In the Name of ALLAH, who is
the most Merciful & the most Beneficent.

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CRESCENT COTTON MILLS LIMITED

CRESCENT COTTON MILLS LIMITED AND ITS SUBSIDIARY

GENERAL INFORMATION

PRINCIPAL & REGISTERED OFFICE
New Lahore Road,
Nishatabad,
Faisalabad.
Phones : (041) 8750363-64
Fax : (041) 8750366
URL : www.crescentcotton.com
info@crescentcotton.com

KARACHI OFFICE

Office # 408, Business Avenue,
Plot # 26-A, Block # 6, P.E.C.H.S.,
Shahrah-e-Faisal,
Karachi - Pakistan.
Phones : (021) 34387315-7
Fax : (021) 34387318

LAHORE OFFICE

88-A, Broadway Commercial,
Near Estate Building,
D.H.A Phase 8, Lahore.
Phones : (042) 37135053

WORKS

Spinning Unit # 1& 2

Kotla Kahlon,
8/9 Kilometers from
Shahkot towards Sheikupura,
Shahkot Distt. Nankana.
Phones : (041) 2024350
Fax : (041) 2044590

SUBSIDIARY

CRESCOT MILLS LIMITED

PRINCIPAL & REGISTERED OFFICE
Office # 408, Business Avenue,
Plot # 26-A, Block # 6, P.E.C.H.S.,
Shahrah-e-Faisal,
Karachi - Pakistan.
Phones : (021) 34387315-7
Fax : (021) 34387318

Chief Executive Officer
Mr. Adnan Amjad

COMPANY PROFILE

BOARD OF DIRECTORS	Mr. Taimur Amjad (Chairman) Mr. Abid Mehmood (Chief Executive Officer)
DIRECTORS (In alphabetical order)	Mr. Adnan Amjad Mr. Naveed Gulzar Ms. Nazish Arshad Mr. Salman Rafi Mrs. Shameen Azfar
AUDIT COMMITTEE	Mr. Salman Rafi (Chairman) Mr. Adnan Amjad (Member) Mr. Taimur Amjad (Member)
HUMAN RESOURCE AND REMUNERATION COMMITTEE	Mrs. Shameen Azfar (Chairman) Mr. Adnan Amjad (Member) Ms. Nazish Arshad (Member)
COMPANY SECRETARY	Mr. Sami Ullah
BANKERS	National Bank of Pakistan Bank Alfalah Limited
AUDITORS	Riaz Ahmad & Compnay Chartered Accountants
COMPANY REGISTRAR	Vision Consulting Limited. 5-C, LDA Flats, 1st Floor, Lawrance Road, Lahore. Ph: 042-36283096-7
URL	www.crescentcotton.com

CRESCENT COTTON MILLS LIMITED
NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the 67th Annual General Meeting of the shareholders of the Company will be held on Tuesday the 28th October, 2025 at 10.00 a.m. at Registered Office of the Company New Lahore Road, Nishatabad, Faisalabad to transact the following business:

1. To receive, consider and adopt the Chairman's Review Report, the Reports of Directors and Auditors together with Audited Annual Separate and Consolidated Financial Statements for the year ended 30 June 2025.
2. To appoint Company's external auditors and to fix their remuneration.
3. To transact any other business with the permission of the chair.

On Behalf Of The Board
(Sami Ullah Ch.)
Company Secretary

REGISTERED OFFICE:
Crescent Cotton Mills Limited
New Lahore Road, Nishatabad,
Faisalabad: Phone No. 041-8750363-4
Dated: September 29 , 2025

NOTES:

1. The Share Transfer Books of the Company will remain closed from October 21, 2025 to October 28, 2025 (both days inclusive).Transfers received at the Share registrar office **Vision Consulting Limited, 5-C, LDA Flats, Lawrence Road, Lahore** at the close of business on October 20, 2025 will be treated in time for the purpose of entitlement to attend the Annual General Meeting.
2. A member entitled to attend and vote at this meeting may appoint any other member as his/her proxy to attend and vote instead of him/her. A Proxy must be a member of the Company
3. The instrument appointing a proxy and the power of attorney or other authority under which it is signed or a notarially attested copy of the power of attorney must be deposited at the Registered Office of the Company at least 48 hours before the time of the meeting.
4. Members who have deposited their shares into Central Depository Company of Pakistan Limited (CDC) will further have to follow the under mentioned guidelines as laid down in Circular No.1 dated January 26, 2000 of the Securities and Exchange Commission of Pakistan:

a. For attending the meeting:

i). In case of individuals, the account holder or sub-account holder and/or the person whose securities are in group account; and their registration details are uploaded as per the Regulations, shall authenticate his identity by showing his original National Identity Card (NIC) or original passport at the time of attending the meeting. The shareholders registered on CDC are also requested to bring their Participants I.D. numbers and account numbers in CDC.

