTR) to the Normal Tax Regime (NTR) and abolition of zero rating on sales tax have further impacted global competitiveness of the textile industry of Pakistan. Moving forward, sustained policy support by the Government, efficient operating costs, innovation and new markets will be critical to ensure long-term growth and competitiveness in international markets.

FUTURE PROSPECTS

Despite multiple challenges, we remain optimistic about the future and will continue to leverage our strengths while adapting to evolving market conditions. Looking ahead, the Company remains confident about its future prospects, underpinned by the strategic expansion project "Sunshine," which is progressing as planned. This expansion has already begun contributing to our production capacities and controlled operational costs. Upon completion, the project is expected to further enhance the Company's ability to further expand its footprint in the international market.

ACKNOWLEDGEMENT

We take this opportunity to thank our valued customers and all stakeholders for their trust and confidence in the Company. We also acknowledge the efforts and hard work of the entire Stylers team and look forward to their continued support.

On behalf of the Board of Directors



Mr. Mustanser Ahmed
Chief Executive Officer
Dated:- February 26, 2025



Mr. Muhammad Umer
Director

INDEPENDENT AUDITORS' REVIEW REPORT TO THE MEMBERS OF STYLERS INTERNATIONAL LIMITED

Report on review of interim financial statements

Introduction

We have reviewed the accompanying condensed interim statement of financial position of STYLERS INTERNATIONAL LIMITED ("the Company") as at December 31, 2024 and the related condensed interim statement of profit or loss, condensed interim statement of comprehensive income, condensed interim statement of changes in equity and condensed interim statement of cash flows, and notes to the condensed interim financial statements for the six-month period then ended (herein-after referred to as the "interim financial statements"). Management is responsible for the preparation and presentation of these interim financial statements in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on these interim financial statements based on our review.

Scope of review

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

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed interim financial statements are not prepared, in all material respects, in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting.

Other Matters

The figures for the quarters ended December 31, 2024 and December 31, 2023 in the condensed interim statement of profit or loss and condensed interim statement of comprehensive income have not been reviewed and we do not express a conclusion on them as we are required to review only the cumulative figures for the half year ended December 31, 2024.

The condensed interim financial statements of the Company for the half year ended December 31, 2023, and for the year ended June 30, 2024, were reviewed and audited by another firm of chartered accountants who had expressed an unmodified conclusion and opinion thereon vide their reports dated February 26, 2024, and September 30, 2024, respectively.





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

LAHORE:

DATED: 28 FEB 2025

UDIN: RR202410131whMPcDjtd

Pmo Rashedhina

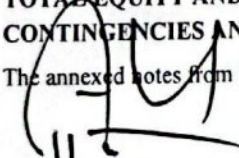
BDO EBRAHIM & CO.
CHARTERED ACCOUNTANTS

BDO

STYLERS INTERNATIONAL LIMITED
CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION (UNAUDITED)
AS AT DECEMBER 31, 2024

	Note	(Unaudited) December 31, 2024	(Audited) June 30, 2024
(Rupees in thousand)			
ASSETS			
NON CURRENT ASSETS			
Property, plant and equipment			
Operating fixed assets	8	8,224,067	7,115,520
Capital work in progress	9	2,265,669	2,086,852
		<u>10,489,736</u>	<u>9,202,372</u>
Investment properties		444,794	444,794
Intangible assets		-	55
Long term advance	10	424,340	-
Long term investment	11	-	957,723
Long term loan		-	673
Long term deposits		45,885	44,785
		<u>11,404,755</u>	<u>10,650,402</u>
CURRENT ASSETS			
Stores, spare parts and loose tools		23,000	21,984
Stock-in-trade	12	2,504,836	2,113,778
Current portion of long term investment	11	1,240,312	-
Trade debts	13	1,405,204	2,010,586
Advances, deposits and prepayments		155,867	169,766
Other receivables	14	15,058	11,048
Due from the Government	15	1,124,550	858,231
Cash and bank balances		1,286,576	752,880
		<u>7,755,403</u>	<u>5,938,273</u>
		<u>19,160,158</u>	<u>16,588,675</u>
TOTAL ASSETS			
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorized share capital	16.1	6,400,000	5,600,000
Issued, subscribed and paid up capital	16.2	4,888,278	4,352,874
Reserves			
Capital reserves - Surplus on Revaluation		1,353,468	1,371,345
Revenue reserves - Unappropriated profit		4,687,119	4,526,174
Share premium		1,793,602	-
Merger reserve		16,536	16,536
		<u>12,739,003</u>	<u>10,266,929</u>
NON CURRENT LIABILITIES			
Diminishing musharakah	17	541,038	585,233
Leave encashment		22,604	20,365
Deferred taxation	18	190,955	122,245
		<u>754,597</u>	<u>727,843</u>
CURRENT LIABILITIES			
Trade and other payables	19	3,435,687	2,803,058
Short term borrowings	20	2,000,312	2,653,387
Net defined benefit liability		43,595	16,392
Current portion of non-current liabilities	17	58,962	14,767
Unclaimed dividend		154	68
Provision for taxation and levy - net	21	127,848	106,231
		<u>5,666,558</u>	<u>5,593,903</u>
		<u>19,160,158</u>	<u>16,588,675</u>
TOTAL EQUITY AND LIABILITIES			
CONTINGENCIES AND COMMITMENTS			
	22		

The annexed notes from 1 to 36 form an integral part of these condensed interim financial statements.


CHIEF EXECUTIVE

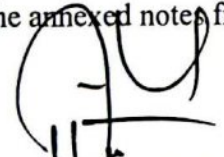

DIRECTOR


CHIEF FINANCIAL OFFICER

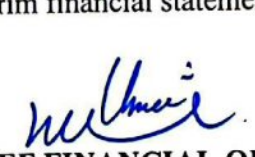
STYLERS INTERNATIONAL LIMITED
CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS (UNAUDITED)
FOR THE HALF YEAR ENDED DECEMBER 31, 2024

	Note	Half year ended		Quarter ended	
		December 31, 2024	December 31, 2023	December 31, 2024	December 31, 2023
----- (Rupees in thousand) -----					
Sales - net	23	10,063,514	6,048,502	5,178,969	3,456,144
Cost of sales	24	(8,322,058)	(4,642,062)	(4,285,062)	(2,584,806)
Gross profit		1,741,456	1,406,440	893,907	871,339
Distribution cost		(501,846)	(239,434)	(218,656)	(132,631)
Administrative expenses		(271,110)	(228,974)	(152,100)	(150,437)
Other expense		(80,650)	(154,803)	(39,353)	(82,372)
Other income		114,494	152,932	42,453	74,118
		(739,112)	(470,279)	(367,656)	(291,322)
Operating profit		1,002,344	936,161	526,251	580,016
Financial and other charges	25	(181,043)	(114,725)	(108,381)	(49,430)
Profit before levy and income tax		821,301	821,436	417,870	530,586
Levy		-	(82,322)	-	(58,516)
Profit before income tax		821,301	739,114	417,870	472,070
Taxation	26	(311,613)	(32,443)	(198,214)	(23,785)
Profit after taxation for the period		509,688	706,671	219,656	448,284
Earnings per share - basic and diluted (Rupees) - restated	27	1.05	1.63	0.45	1.03

The annexed notes from 1 to 36 form an integral part of these condensed interim financial statements.


CHIEF EXECUTIVE


DIRECTOR

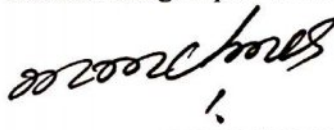
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CHIEF FINANCIAL OFFICER

STYLERS INTERNATIONAL LIMITED
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)
FOR THE HALF YEAR ENDED DECEMBER 31, 2024

	Half year ended		Quarter ended	
	December 31, 2024	December 31, 2023	December 31, 2024	December 31, 2023
	----- (Rupees in thousand) -----			
	(Restated)		(Restated)	
Profit for the period	509,688	706,671	219,656	448,284
Other comprehensive income				
Items that may be reclassified subsequently to statement of profit or loss	-	-	-	-
Items that will not be reclassified subsequently to statement of profit or loss	-	-	-	-
Total comprehensive income for the period	<u>509,688</u>	<u>706,671</u>	<u>219,656</u>	<u>448,284</u>

The annexed notes from 1 to 36 form an integral part of these condensed interim financial statements.


CHIEF EXECUTIVE


DIRECTOR

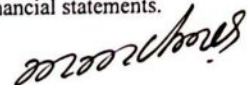
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CHIEF FINANCIAL OFFICER

STYLERS INTERNATIONAL LIMITED
 CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UNAUDITED)
 FOR THE HALF YEAR ENDED DECEMBER 31, 2024

	Reserves					Total	
	Capital	Revenue		Total reserves			
Note	Issued, subscribed and paid-up capital	Merger reserve	Share premium	Surplus on revaluation of fixed assets	Accumulated profits	Total reserves	Total
	(Rupees in thousand)						
Balance as at July 01, 2023 - audited	4,304,874	64,536	-	1,524,821	3,457,494	5,046,851	9,351,725
Profit after taxation for the period	-	-	-	-	706,671	706,671	706,671
Other comprehensive income for the period	-	-	-	-	-	-	-
Total comprehensive income for the period	-	-	-	-	706,671	706,671	706,671
Transferred from surplus on revaluation of operating fixed assets	-	-	-	(18,537)	18,537	-	-
Transferred from surplus on revaluation of operating fixed assets on disposal	-	-	-	(44)	44	-	-
Balance as at December 31, 2023 - (unaudited)	<u>4,304,874</u>	<u>64,536</u>	<u>-</u>	<u>1,506,240</u>	<u>4,182,746</u>	<u>5,753,522</u>	<u>10,058,396</u>
Balance as at July 01, 2024 - (audited)	4,352,874	16,536	-	1,371,346	4,526,174	5,914,056	10,266,930
Right shares issued	535,404	-	1,793,602	-	-	1,793,602	2,329,006
Profit after taxation for the period	-	-	-	-	509,688	509,688	509,688
Other comprehensive income for the period	-	-	-	-	-	-	-
Total comprehensive income for the period	-	-	-	-	509,688	509,688	509,688
Transferred from surplus on revaluation of operating fixed assets	-	-	-	(17,878)	17,878	-	-
Transaction with owners of the Company							
Final cash dividend for the year ended June 30, 2024 at the rate of 7.5%	-	-	-	-	(366,621)	(366,621)	(366,621)
Balance as at December 31, 2024 - unaudited	<u>4,888,278</u>	<u>16,536</u>	<u>1,793,602</u>	<u>1,353,468</u>	<u>4,687,119</u>	<u>7,850,725</u>	<u>12,739,003</u>

The annexed notes from 1 to 36 form an integral part of these condensed interim financial statements.


 CHIEF EXECUTIVE

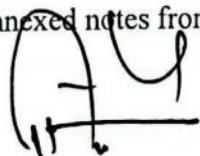

 DIRECTOR


 CHIEF FINANCIAL OFFICER

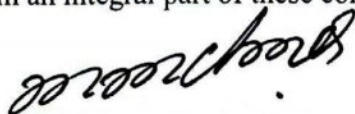
STYLERS INTERNATIONAL LIMITED
CONDENSED INTERIM STATEMENT OF CASH FLOW (UNAUDITED)
FOR THE HALF YEAR ENDED DECEMBER 31, 2024

	<u>Half year ended</u>	
	<u>December 31,</u> <u>2024</u>	<u>December 31,</u> <u>2023</u>
Note	(Rupees in thousand)	
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash flows generated from operations	28 1,972,535	1,253,343
Defined benefit liability paid	(55,320)	(46,397)
Leave encashment paid	(3,598)	(2,658)
Financial and other charges paid	(181,043)	(114,725)
Workers' profit participation fund paid	(94,268)	(76,367)
Income tax paid	(221,286)	(72,336)
Loan to employee	-	(3,094)
	<u>(555,515)</u>	<u>(315,577)</u>
Net cash generated from operating activities	1,417,020	937,766
CASH FLOWS FROM INVESTING ACTIVITIES		
Capital expenditure on property, plant and equipment	(1,489,941)	(1,671,381)
Proceeds from disposal of operating fixed assets	4,319	22,006
Long term investment made	(282,589)	(88,423)
Long term deposits made	(1,100)	1,635
Long term advance made	(424,340)	-
Proceeds from long term loan repayment	673	-
Net cash used in investing activities	(2,192,978)	(1,736,163)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issuance of shares	2,329,006	-
Long term financing obtained	-	440,000
Short term borrowings - net	(653,075)	152,172
Repayment of lease liability	-	(41,535)
Dividend paid	(366,534)	-
Net cash generated from financing activities	<u>1,309,397</u>	<u>550,637</u>
Net increase / (decrease) in cash and cash equivalents	533,439	(247,761)
Net foreign exchange difference on translating cash and cash equivalent	257	(10,518)
Cash and cash equivalents at the beginning of the period	<u>752,880</u>	<u>1,299,180</u>
Cash and cash equivalents at the end of the period	<u>1,286,576</u>	<u>1,040,901</u>

The annexed notes from 1 to 36 form an integral part of these condensed interim financial statements.



CHIEF EXECUTIVE



DIRECTOR



CHIEF FINANCIAL OFFICER

STYLERS INTERNATIONAL LIMITED
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UNAUDITED)
FOR THE HALF YEAR ENDED DECEMBER 31, 2024

1 REPORTING ENTITY INFORMATION

Stylers International Limited (the Company) was incorporated in Pakistan as a private limited company under the repealed Companies Ordinance, 1984 (now Companies Act, 2017) on November 27, 1991 and was converted into a public limited company with effect from May 21, 2021. The Company's shares have been listed on Pakistan Stock Exchange (PSX) on January 22, 2024. The Company is principally engaged in carrying out manufacturing, marketing of ready made garments and processing services.

On 21 December 2023, Honourable Lahore High Court, Lahore sanctioned the Scheme of Arrangement for the merger of AEL Textiles Limited (AEL) with and into the Company, Resultantly, AEL's assets, rights, privileges (including status of listing on Pakistan Stock Exchange Limited (PSX) and eligibility for induction with Central Depository Company) and all its liabilities and obligations have been merged with and into the Company effective from 31 March 2023. As consideration for the merger, shares of the Company have been issued to AEL's shareholders on 10 January 2024, and the Company's shares have been listed on the Pakistan Stock Exchange (PSX) on 22 January 2024, with AEL being de-listed and dissolved.

2 GEOGRAPHICAL LOCATION AND ADDRESSES OF BUSINESS UNITS

The registered office of the Company is situated at 20-KM, Glaxo Town, Ferozpur Road, Lahore, Punjab. The manufacturing facility of the Company is located as follows:

Production units and offices	Address
Manufacturing units (The Company has total 2 manufacturing units at the same location)	20-KM, Glaxo Town, Ferozpur Road, Lahore, Punjab.
Manufacturing unit	Village Bhuchoki Mahja, Tehsil Raiwind, Raiwind Road, Lahore.
Karachi office	Office No. 601, 6th Floor, Charlie Trade Tower, 123, Block A, SMCH Society, Karachi.