ii) In case of corporate entity, the Board of Directors' resolution/power of attorney with specimen signature of the nominee shall be produced (unless it has been provided earlier) at the time of meeting.

b. For appointing proxies

i). In case of individuals, the account holder or sub-account holder and/or the person whose securities are in group account; and their registration details are uploaded as per the Regulations, shall submit the proxy form as per the above requirement.

ii). The proxy form shall be witnessed by two persons whose names and NIC Nos. shall be mentioned on the form.

iii). Attested Copies of NIC or the passport of the beneficial owners and the proxy shall be furnished with the proxy form.

iv). The proxy shall produce his original NIC or original passport at the time of the meeting.

v). In case of corporate entity, the Board of Directors' resolution/power of attorney with specimen signature of the

5. **CNIC/IBAN for E-Dividend Payment**
   The provisions of Section 242 of the Companies Act, 2017 require the listed companies that any dividend payable in cash shall only be paid through electronic mode directly into the bank account of designated by the entitled shareholders. Accordingly, the shareholders holding physical shares are requested to provide the Company's Share Registrar at the address given herein above, electronic dividend mandate on E-Dividend Form provided in the annual report and also available on website of the Company. In the case of shares held in CDC, the same information should be provided to the CDS participants for updating and forwarding to the Company. In case of non-submission, all future dividend payments may be withheld.

6. **Circulations of Annual Reports through CD/DVD/USB/ Email:**
   Pursuant to the Securities and Exchange Commission of Pakistan ("SECP) notification S.R.O. 389(I)/2013 dated March 21, 2023 the shareholders of Crescent Cotton Mills Limited had accorded their consent for transmission/circulate the Annual Audited Financial Statements including Annual Balance Sheet and Profit and Loss Account, Auditor's Report and Directors Report, etc. ("annual audited financial statements") other information contained therein of the Company to its members through QR enabled code and weblink instead of circulation through CD/DVD/USB.
   The shareholders who wish to receive hard copy of the aforesaid documents may send to the Company Secretary / Share Registrar, the Standard Request Form available on the website of the Company and the Company will supply hard copies of the aforesaid document to the shareholders on demand, free of cost, within one week of such demand. The shareholders who intends to receive the annual report including the notice of meeting through e-mail are requested to provide their written consent on the Standard Request Form available on the Company's website: www.crescentcotton.com

7. The members can attend the AGM via video link using smart phones / tablets. To attend the meeting through video link, members and their proxies are requested to register themselves by providing the following information alongwith 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 **info@crescentcotton.com** by October 24, 2025

8. Placement of Financial Statements The Company has placed a copy of the Notice of AGM, Annual Separate and Consolidated Financial Statements for the year ended June 30, 2025 along with Auditors and Directors Reports thereon and Chairman's Review on the website of the Company.

9. Conversion of Physical Shares into Book-Entry Form (i.e. CDC Account): Section 72 of the Companies Act, 2017, requires all listed companies to replace the shares held in physical form with the shares to be issued in Book-Entry Form (i.e. CDC Account) within four (4) years from the date of the promulgation of the Companies Act 2017. Pursuant to the SECP letter No. CSD/ ED/Misc./2016-639-640 dated March 26, 2021, the Company is following up with all shareholders holding shares in physical form with the request to convert their shares in Book-Entry Form (i.e. CDC Account) in order to comply with the provisions of the Companies Act, 2017. Shareholders are again requested to contact the Company's Share Registrar to understand and complete the process of conversion of shares held in physical form, into the Book-Entry Form.

10. The Company has placed a copy of the Notice of AGM, Annual Separate and Consolidated Financial Statements for the year ended June 30, 2025 along with Auditors and Directors Reports thereon and Chairman's Review on the website of the Company and can be accessed through following weblink and QR Code:

Weblink: https://www.crescentcotton.com/en/Annual-Report-2025.pdf

VISION

To continue to hold a highly prestigious profile amongst the national as well as international industry though producing international quality yarn, embroidered cloth, grey cloth and socks, while ever endeavoring for a sustainable growth of the Company.