3 BASIS OF PREPARATION

3.1 Statement of compliance

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

- International Accounting Standard (IAS) 34, Interim Financial Reporting, issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017;

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

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

Where provisions of and directives issued under the Companies Act, 2017 differ with the requirements of IAS 34, the provisions of and directives issued under the Companies Act, 2017 have been followed.

These condensed interim financial statements are unaudited but subject to the limited scope review by the auditors and is being submitted to the shareholders as required under section 237 of the Companies Act, 2017 and the listing regulations of the Pakistan Stock Exchange.

These condensed interim financial statements do not include all the information and disclosures required for full annual financial statements and should be read in conjunction with the annual financial statements of the Company as at and for the year ended June 30, 2024 which have been prepared in accordance with approved accounting standards as applicable in Pakistan. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Company's financial position and performance since the last annual financial statements.

The comparative statement of financial position presented in these condensed interim financial statements have been extracted from the annual audited financial statements of the Company for the year ended June 30, 2024, whereas the comparative condensed interim statement of profit or loss, condensed interim statement of comprehensive income, condensed interim statement of cash flows and condensed interim statement of changes in equity are extracted from the unaudited condensed interim financial statements for the half year ended December 31, 2023.

3.2 Basis of measurement

These condensed interim financial statements have been prepared under the historical cost convention except for staff retirement benefits - gratuity which is carried at present value of defined benefit obligation and certain items of property, plant and equipment at revalued amounts. In these financial statements, except for the amounts reflected in the statement of cash flows, all transactions have been accounted for on accrual basis.

3.3 Functional and presentation currency

These condensed interim financial statements have been presented in Pak Rupees ("Rs."), which is the functional and presentation currency of the Company.

4 MATERIAL ACCOUNTING POLICIES AND CHANGES THERE IN

The accounting policies and methods of computation adopted in the preparation of these condensed interim financial statements are consistent with those applied in the preparation of the annual audited financial statements of the company for the year ended June 30, 2024.

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5 CHANGE IN ACCOUNTING STANDARDS, INTERPRETATIONS AND AMENDMENTS TO PUBLISHED ACCOUNTING AND REPORTING STANDARDS

5.1 Amendments to published accounting and reporting standards which became effective during the period:

Certain standards, amendments and interpretations to approved accounting standards are effective for accounting periods beginning on January 01, 2024, but are considered not to be relevant or did not have any significant effect on the Company's operations (although they may affect the accounting for future transactions and events) and are, therefore, not detailed in these condensed interim financial statements.

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

There are certain standards, amendments to the accounting standards and interpretations that are mandatory for the Company's accounting periods beginning on or after January 1, 2025, but are considered not to be relevant or expected to have any significant effect on the Company's operations and are, therefore, not detailed in these condensed interim financial statements.

6 TAXATION

The provisions for taxation for the half year and quarter ended December 31, 2024, have been made using the estimated effective tax rate applicable to expected total annual earnings. The applicable income tax rate for the Tax Year 2025 is 29% plus super tax. Income tax expense is recognized in each interim period based on best estimate of the weighted average annual income tax rate expected for the full financial year. Amounts accrued for income tax expense in one interim period may have to be adjusted in a subsequent interim period of that financial year if the estimate of the annual income tax rate changes.

7 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of these condensed interim financial statements in conformity with the approved accounting 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.

During preparation of these condensed interim financial statements, the significant judgments made by the management in applying the Company's accounting policies and the key sources of estimation and uncertainty were the same as those that applied in the preceding audited annual financial statements of the Company for the year ended June 30, 2024.

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		(Unaudited) December 31, 2024	(Audited) June 30, 2024
	Note	(Rupees in thousand)	
8 OPERATING FIXED ASSETS			
Fixed assets	8.1	<u>8,224,067</u>	<u>7,115,520</u>
8.1 Fixed assets			
Opening net book value (NBV)		7,115,520	4,127,941
Additions (at cost) during the period / year	8.1.1	<u>1,311,122</u>	<u>3,267,921</u>
		8,426,642	7,395,862
Disposals (at NBV) during the period / year	8.1.2	<u>(1,643)</u>	<u>(17,191)</u>
Depreciation charged during the period / year		<u>(200,933)</u>	<u>(263,151)</u>
		(202,576)	(280,342)
Closing net book value (NBV)		<u>8,224,067</u>	<u>7,115,520</u>
8.1.1 Details of additions (at cost) during the period / year are as follows:			
Freehold land		-	16,917
Buildings on freehold land		-	2,657,148
Plant and machinery		1,059,643	243,750
Electrical installations		198,387	220,190
Tools and equipment		16,279	25,126
Office equipment		4,543	175
Furniture and fittings		11,679	4,088
IT equipment		12,671	24,575
Vehicles		7,920	75,952
		<u>1,311,122</u>	<u>3,267,921</u>
8.1.2 Details of disposals (at NBV) during the period / year are as follows:			
Plant and machinery		478	223.7
Tools and equipment		-	17
IT equipment		1,165	302
Vehicles		-	16,649
		<u>1,643</u>	<u>17,191</u>
8.1.3 Details of musharakah assets are as follows:			
Freehold land		345,000	345,000
Buildings on freehold land		272,624	272,624
Plant and machinery		29,443	29,443
Vehicles		557	557
		<u>647,624</u>	<u>647,624</u>

8.2 Freehold land, buildings and plant and machinery of the Company were revalued as at 31 March 2023 by an independent valuer, Messrs. Surval (Private) Limited (approved valuer). Had there been no revaluation, the value of the assets would have been lower by Rs. 1,491.647 million (2024: Rs. 1,491.647 million). Forced sale value of freehold land, buildings and plant and machinery as on the date of valuation was Rupees 1,531.930 million, Rupees 459.184 million and Rupees 699.038 million respectively.

		(Unaudited) December 31, 2024	(Audited) June 30, 2024
	Note	(Rupees in thousand)	
9 CAPITAL WORK IN PROGRESS			
Civil works		1,881,267	1,117,582
Plant and machinery		129,515	643,780
Stores, spare and loose tools		234,706	179,226
Furniture and fittings		14,486	5,623
Electrical installation		5,695	140,641
		<u>2,265,669</u>	<u>2,086,852</u>

10 LONG TERM ADVANCE

Advance

Against building

Styler Plus (Private) Limited

10.1	424,340	-
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10.1 This represents advance given to Styler Plus (Private) Limited for the purchase of building financed through musharakah as stated in note 20 to condensed interim financial statements. The building is located adjacent to factory building of unit 1 and 2.

11 LONG TERM INVESTMENT

At fair value through other comprehensive income

Sapphire Bay Islamic Development Real Estate Investment Trust

Units 557,062 of Rs. 10 each (2023: Nil)

11.1	557,062	417,114
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Advance against investment

Javedan Corporation Limited

11.1	466,118	217,132
------	---------	---------

Sapphire Bay Development Company

11.1	217,132	323,477
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	<u>1,240,312</u>	<u>957,723</u>
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Less: Current portion of long term investment

11.2	(1,240,312)	-
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	<u>-</u>	<u>957,723</u>
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11.1 This represents an investment made for the development of Ravi Riverfront City, governed by the Ravi Urban Development Authority (RUDA). The REIT will be responsible for developing a commercial and residential housing project on a single 2,000-acre parcel of land. The Company is one of 17 initial unit holders in the REIT. Units worth Rs. 557.062 million have been issued to the Company, while the remaining amount is pending as an advance against the issuance of units.

- 11.2 The members of the Company in its meeting held on October 28, 2024 have accorded the transfer of the investment in the Ravi Urban Development Authority (RUDA) scheme through Sapphire Bay Islamic Development REIT (SBIDR), currently held in the name of the Company to A.J. Holdings (Private) Limited, who has financed the Company for this investment. This will result in a reduction of the Company's Non-Current Assets and a corresponding decrease in short-term borrowing/liabilities, as the amount will no longer be payable to A.J Holdings (Private) Limited. However, despite the approval the investment and borrowing have not been derecognized in the books of accounts the novation involves a legal process including consent of the RUDA Board and other unit holders of SBIDR. The application has been made for novation which will take place in due course. Impact of revaluation was insignificant hence ignored.

	Note	(Unaudited) December 31, 2024 (Rupees in thousand)	(Audited) June 30, 2024
12 STOCK IN TRADE			
Raw material		533,325	751,416
Work in process	12.3	1,111,089	997,159
Finished goods	12.1	863,381	366,867
Less: Provision for slow moving and obsolete stock - Raw material	12.2	(2,959)	(1,664)
		<u>2,504,836</u>	<u>2,113,778</u>
12.1 It includes stock in transit Rs. 738.835 million (June 30, 2024: Rs. 257.959 million) which was still on the way to port at the period end.			
12.2 Provision for slow moving and obsolete stock :			
Opening balance		1,664	27,413
Provision made / (reversed) during the period / year		1,295	(25,749)
		<u>2,959</u>	<u>1,664</u>
12.3 Work in process include fabric amounting to Rs. 45.273 million (June 30, 2024: Rs. 55.557 million) held with third parties.			
13 TRADE DEBTS			
Secured			
Related parties		-	-
Others		1,376,743	1,999,150
		<u>1,376,743</u>	<u>1,999,150</u>
Unsecured			
Considered good:			
Related parties	13.1	23,125	3,653
Others		5,336	7,783
		<u>28,461</u>	<u>11,436</u>
		<u>1,405,204</u>	<u>2,010,586</u>

		(Unaudited) December 31, 2024	(Audited) June 30, 2024
	Note	(Rupees in thousand)	
13.1	Trade debts include the following amounts due from the following related parties:		
	U.S. Apparel and Textiles (Private) Limited - associated company	9,577	2,245
	Lama Retail (Private) Limited - related party	13,548	1,408
		<u>23,125</u>	<u>3,653</u>
14	OTHER RECEIVABLES		
	Unsecured		
	Considered good		
	Receivable from related parties	5,288	11,048
	Fair value of forward exchange contracts	3,970	-
	Accrued profit	5,800	-
		<u>15,058</u>	<u>11,048</u>
14.1	Other receivables include the following amounts due from the following related parties:		
	Naimat Saleem Trust - associated undertaking	200	960
	Automotive Plastics (Private) Limited - associated company	5,088	10,088
		<u>5,288</u>	<u>11,048</u>
15	DUE FROM THE GOVERNMENT		
	Sales tax refundable - net	554,378	380,126
	Duty draw back receivable	316,892	320,811
	Export rebate receivable	253,280	157,294
		<u>1,124,550</u>	<u>858,231</u>
16	SHARE CAPITAL		
16.1	Authorized share capital		
	640,000,000 (June 30, 2024: 560,000,000) ordinary shares of Rs. 10/- each	6,400,000	5,600,000

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	(Unaudited) December 31, 2024	(Audited) June 30, 2024
Note	(Rupees in thousand)	
16.2 Issued, subscribed and paid up share capital		
488,4827,773 (June 30, 2024: 116,835,000) ordinary shares of Rs. 10/- each fully paid in cash	1,703,754	1,168,350
77,420 (June 30, 2024: 77,420) ordinary shares of Rs. 10/- each fully paid in cash	774	774
310,000,000 (June 30, 2024: 310,000,000) ordinary shares of Rs. 10/- each issued as fully paid bonus shares	3,100,000	3,100,000
3,575,000 (June 30, 2024: 3,575,000) ordinary shares of Rs. 10/- each issued as fully paid for consideration other than cash against purchase of land	35,750	35,750
4,800,000 (June 30, 2024: 4,800,000) ordinary shares of Rs. 10/- each issued to the members of AEL Textiles Limited as per the scheme of arrangement for merger	48,000	48,000
	<u>4,888,278</u>	<u>4,352,874</u>
16.3 During the period the Company has increased its authorized share capital from Rs. 5,600 million to Rs. 6,400 million as approved by the members in the meeting held on October 28, 2024. All legal formalities / forms were completed / during the reporting period.		
16.4 During the period the Company has received an amount of Rs. 2,329.006 million on account of consideration money against the allotment of 53,540,353 right shares each of Rs. 10 /- par value at a price of Rs. 43.5 (at a premium as approved by Board of Directors in the meeting held on April 30, 2024).		
17 DIMINISHING MUSHARAKAH		
Secured		
Musharakah participants		
Ms. Ayesha Haroon - Related party	60,000	60,000
Mr. Muhammad Saqib - Director	60,000	60,000
SJ Holdings (Private) Limited - Related party	60,000	60,000
Mr. Javed Arshad Bhatti - Director	60,000	60,000
Mr. Muhammad Siddique Bhatti - Related Party	60,000	60,000
Mian Muhammad Ahsan - Director	120,000	120,000
Mian Salman Ahsan - Related party	180,000	180,000
	<u>600,000</u>	<u>600,000</u>
Less: Current portion shown under current liabilities	(58,962)	(14,767)
	<u>541,038</u>	<u>585,233</u>

17.1 This represents unsecured diminishing musharakah financing obtained from musharakah participants (related parties). The Company has entered into musharakah based on Shirkat-ul-milk for purchasing an agreed share of fixed assets (land, building, plant and machinery and vehicles) with the musharakah participants (Participants). Total tenure of financing is 6 years (including one years grace period). The facility will be redeemed in 60 monthly installments commencing from May 01, 2025 and ending on April 01, 2030. For the utilization of the Participants' Musharakah share, the Company pays monthly profit at the rate of 12% per annum on outstanding musharakah contribution base amount. Subsequent to period, there was change in terms of agreement that grace period was extended from one year to two years with the facility to be redeemed in 48 monthly installments commencing from May 01, 2026 and ending on April 01, 2030. The Company has agreed to pay additional rent for the period of July 01, 2024 till the maturity of the transaction calculated at rate of 1.3%. The first installment of such additional rental will be due on March 31, 2025.

	(Unaudited) December 31, 2024	(Audited) June 30, 2024
Note	(Rupees in thousand)	
18 DEFERRED TAXATION		
Deferred tax liabilities	190,955	122,245
Deferred tax liabilities		
Taxable temporary differences on:		
Accelerated depreciation	115,116	4,949
Revaluation surplus	111,886	120,302
Forward contracts	1,548	-
Deductible temporary differences on:		
Forward contracts	-	(3,006)
Defined benefit obligation	(10,609)	-
Workers welfare fund	(6,888)	-
Leave encashment	(873)	-
Provisions	(19,225)	-
	190,955	122,245

18.1 Movement in deferred tax balances is as follows:

Opening balance at start of the period / year	(122,245)	(5,498)
Recognized in profit or loss:		
- Accelerated tax depreciation including surplus on revaluation of fixed assets	(101,751)	(622)
- Lease liabilities	-	(639)
- Leave encashment	873	(123)
- Provision for worker's welfare fund	6,888	(622)
- Provisions and expected credit losses	19,225	(856)
- Forward contracts	(4,554)	3,006
- Net defined benefit asset	10,609	105
	(68,710)	249