MISSION

The company's primary mission is to be a profitable performance proven leader in quality yarn, embroidered cloth, grey cloth and socks manufacturing, with recognition coming from our customers, our equity holder, our employees and the public at large. The company seeks to accomplish this in a manner that contributes to the strengthening of the free enterprise system, to the development and growth of its employees, and to the goals of the country and the community towards fulfilling its social responsibilities/obligations in a befitting manner.

CHAIRMAN'S REVIEW

I present this report to the shareholders of Crescent Cotton Mills Limited pertaining to the overall performance of the Board and the effectiveness of its role in attaining Company's objectives. During the year the Board committees continued to work with a great measure of proficiency. The Audit Committee has focused in particular on the management and control of risks associated with the business. The Human Resource and Remuneration Committee has ensured that the HR policies regarding performance management, HR staffing, compensation and benefits are market driven and are properly aligned to the company's performance, shareholders' interests and the long-term success of the company.

As required under the Listed Companies (Code of Corporate Governance) Regulations, 2019, the Board has developed a mechanism for the evaluation of performance of the Board of Directors. For the financial year ended June 30, 2025, the Board's overall performance and effectiveness has been assessed as Satisfactory. Improvement is an ongoing process leading to action plans. The overall assessment as Satisfactory 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.

The Board of Directors of the Company received agendas and supporting written material including follow up materials in sufficient time prior to the board and its committee meetings. The board meets frequently enough to adequately discharge its responsibilities. The non-executive and independent directors are equally involved in important decisions.

On an overall basis, I believe that the strategic direction of the Company is clear and appropriate. Further, the processes adopted in developing and reviewing the overall corporate strategy and achievement of company's objectives are commendable.

TAIMUR AMJAD
CHAIRMAN
Faisalabad
September 29, 2025

DIRECTORS' REPORT TO THE SHARE HOLDERS

The Directors of your Company are pleased to present their report and audited financial statements for the year ended June 30, 2025 together with the auditors' report thereon.

Overview Of Economy And Industry

Pakistan's textile faced serious challenges of depressed demand, increase in energy prices, and imports of yarn & greige fabrics. This has put serious pressure on local spinning & weaving sectors. The textile industry continues to tackle with the huge challenges in terms of high cost of utilities and skewed policies, which allow import of yarn without sales tax. This has led to an erosion of demand for our products. The pressure of these is affecting the spinning industry adversely and a lot of capacity is facing closure. Although rise in cost of doing business is partly offset by reduction in policy rates by SBP, the industry is in consultation with the government to address the dumping of imported goods. The recent improvement in local economic conditions and a reduction in energy cost created optimistic sentiments in Pakistan's textile sector. However, the imposition of new U.S. trade tariffs has further strained the already weakened global economy and poses a serious threat to international trade which may negatively impact the future outlook of the sector. Although the temporary 90-day suspension of certain tariffs has offered short-term relief, such interim measures contribute to uncertainty, making it difficult for businesses to plan investments, manage supply chains, and establish pricing strategies. The Company is closely monitoring the situation to navigate the evolving global trade landscape.
The textile industry continues to face huge challenges in terms of high cost of utilities and skewed policies, which allow import of yarn without sales tax. This has led to an erosion of demand for our products. The pressure of these is affecting the spinning industry adversely and a lot of capacity is facing closure. Our company has performed well during the year with revenue of Rs. 5.574 billion, a decline of approximately 27.84 % over the corresponding period. For the period under review, the company has reported a net profit of Rs. 60.710 million an increase of about 19.79% as compared to the corresponding period. Earnings per share is Rs. 2.68 (2024: Rs. 2.24). Cotton production this year was approximately 5.5 million bales, which is significantly lower than last year and the quality parameters were also much below industry requirements. The mills continued to import cotton boosted by sharply lower international prices. Prices remained fairly stable throughout the period, both in the domestic as well as international markets. Brief Income Statement