		(Unaudited) December 31, 2024 (Rupees in thousand)	(Audited) June 30, 2024
	Note		
Recognized in other comprehensive income:			
- Revaluation surplus on fixed assets		-	(116,996)
Closing balance at end of the period / year		<u>(190,955)</u>	<u>(122,245)</u>
19	TRADE AND OTHER PAYABLES		
Creditors	19.1	2,554,176	2,115,819
Accrued liabilities	19.2	610,038	396,979
Contract liabilities - unsecured		31,845	21,197
Securities from contractors - Interest free and repayable on completion of contracts	19.3	4,822	5,755
Sales tax withheld		7,300	5,833
Income tax deducted at source		56,207	47,954
Fair value of forward exchange contracts		-	7,707
Workers' profit participation fund		84,676	134,788
Workers' welfare fund		18,632	970
Retention money payable		67,991	66,056
		<u>3,435,687</u>	<u>2,803,058</u>
19.1	These include amounts due to following related parties:		
	U.S. Denim Mills (Private) Limited	687,962	531,038
	U.S. Apparel And Textiles (Private) Limited	4,572	9,044
	US & Dynamo Mills (Private) Limited	52,937	3,650
		<u>745,471</u>	<u>543,732</u>
19.2	These include amount due to following related party against expenses:		
	U.S. Apparel and Textiles (Private) Limited	-	342,007
19.3	These security deposits are received from local contractors against sale of waste material.		
20	SHORT TERM BORROWINGS		
	Unsecured		
	A.J. Holdings (Private) Limited - associated company	11.2	1,240,312
	S.J. Holdings (Private) Limited - associated company		40,000
	Mian Muhammad Ahsan - Director		320,000
	Mr. Javed Arshad Bhatti - Director		200,000
	Ms. Ayesha Haroon - Related party		40,000
	Mian Salman Ahsan - Related party		80,000
	Muhammad Siddique Bhatti - Related party		40,000
	Muhammad Saqib Bhatti - Director		40,000
			<u>2,000,312</u>
			<u>2,653,387</u>

	(Unaudited) December 31, 2024	(Audited) June 30, 2024
Note	(Rupees in thousand)	
20.1	The reconciliation of the carrying amount is as follows:	
	2,653,387	890,750
	915,028	1,922,637
	(1,568,103)	(160,000)
	<u>2,000,312</u>	<u>2,653,387</u>

20.2 These represent unsecured, interest free qard-e-hasna obtained from related parties. These are repayable on demand. Subsequent to the reporting period an amount of Rs. 400 million has been converted into long term diminishing musharakah as approved by the members in its meeting held on January 31, 2025 to finance the purchase of building as stated in note 10 to condensed interim financial statements.

21 PROVISION FOR TAXATION AND LEVY - NET

21.1 Advance income tax - net

Advance income tax	115,055	104,728
Less: Provision for taxation	(242,903)	(93,660)
	(127,848)	11,068

21.2 Levy - net

Prepaid levy	-	133,727
Less: Levy payable	-	(251,026)
	-	(117,299)
	<u>(127,848)</u>	<u>(106,231)</u>

22 CONTINGENCIES AND COMMITMENTS

22.1 Contingencies

There has been no change in the contingencies as compared to those disclosed in the audited annual financial statements of the Company for the year ended June 30, 2024 except for:

- a) Guarantees of Rs. 52.885 million (2024: Rs. 35.650 million) are issued by the banks of the Company to Sui Northern Gas Pipelines Limited against gas connections, Lahore Electric Supply Company Limited for electricity connections, Total PARCO Pakistan Limited against purchase of furnace oil and State Bank of Pakistan.
- b) Post dated cheques of Rs. 4,023.616 million (2024: Rs. 4,326.57 million) are issued to customs authorities in respect of duties on imported items availed on the basis of consumption and export plans. If documents of exports are not provided on due dates, cheques issued as security shall be encashable.

- c) The Company filed writ petition in Honourable Sindh High Court, Karachi against infrastructure cess imposed by the Province of Sindh through Sindh Finance Act, 1994 and its subsequent versions including the final version i.e. Sindh Development and Maintenance of Infrastructure Cess Act, 2017, whereby stay was granted and directions were given to provide bank guarantees in favor of Director Excise and Taxation, Karachi. The Honourable Sindh High Court, Karachi passed order dated June 04, 2021 against the Company and directed that bank guarantees should be encashed. Being aggrieved by the order, the Company along with others filed petitions for leave to appeal before Honourable Supreme Court of Pakistan against the Sindh High Court's judgment in relation to Sindh Infrastructure Development Cess. On September 01, 2021, after hearing the petitioners, the Honourable Supreme Court dictated the order in open court granting leave to appeal to the petitioners and restraining the Sindh Government from encashing the bank guarantees furnished in pursuance of the interim orders passed by the Sindh High Court. The Honourable Supreme Court also direct the release of future consignments subject to furnishing of bank guarantees for the disputed amount. Upto December 31, 2024, the bank of the Company has issued guarantees of Rs. 30.000 million to Excise and Taxation against cess.

22.2 Commitments

- a) Contracts for capital expenditure are approximately of Rs. 666.540 million (2024: Rs. 901.015 million).
- b) Letters of credit other than for capital expenditure are of Rs. 1,623.167 million (2024: Rs. 1,524.530 million).
- c) Outstanding foreign currency forward contracts of Rs. 1,460.033 million (2024: Rs. 815.385 million).

23 SALES - NET

	----- (Unaudited) -----			
	Half year ended		Quarter ended	
	December 31,		December 31,	
	2024	2023	2024	2023
	----- (Rupees in thousand) -----			
Revenue from contracts with customers:				
Export sales	9,851,330	5,810,737	5,041,103	3,382,744
Local sales	166,871	173,696	102,581	42,103
Processing income	24,317	52,501	18,486	12,562
	10,042,518	6,036,934	5,162,170	3,437,409
Export rebate	116,215	68,183	59,167	37,829
Less: Sales tax	(29,164)	(38,072)	(18,126)	(11,340)
Less: Discounts	(66,055)	(18,543)	(24,242)	(7,754)
	20,996	11,568	16,799	18,735
	10,063,514	6,048,502	5,178,969	3,456,144

24 COST OF SALES

Raw materials consumed	6,006,767	3,194,638	3,049,535	1,756,678
Other overheads:				
Processing charges	209,638	18,105	55,463	10,422
Salaries, wages and other benefits	2,060,200	1,122,992	1,050,881	625,282
Stores, spare parts and loose tools consumed	73,277	38,577	45,151	24,587
Repair and maintenance	28,445	26,629	14,854	14,375
Fuel and power	325,976	203,847	165,241	102,101
Insurance	3,477	2,574	1,739	1,398
Freight and octroi - inward	37,885	20,834	15,101	11,427
Rent, rates and taxes	24,916	900	14,948	600
Depreciation on property, plant and equipment	161,530	99,201	89,745	56,482
Depreciation on right-of-use assets	-	14,595	-	7,298
Other expenses	391	1,707	290	631
	2,925,735	1,549,961	1,453,413	854,603
Opening work in process	997,159	658,268	960,304	560,570
Closing work in process	(1,111,089)	(555,463)	(1,111,089)	(555,463)
	(113,930)	102,805	(150,785)	5,107
Cost of goods manufactured	8,818,572	4,847,404	4,352,163	2,616,388
Opening stock of finished goods	366,867	492,882	796,280	666,642
Closing stock of finished goods	(863,381)	(698,224)	(863,381)	(698,224)
	(496,514)	(205,342)	(67,101)	(31,582)
	8,322,058	4,642,062	4,285,062	2,584,806

----- (Unaudited) -----			
Half year ended		Quarter ended	
December 31,		December 31,	
2024	2023	2024	2023
----- (Rupees in thousand) -----			

25 FINANCIAL AND OTHER CHARGES

Bank charges and commission	141,053	77,280	88,386	33,297
Rent / profit on musharakah	39,990	35,129	19,995	15,136
Finance cost on lease liabilities	-	2,316	-	997
	<u>181,043</u>	<u>114,725</u>	<u>108,381</u>	<u>49,430</u>

26 TAXATION

Current tax				
Current period	245,998	33,462	132,599	24,804
Prior year adjustment	(3,095)	-	(3,095)	-
Deferred tax	68,710	(1,019)	68,710	(1,019)
	<u>311,613</u>	<u>32,443</u>	<u>198,214</u>	<u>23,785</u>

27 EARNINGS PER SHARE - BASIC AND DILUTED

There is no dilutive effect on the basic earnings per share of the Company, which is based on:

----- (Unaudited) -----			
Half year ended		Quarter ended	
December 31,		December 31;	
2024	2023	2024	2023
----- (Restated) -----			

Profit after taxation - Rs. in thousands	509,688	706,671	219,656	448,284
Weighted average number of ordinary shares (in thousand)	485,263	434,046	488,828	434,046
Earnings per share - basic and diluted - (Rs.)	1.05	1.63	0.45	1.03

27.1 EPS of last period has been restated for bonus element on right issue during the period.

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28 CASH GENERATED FROM OPERATIONS

Note	Half year ended	
	December 31, 2024	December 31, 2023
	(Rupees in thousand)	
Profit before taxation	821,301	821,436
Adjustments for items not involving movement of funds:		
Depreciation on property, plant and equipment	200,933	142,255
Amortization of intangible assets	55	66
Gain on sale of property, plant and equipment	(2,675)	(9,955)
Gain on termination of lease liabilities	-	(17,256)
Provision / (reversal) for slow moving raw material	1,295	(19,281)
(Reversal) / provision for slow moving stores, spare parts and loose tools	(1,710)	3,250
Provision for leave encashment	5,837	2,522
Provision for defined benefit liability	130,523	61,292
Reversal of provision for duty drawback receivable	-	(5,127)
Provision against doubtful sales tax refundable	-	452
Doubtful security deposits written off	-	167
Finance cost	181,043	114,725
Provision for workers' profit participation fund	44,156	42,575
Provision for workers' welfare fund	17,662	16,764
Net exchange loss / (gain) - unrealized	(3,166)	38,902
Net cash flow before working capital changes	573,953	371,351
(Increase) / decrease in current assets		
Stores, spare parts and loose tools	694	10,603
Stock-in-trade	(392,353)	(282,691)
Trade debts	608,291	218,882
Advances, deposits and prepayments	13,899	(57,115)
Other receivables	1,790	5,596
Accrued profit	(5,800)	2,634
Due from the Government	(266,319)	373,550
	(39,798)	271,459
Increase / (decrease) in current liabilities		
Trade and other payables	617,079	(210,903)
Cash flows generated from operations	<u>1,972,535</u>	<u>1,253,343</u>

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29 TRANSACTIONS WITH RELATED PARTIES

Related parties include subsidiaries, associated entities, directors, other key management personnel and close family members of directors and other key management personnel and contribution to retirement benefit plan. Details of transactions with related parties during the period, other than those which have been disclosed elsewhere in these unconsolidated condensed interim financial statements, are as follows:

Name of parties, nature and basis of relationship	Basis of relationship	Nature of transaction	----- (Unaudited) -----	
			Half year ended	
			December 31, 2024	December 31, 2023
			(Rupees in thousand)	
U.S. Apparel and Textiles (Private) Limited	Associated Company (Common Directorship)	Right shares subscribed	342,546	-
		Purchase of electricity	4,508	264
		Services provided	7,470	39,117
		Services obtained	22,252	36,811
		Reimbursement of expenses	283	-
		Purchase of fabric and materials	-	41
U.S. Denim Mills (Private) Limited	Associated Company (Common Directorship)	Right shares subscribed	186,955	-
		Purchase of fabric and materials	1,753,331	1,033,839
U.S. Dying & Finishing Mills (Private) Limited	Associated Company (Common Directorship)	Purchase of fabric and materials	84,246	75,919
A.J. Holdings (Private) Limited	Associated Company (Common Directorship)	Loan repayment	1,197,103	-
		Loan obtained	155,028	252,172
Naimat Saleem Trust	Directors of the Company are the trustees of Naimat Saleem Trust	Lease rentals paid	-	18,935
		Donations paid	10,545	-
		Services provided	1,715	-
Mr. Javed Arshad Bhatti	Director	Long term musharakah obtained	-	60,000
		Profit on musharakah	3,600	4,828
		Loan repayment	185,500	60,000
		Loan obtained	200,000	-
Mian Muhammad Ahsan	Director	Long term musharakah obtained	-	120,000
		Profit on musharakah	7,200	6,106
		Loan repayment	185,500	40,000
		Loan obtained	320,000	-
Mr. Muhammad Saqib Bhatti	Director	Long term musharakah obtained	-	60,000
		Profit on musharakah	3,600	3,578
		Loan obtained	40,000	-

Name of parties, nature and basis of relationship	Basis of relationship	Nature of transaction	----- (Unaudited) ----- Half year ended	
			December 31,	December 31,
			2024	2023
(Rupees in thousand)				
Mr. Muhammad Siddique Bhatti	Close relative of Director	Long term musharakah obtained	-	60,000
		Profit on musharakah	3,600	2,385
		Loan obtained	40,000	-
Mian Salman Ahsan	Close relative of Director	Short term borrowings reclassified to musharakah arrangements	-	100,000
		Long term musharakah obtained	-	80,000
		Profit on musharakah	18,800	11,078
		Loan obtained	80,000	-
Mrs. Ayesha Haroon	Close relative of Director	Short term borrowings reclassified to musharakah arrangements	-	60,000
		Profit on musharakah	3,600	3,578
		Loan obtained	40,000	-
US Footwear (Private) Limited	Associated Company (Common Directorship)	Loan of employee transferred from US Footwear (Private) Limited	-	1,167
Leeds Logistics (Private) Limited	Associated Company (Common Directorship)	Sale of vehicle	-	14,809
Automotive Plastics (Private) Limited	Associated Company (Common Directorship)	Loan repayment receipt	5,000	-
S.J. Holdings (Private) Limited	Group Company	Right shares subscribed	252	-
		Long term musharakah obtained	-	60,000
		Profit on musharakah	3,600	3,578
		Loan obtained	40,000	-
Ahmar Bilal Sufi & Co.	Independent Director	Services obtained	200	-
		Retainership fee	600	-
Key Management Personnel	Independent Director	Director meeting fee	2,000	-
Employees' Gratuity Fund Trust	Staff retirement fund	Contributions paid	55,000	46,397
LAMA Retail (Private) Limited	Associated Company (Common Directorship)	Services provided	15,308	10,418

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	(Unaudited) December 31, 2024	(Audited) June 30, 2024
	(Rupees in thousand)	
Balances as at:		
U.S. Apparel and Textiles (Private) Limited		
Trade receivable	9,577	2,245
Trade payable	4,572	9,044
U.S. Denim Mills (Private) Limited		
Trade payable	687,962	531,038
US & Dynamo Mills (Private) Limited		
Trade payable	52,937	3,650
LAMA Retail (Private) Limited		
Trade receivable	13,548	1,408
A.J. Holdings (Private) Limited		
Short term borrowing payable	1,240,312	2,282,387
Naimat Saleem Trust		
Other receivable	20,183	960
US Footwear (Private) Limited		
Other payable	1,167	1,167
Automotive Plastics (Private) Limited		
Other receivable	5,088	10,088
S.J. Holdings (Private) Limited		
Short term borrowing payable	40,000	-
Diminishing musharakah payable	60,000	60,000
Mr. Javed Arshad Bhatti		
Short term borrowing payable	200,000	185,500
Diminishing musharakah payable	60,000	60,000
Mian Muhammad Ahsan		
Short term borrowing payable	320,000	185,500
Diminishing musharakah payable	120,000	120,000
Mr. Muhammad Saqib Bhatti		
Short term borrowing payable	40,000	-
Diminishing musharakah payable	60,000	60,000
Mr. Muhammad Siddique Bhatti		
Short term borrowing payable	40,000	-
Diminishing musharakah payable	60,000	60,000

	(Unaudited) December 31, 2024	(Audited) June 30, 2024
	(Rupees in thousand)	
Mian Salman Ahsan		
Short term borrowing payable	80,000	-
Diminishing musharakah payable	180,000	180,000
Mrs. Ayesha Haroon		
Short term borrowing payable	40,000	-
Diminishing musharakah payable	60,000	60,000

30 FAIR VALUE OF FINANCIAL INSTRUMENTS

The carrying values of all financial assets and liabilities reflected in the financial statements approximate their fair values. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i.e. an exit price) regardless of whether that price is directly observable or estimated using another valuation technique.