Financial And Operational Performance

The company, despite of many operational challenges has been able to post better results in profitability through persistent and diligent efforts.
Our textile business faced a number of challenges wherein both the demand and margins fell considerably. In spite of operating in such adverse circumstances your company managed to earn profit during the year under review hence, we have performed much better than many other similar units operating in the country.
The company earned a post-tax profit of Rs. 60.710 million as compared to post-tax profit of Rs. 50.679 million in the last year.
Sales revenue during the year under review has been recorded at Rs. 5,573.501 million whereas in the last year it stood at Rs. 7,723.325 million. The major reason for decline in sales revenue is the disposal of the Company's Spinning Unit at Lahore Multan Road.
Our gross profit ratio to sales for continuing operations this year is 7.75% (2024: 8.00%).
Summary of key financial results in comparison to last year are highlighted as below:

SUMMARY OF KEY FINANCIAL RESULTS IN COMPARISON TO LAST YEAR

PROFIT AND LOSS	FY-2025		FY-2024		INCREASE/(DECREASE)	
	RS. IN "000"	%	RS. IN "000"	%	RS. IN "000"	%
CONTINUING OPERATIONS						
Sales revenue	5,573,501	100.00	5,962,592	100.00	(389,091)	(6.53)
Cost of sales	5,141,580	92.25	5,485,638	92.00	(344,058)	(6.27)
Gross profit	431,921	7.75	476,954	8.00	(45,033)	(9.44)
Operating expenses	358,928	6.44	310,094	5.20	48,834	15.75
Other income	88,985	1.60	55,436	0.93	33,549	60.52
Profit from operations	161,978	2.91	222,296	3.73	(60,318)	(27.13)
Finance cost	85,272	1.53	83,688	1.40	1,584	1.89
Taxation	70,217	1.26	61,966	1.04	8,251	13.32
Profit after taxation	6,489	0.12	76,642	1.29	(70,153)	(91.53)
DISCONTINUED OPERATION						
Profit/(Loss) after taxation	54,221	0.97	(25,963)	(0.44)	80,184	(308.84)
Profit after taxation	60,710		50,679		10,031	19.79
Earnings per share (Rs.)	2.68		2.25		0.43	

During the first nine months of FY 2024-25, local raw cotton prices remained high whereas international prices declined over the same period. This disparity between domestic and global rates posed significant challenges for spinners, particularly in exporting yarn to international markets. Responding proactively, the Company fulfilled its annual cotton requirements through a mix of local and imported sources. Cotton yarn prices in the export market remained under pressure throughout the period. However, a slight uptick in export demand was noted at the beginning of the third quarter. In contrast, the local market proved more encouraging in terms of both prices and demand, particularly for open-end yarn, which played a crucial role in supporting the Division.

Financial Strength

The company has been able to improve its financial strength, the current ratio of the company is now 1.48 (2024: 1.21). The Company's cash flow management system projects cash inflows and outflows on a regular basis and monitors the cash position on a daily basis. The Company manages its working capital requirements through short term borrowings.

Earnings Per Share

The profit per share stood at Rs. 2.69 per share (2024: Rupees 2.25 per share).

Risk And Opportunities

Crescent Cotton Mills Limited takes risks and creates opportunities in the normal course of business. Taking risk is important to remain competitive and ensure sustainable success. Our risk and opportunity management encompass an effective framework to conduct business in a well controlled environment where risk is mitigated and opportunities are availed. Each risk and opportunity is properly weighted and considered before making any choice. Decisions are formulated only if opportunities outweigh risks. Following is the summary of risks and strategies to mitigate those risks:

Strategic Risks

We are operating in a competitive environment where innovation, quality and cost matters. This risk is mitigated through continuous research & development. Strategic risk is considered as the most crucial of all the risks. Head of all business divisions meet at regular basis to form an integrated approach towards tackling risks both at the international and national level.

Business Risks

The Company faces a number of following business risks:

Cotton Supply and Price

The supply and prices of cotton is subject to the act of nature and demand dynamics of local and international cotton markets. There is always a risk of non-availability of cotton and upward shift in the cotton prices in local and international markets. The Company mitigates this risk by the procurement of the cotton in bulk at the start of the harvesting season.

Export Demand and Price

We face the risk of competition and decline in demand of our products in international markets. We minimize this risk by building strong relations with customers, broadening our customer base, developing innovative products without compromising on quality and providing timely deliveries to customers.

Energy Availability and Cost

The rising cost and un-availability of energy i.e. electricity and gas shortage is a major threat to manufacturing industry. This risk, if unmitigated can render us misfit to compete in the international markets. In order to counter the rising energy costs, the Company is considering to opt for alternative renewable energy sources. The measures to conserve energy have also been taken at all manufacturing facilities of the Company.

Financial Risks

The Board of Directors of the Company is responsible to formulate the financial risk management policies that are implemented by the Finance Department of the Company. The Company faces the following financial risks:

Currency risk

The Company is exposed to currency risk arising from various currency exposures, primarily with respect to United States Dollar (USD) and Great Britain Pound (GBP). The Company’s foreign exchange risk exposure is restricted to the amounts receivable from the foreign entities.

Interest rate risk

The Company's interest rate risk arises from long term financing and short term borrowings. Fair value sensitivity analysis and cash flow sensitivity analysis shows that the Company's profitability is not materially exposed to the interest rate risk.

Credit risk

The Company's credit exposure to credit risk and impairment losses relates to its trade debts, investments, bank balances, other receivables, loans, advances and deposits. This risk is mitigated by the fact that majority of our customers have a strong financial standing and we have a long standing business relationship with all our customers. We do not expect nonperformance by our customers; hence, the credit risk is minimal.

Liquidity risk

It is at the minimum due to the availability of enough funds through committed credit facilities from the Banks and Financial institutions.

Employee Recruitment And Retention

Failure to attract and retain the right people may adversely affect the achievement of company's growth plan. Strong emphasis is placed on the company's human resource and its skill set. We operate the best talent management and human resource instruments to attract, retain and motivate personnel and staff.

Product Development

The management of the company is focused on the product development for the export market and later on development of our own brand of high international value products, which should create its own demand in the international market. More than 90% production of the company can be classified to the basic commodity items and to develop a suitable market for a commodity item is a big task for which the management is constantly striving.

Statement on Corporate and financial reporting framework

- The financial statements, prepared by the management of the Company, present its state of affairs fairly, the result of its operations, cash flows and changes in equity.
- Proper books of account of the listed Company have been maintained.
- Appropriate accounting policies have been consistently applied in preparation of financial statements and accounting estimates are based on reasonable and prudent judgment.
- International Financial Reporting Standards, as applicable in Pakistan, have been followed in preparation of financial statements and any departures there from has been adequately disclosed and explained, if any.
- The system of internal control is sound in design and has been effectively implemented and monitored, and,
- There are no significant doubts upon the listed Company's ability to continue as a going concern.
- Summarized key operating and financial data for last six years is annexed.

- All the statutory payments on account of taxes, duties, levies and charges have been made except those disclosed in the financial statements.

- There are seven (7) directors of the Company including:

  i) 5 Male
  ii) 2 Female

- There have been five (5) Board Meetings during the year and attendance of each director is stated under:-

NAME OF DIRECTOR (In alphabetical order)		**MEETINGS ATTENDED**
Mr. Abid Mahmood	- Chief Executive Officer	4
Mr. Adnan Amjad	- Non-Executive Director	4
Mr. Naveed Gulzar	- Executive Director	4
Miss. Nazish Arshad	- Non-Executive Director	4
Mr. Salman Rafi	- Independent Director	0
Mrs. Shameen Azfar	- Independent Director	3
Mr. Taimur Amjad	- Chairman	4

- During the year four (4) meetings of the Audit Committee were held and following were the attendance:-

NAME OF DIRECTOR		**MEETINGS ATTENDED**
Mr. Salman Rafi	- Chairman	0
Mr. Adnan Amjad	- Member	4
Mr. Taimur Amjad	- Member	4

- The members composition of HR Committee is as Follows:

  i. Mrs. Shameen Azfar - Chairman
  ii. Mr. Adnan Amjad - Member
  iii. Miss Nazish Arshad - Member

Financial Statements

As required under regulation 25 of Listed Companies (Code of Corporate Governance) Regulations, 2019, the Chief Executive Officer and Chief Financial Officer presented the financial statements, duly endorsed under their respective signatures, for consideration and approval of the Board of Directors and the Board after consideration and approval authorized the signing of financial statements for issuance and circulation.

Consequent upon the approval of shareholders in extra ordinary general meetings held on March 14, 2024 and June 03, 2024, approval has been granted for disposal of Company's Land and Buildings situated at Nishatabad, Faisalabad and assets of complete spinning unit located at 46 Km., Lahore Multan Road, Chak # 66, Dina Nath, Tehsil Pattoki, District Kasur. The management of the company has during the year disposed off the assets of complete spinning unit, however due to the stringent and depressed real estate market the Land and Buildings at Faisalabad could not be disposed. Consequently upon the approval of the board of directors these assets have been re-classified form held for sale to property, plant and equipment.