Underlying the definition of fair value is the presumption that the Company is a going concern and there is no intention or requirement to curtail materially the scale of its operations or to undertake a transaction on adverse terms.

A financial instrument is regarded as quoted in an active market if quoted price is readily and regularly available from an exchange dealer, broker, industry group, pricing service, or regulatory agency, and that price represents actual and regularly occurring market transactions on an arm's length basis.

IFRS 13 'Fair Value Measurement' requires the Company to classify fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

Quoted prices (unadjusted) in active markets for identical assets or liabilities that entity can access at measurement date (Level 1)

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

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

Transfer between levels of the fair value hierarchy are recognised at the end of the reporting period during which the changes have occurred. However, there were no transfers between levels of fair value hierarchy during the year.

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

31 FINANCIAL INSTRUMENTS BY CATEGORY

Financial assets at amortized cost	Financial instrument through FVTPL	Carrying value			Fair value			
		FVTOCI - equity instrument	Financial liabilities at amortized cost	Total	Level 1	Level 2	Level 3	Total
(Rupees in thousand)								
On-Balance sheet financial instruments								
As at December 31, 2024								
Financial assets measured at fair value								
Investments classified as FVTOCI	-	557,062	-	557,062	557,062	-	-	557,062
Other receivables	3,970	-	-	3,970	-	3,970	-	3,970
Financial assets at amortised cost								
Long term deposits	45,885	-	-	45,885	-	-	-	-
Trade debts	1,405,204	-	-	1,405,204	-	-	-	-
Advances and deposits	7,853	-	-	7,853	-	-	-	-
Other receivables	15,058	-	-	15,058	-	-	-	-
Cash and bank balances	1,286,576	-	-	1,286,576	-	-	-	-
	2,760,576	3,970	557,062	3,321,608	557,062	3,970	-	561,032
Financial liabilities at amortised cost								
Trade and other payables	-	-	3,237,027	3,237,027	-	-	-	-
Diminishing musharakah	-	-	600,000	600,000	-	-	-	-
Short term borrowings	-	-	2,000,312	2,000,312	-	-	-	-
Unclaimed dividend	-	-	154	154	-	-	-	-
	-	-	5,837,493	5,837,493	-	-	-	-
As at June 30, 2024								
Financial assets measured at fair value								
Investments classified as FVTOCI	-	417,114	-	417,114	417,114	-	-	417,114
Financial assets at amortised cost								
Long term loan	2,287	-	-	2,287	-	-	-	-
Long term deposits	44,785	-	-	44,785	-	-	-	-
Trade debts	2,010,586	-	-	2,010,586	-	-	-	-
Advances and deposits	7,526	-	-	7,526	-	-	-	-
Other receivables	11,048	-	-	11,048	-	-	-	-
Cash and bank balances	752,880	-	-	752,880	-	-	-	-
	2,829,112	-	417,114	3,246,226	417,114	-	-	417,114
Financial liabilities measured at fair value								
Trade and other payables	7,707	-	-	7,707	-	7,707	-	7,707
Financial liabilities at amortised cost								
Trade and other payables	-	-	2,584,609	2,584,609	-	-	-	-
Diminishing musharakah	-	-	600,000	600,000	-	-	-	-
Short term borrowings	-	-	2,653,387	2,653,387	-	-	-	-
Unclaimed dividend	-	-	68	68	-	-	-	-
	7,707	-	5,838,064	5,845,771	-	7,707	-	7,707

31.1 The Company has revalued certain fixed assets at fair value and classified under property, plant and equipment. There is no change in fair value of the assets as disclosed in the annual audited financial statements for the year ended June 30, 2024.

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32 FINANCIAL RISK MANAGEMENT

The Company's activities expose it to a variety of financial risks: market risk (including foreign exchange risk, interest rate risk and price risk), credit risk and liquidity risk.

There have been no significant changes in the risk management policies since the year end.

The condensed interim financial statements does not include all financial risk management information and disclosures required in the annual financial statements and should be read in conjunction with the Company's audited annual financial statements for the year ended June 30, 2024.

The Company's financial risk management objective and policies are consistent with that disclosed in the annual financial statements for the year ended June 30, 2024.

33 CORRESPONDING FIGURES

33.1 Corresponding figures have been rearranged and reclassified, wherever necessary for the purposes of comparison and for better presentation. However, no significant reclassification has been made except for the reclassification described in note 33.3 during the period.

33.2 In order to comply with the requirements of International Accounting Standard 34 - 'Interim Financial Reporting', corresponding figures in the condensed interim statement of financial position comprise of balances as per the audited annual financial statements of the Company for year ended June 30, 2024 and the corresponding figures in the condensed interim statement of profit or loss and the condensed interim comprehensive income, condensed interim statement of cash flows and condensed interim statement of changes in equity comprise of balances of comparable period as per the condensed interim financial statements of the Company for the half year ended December 31, 2024.

33.3 This reference to the change in accounting policy, as defined in Note 2.3 of the annual financial statements, relates to the levy under IFRIC 21 / IAS 37, instead of current income tax for the year under IAS 12. The income tax, amounting to Rs. 82.322 million, has been reclassified from taxation to levy.

34 DATE OF AUTHORIZATION FOR ISSUE

This condensed interim financial statements were authorized for issue on 26 Feb 2025 by the Board of Directors of the Company.

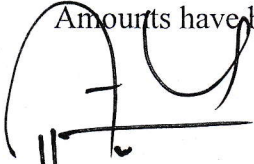
35 NON-ADJUSTING EVENTS AFTER THE BALANCE SHEET DATE

There are no significant reportable events after the date of condensed interim statement of financial position.

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36 GENERAL

Amounts have been rounded off to the nearest thousand rupees unless otherwise stated.