The financial statements of the Company have been duly audited and approved without qualification by the auditors of the Company M/s. Riaz Ahmad & Company, Chartered Accountants and their report is attached with the financial statements.

Appropriations

The Board of Directors of the company feels that it is prudent to plough back the profits for future growth and enhanced working capital needs of the company and do not recommend any dividend for the year ended June 30, 2025. The Company will be able to provide sufficient returns to shareholders in the upcoming years.

Pattern of Shareholding

The pattern of shareholding as per section 227 of the Companies Act, 2017 is attached.
During the year the detail of shares purchased / sold by directors is as under:-

SR.#	NAME OF DIRECTOR/SPOUSE/MINOR	SHARES PURCHASED
1.	Mr. Naveed Gulzar	17,305
2.	Ms. Shameen Azfar	1,926

SR.#	NAME OF DIRECTOR/SPOUSE/MINOR	SHARES SOLD
1.	Ms. Shameen Azfar	42,501

Except that of the above directors/spouses/minor children, remaining directors, CFO, Company Secretary and their spouses and minor children have not traded in the shares of the Company.

Related parties

The transactions between the related parties were carried out at arm's length prices determined in accordance with the comparable uncontrolled prices method. These transactions have been ratified by the Audit Committee and approved by the Board.

Gender pay gap statement under Circular No 10 dated 17 April 2024:

There are a few females in the Company. However, following is gender pay gap calculated for the year ended 30-06-2025

(i) Mean Gender Pay Gap : 221 %

(ii) Median Gender Pay Gap : 373 %

To Address the Sustainability Risks and Opportunities

The Board is in process to establish a dedicated Sustainability Committee in order to monitor and review sustainability related risks and opportunities of the Company. The committee will be responsible to ensure Diversity, Equity and Inclusion (DE&I) practices and to encourage gender mainstreaming, gender equality and the participation of women in management and workforce of the Company.

Corporate Governance

The Statement of Compliance with Listed Companies (Code of Corporate Governance) Regulations, 2019 is annexed.

Committees Of The Board

The board of directors in compliance with the Code of Corporate Governance has established an Audit Committee and Human Resources and Remuneration Committee.

Corporate Social Responsibility

The Company understands its corporate responsibility towards the society and fulfills its obligation by providing financial support to under privileged members of the society and its deserving employees as well as doing philanthropy work. The company is also contributing considerable amounts to the National Exchequer, applying solutions for energy conservation and environment protection, providing best quality products and after-sales technical services to its valued customers.

The Company regularly donates generous amounts to various institutions constituted for dealing with natural calamities as part of its philanthropic activities. The Company is providing healthy, safe and learning work environment to its employees and sends them to attend training courses, seminars, workshops and conferences both within the country and abroad.

External Auditors

The present external auditors M/s. Riaz Ahmad & Company, Chartered Accountants would retire at the conclusion of the annual general meeting and being eligible for re-appointment have given their consent. Based on the suggestion of the audit committee, the Board has recommended re-appointment of M/s. Riaz Ahmad & Company, Chartered Accountants as external auditors for the year ending June 30, 2026.

Events after reporting date

There is no significant event after reporting period which needs to be mentioned in Directors' Report

Consolidated financial statements

Consolidated financial statements with accompanying information have been annexed as required under section 228 of the Companies Act, 2017.

Way Forward

Textiles remain the backbone of Pakistan's economy and an uncertain future does not bode well for any industry. Inflation in Pakistan has come down significantly and the cost of borrowing has also reduced sharply. However, the high cost of utilities and a fiscal system that favors import of yarn will have serious negative effects on the local industry. Due to a high cost of doing business, we will continue to face a lot of competition from the regional countries. The exchange rate remains stable and we expect this trend to continue due to the approval of the IMF assistance and our current account is in surplus. Recently, the government has increased the prices of natural gas to exorbitant levels and is also planning to impose a Grid Levy on captive gas power plants. This is an extremely unfavorable situation for the textile industry, especially in Sind, where the grids supplying electricity are in poor condition and do not have the capacity to cater to the additional demand. The United States is proposing tariffs on the entire world and it remains uncertain what this will mean for the textile trade. However, if the proposal goes through, we will be in a lower tariff bracket and should position ourselves to take advantage of this through effectively reducing our cost of doing business. Our emphasis on continuous improvement and up-gradation of our facilities to bring about better cost efficiencies has shown positive results. This is largely due to being able to achieve better productivity and a reduction in operating costs due to efficient and modern machinery. We remain cautiously optimistic in the face of challenges and will continue to try and ensure that we are able to maintain our profitability and return to shareholders. Our focus remains on reducing our costs through innovation and technology.