CHIEF EXECUTIVE



DIRECTOR



CHIEF FINANCIAL OFFICER

ڈائریکٹرز کی جائزہ رپورٹ

برائے ششماہی ختمہ 31 دسمبر 2024

ٹیکسٹائل اینڈ لیٹنگ کے ڈائریکٹرز 31 دسمبر 2024 کو ختم ہونے والی سہ ماہی اور ششماہی کے لیے کمپنی کے کنڈیشنز مالی گوشواروں کے ہمراہ اپنی رپورٹ پیش کرتے ہوئے خوش محسوس کر رہے ہیں۔

مالی جھلکیاں

31 دسمبر 2024 کو ختم ہونے والی سہ ماہی اور ششماہی کے لیے کمپنی کی مالی کارکردگی حسب ذیل ہے:

مختصر سہ ماہی		مختصر ششماہی		تفصیل
31 دسمبر 2023 (روپے ہزاروں میں)	31 دسمبر 2024 (روپے ہزاروں میں)	31 دسمبر 2023 (روپے ہزاروں میں)	31 دسمبر 2024 (روپے ہزاروں میں)	
3,456,144	5,178,969	6,048,502	10,063,514	آمدنی
(2,584,806)	(4,285,062)	(4,642,062)	(8,322,058)	فروخت کی لاگت
871,339	893,907	1,406,440	1,741,456	مجموعی منافع
(365,440)	(410,109)	(623,211)	(853,606)	انتظامی/فروخت اور تقسیم/دیگر اخراجات
74,118	42,453	152,932	114,494	دیگر آمدنی
(49,430)	(108,381)	(114,725)	(181,043)	مالیاتی اور دیگر اخراجات
530,586	417,870	821,436	821,301	ٹیکس اور لیوی سے قبل منافع/(نقصان)
448,284	219,656	706,671	509,688	بعد از ٹیکس منافع/(نقصان)
1.03	0.45	1.63	1.05	نی شیئر آمدنی/(نقصان)

مالیاتی جائزہ

کمپنی نے رواں ششماہی کے دوران 66.6 فیصد کی مستحکم آمدنی حاصل کی اور یہ 10.06 بلین روپے تک پہنچ گئی جو گزشتہ اسی عرصے میں 6.05 بلین روپے تھی۔ امریکی ڈالر کے مقابلے میں پاکستانی روپیہ (PKR) کی قدر میں اضافہ اور قیمت فروخت میں کمی کے باوجود، بنیادی طور پر مصنوعات کے کس میں تبدیلی کی وجہ سے، کمپنی نے کامیابی کے ساتھ اپنی بالائی لائن کارکردگی کو بڑھایا۔ یہ ہماری کلیدی برآمدی منڈیوں سے صلاحیت میں توسیع اور پائیدار نمو کے بعد زیادہ پیداواری حجم کے ذریعے ممکن ہوا۔

رواں ششماہی کے دوران مجموعی منافع مارجن 17.3 فیصد رہا جو بنیادی طور پر قیمت فروخت میں کمی اور امریکی ڈالر کے مقابلے میں پاکستانی روپیہ کی قدر میں اضافہ کی وجہ سے 23.3 فیصد سے نیچے ہے۔ انتظامی، فروخت اور دیگر اخراجات میں 36.9 فیصد اضافہ ہوا جس کی بنیادی وجہ تنخواہیں، ایئر فریٹ اور قدر میں کمی ہے۔ منافع کو متاثر کرنے والا ایک اہم عنصر فائلنگ ٹیکس نظام (ایف ٹی آر) سے نارٹل ٹیکس نظام (این ٹی آر) کی طرف منتقلی تھی، جس کی وجہ سے ٹیکس کا بوجھ بڑھ گیا۔ اس کے نتیجے میں محصولات میں اضافے کے باوجود بعد از ٹیکس منافع 27.9 فیصد کم ہو کر 509.7 بلین روپے رہ گیا۔

اس کے علاوہ فی حصص آمدنی (EPS) پچھلے سال کے اسی عرصے کے 1.63 روپے سے کم ہو کر 1.05 روپے رہ گئی۔ یہ کمی خالص منافع میں کمی اور اس مدت کے دوران جاری کردہ اضافی رائٹ شیئرز کے کمزور اثرات کی وجہ سے ہوئی ہے۔

اقتصادی اور صنعتی جائزہ

پاکستان کی سیاسی صورتحال مستحکم ہوئی اور معیشت میں بہتری کے آثار ظاہر ہو رہے ہیں۔ رپورٹس جو صلا افزاء اعداد و شمار کے ساتھ معاشی نمونوں مثبت رجحان کی نشاندہی کرتی ہیں۔

ڈھانچ جاتی اصلاحات اور مالی نظم و ضبط پر حکومت کی توجہ کا مقصد میکرو اکنامک اشاروں کو مستحکم کرنا ہے۔ عالمی معاشی غیر یقینی صورتحال نے بین الاقوامی تجارت کی محرکات کو متاثر کیا ہے۔ اس کے باوجود، پاکستان کے برآمدی شعبہ، خاص طور پر ٹیکسٹائل نے غیر ملکی زرمبادلہ کی آمدنی میں اہم کردار ادا کیا ہے۔

ٹیکسٹائل کی صنعت ملکی معیشت میں ریڑھ کی ہڈی کی حیثیت سے برآمدات اور روزگار کا ایک اہم حصہ ہے۔ بین الاقوامی منڈیوں میں ڈینم اور دیگر ویلیو ایڈڈ مصنوعات کی مضبوط طلب کے ساتھ، ٹیکسٹائل مینوفیکچررز نے پائیداری اور آپریشنل کارکردگی کو بڑھانے پر توجہ مرکوز کی ہے۔ تاہم، بڑھتی ہوئی تنخواہوں، توانائی اور نقل و حمل کے اخراجات کے ساتھ ساتھ معاشی سست روی کی وجہ سے عالمی قیمتوں کی مسابقت نے منافع کے مارجن کو متاثر کرنا جاری رکھا ہوا ہے۔ ان مشکلات کے باوجود پاکستان کا ٹیکسٹائل سیکٹر عالمی سپلائی چینز میں اپنی موجودگی کو مستحکم بنانے کے لیے پُر عزم ہے۔ فائٹل ٹیکس نظام (ایف ٹی آر) سے نارٹل ٹیکس نظام (این ٹی آر) میں حالیہ تبدیلی اور سیز ٹیکس پرفرمنس پر صفر ٹینگ کے خاتمہ نے پاکستان کی ٹیکسٹائل انڈسٹری کی عالمی مسابقت کو مزید متاثر کیا ہے۔ بین الاقوامی منڈیوں میں طویل مدتی نمو اور مسابقت کو یقینی بنانے کے لئے حکومت کی جانب سے پائیدار پالیسی معاونت، موثر آپریٹنگ اخراجات، جدت طرازی اور نئی منڈیاں اہم ہوں گی۔

مستقبل کے امکانات

متعدد مشکلات کے باوجود، ہم مستقبل کے بارے میں پُر امید ہیں اور مارکیٹ کے بدلتے ہوئے حالات کو اپناتے ہوئے اپنی طاقتوں سے فائدہ اٹھاتے رہیں گے۔ مستقبل کی طرف بڑھتے ہوئے، کمپنی اپنے مستقبل کے امکانات کے بارے میں پُر اعتماد ہے، جس کی بنیاد اسٹرٹیجک توسیعی منصوبے "سنشائن" پر ہے، جو منصوبہ بندی کے مطابق ترقی کر رہا ہے۔ اس توسیع نے پہلے ہی ہماری پیداواری صلاحیتوں اور کنٹرول شدہ آپریشنل اخراجات میں حصہ ڈالنا شروع کر دیا ہے۔ اس منصوبے کی تکمیل کے بعد توقع ہے کہ کمپنی کی بین الاقوامی مارکیٹ میں اپنے قدم جمانے کی صلاحیت میں مزید اضافہ ہوگا۔

اظہار تشکر:

ہم اس موقع پر اپنے قابل قدر صارفین اور تمام اسٹیک ہولڈرز کے شکر گزار ہیں جنہوں نے کمپنی پر یقین اور اعتماد کا اظہار کیا۔ ہم اسٹاکرز کی پوری ٹیم کی کوششوں اور سخت محنت کا بھی اعتراف کرتے ہیں اور ان کی مسلسل حمایت کے منتظر ہیں۔

Muhammad

محمد عمر
ڈائریکٹر

منجانب بورڈ آف ڈائریکٹرز

مستنصر احمد
چیف ایگزیکٹو آفیسر

مقام: لاہور
تاریخ: 26 فروری 2025ء

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