It has been observed that economic indicators have stabilized during the end of third quarter. Pakistan's GDP growth is projected to be 3% in fiscal year 2025 and 4% in fiscal year 2026. Inflation is expected to range between 5% and 6% in fiscal year 2025. While key macroeconomic indicators, such as declining inflation and interest rates, a stable rupee, and improved fiscal discipline offer cautious optimism, challenges still persist.

The Government's focus on reducing energy costs and further monetary easing provides a positive outlook for cost structures. Sustained growth will, however, depend on structural and fiscal reforms aimed at boosting investor confidence, productivity, and economic resilience. The management of your company is proactively addressing these challenges by focusing on cost minimization, operational optimization, enhancing capacity and improving efficiencies to achieve favourable financial results in the forth coming financial year.

SUBSIDIARY

CRESCOT MILLS LIMITED (CML)

CML is engaged in the business of trading of raw materials of textiles. During the year CML earned revenue of Rupees 486.158 million and incurred loss after taxation of Rupees 6.893 million.

For and on behalf of
the Board of Directors

ABID MEHMOOD **CHIEF EXECUTIVE OFFICER**	**NAVEED GULZAR** **DIRECTOR**

Faisalabad
September 29, 2025.

کریسنٹ کاٹن ملز لمیٹڈ

حصص یافتگان کے لیے ڈائریکٹرز کی رپورٹ

آپ کی کمپنی کے ڈائریکٹرز مالی سال مختتمہ 30 جون 2025ء کے لیے آڈٹ شدہ مالی معلومات پر مبنی رپورٹ آڈیٹران کی رپورٹ کے ہمراہ آپ کی خدمت میں پیش کرتے ہوئے خوشی محسوس کر رہے ہیں۔

معیشت اور انڈسٹری کا جائزہ:

پاکستان کی ٹیکسٹائل صنعت کو طلب میں کمی، توانائی کی قیمتوں میں اضافے اور یارن اور کورے کپڑے کی درآمدات سمیت کئی سنگین چیلنجز کا سامنا کرنا پڑا۔ اس نے مقامی اسپننگ و ویونگ شعبوں پر سخت دباؤ ڈالا ہے۔ ٹیکسٹائل صنعت اب بھی بڑے چیلنجز کا سامنا کر رہی ہے، جن میں یوٹیلیٹیز (بجلی، گیس وغیرہ) کی بلند لاگت اور غیر متوازن پالیسیز شامل ہیں، جو بغیر سیلز ٹیکس کے یارن کی درآمد کی اجازت دیتی ہیں۔ اس کے نتیجے میں ہماری مصنوعات کی طلب میں کمی واقع ہوئی ہے۔ اس دباؤ کا منفی اثر سپننگ (سوت کاتنے) کی صنعت پر پڑ رہا ہے اور بہت سی پیداواری صلاحیت بند ہونے کے خطرے سے دوچار ہے۔ اگرچہ کاروباری لاگت میں اضافے کا کچھ حد تک ازالہ اسٹیٹ بینک کی جانب سے پالیسی ریٹس میں کمی کے ذریعے ہوا ہے، تاہم انڈسٹری حکومت سے مشاورت کر رہی ہے تاکہ درآمدی اشیاء کی ڈمپنگ کے مسئلے کو حل کیا جا سکے۔ حالیہ مقامی معاشی حالات میں بہتری اور توانائی لاگت میں کمی نے پاکستان کی ٹیکسٹائل صنعت میں امید افزا رجحانات پیدا کیے ہیں۔ تاہم، امریکا کی جانب سے نئے تجارتی ٹیرف کے نفاذ نے پہلے سے کمزور عالمی معیشت پر مزید دباؤ ڈال دیا ہے اور یہ بین الاقوامی تجارت کے لیے ایک سنگین خطرہ ہے، جو اس شعبے کے مستقبل کے امکانات پر منفی اثر ڈال سکتا ہے۔ اگرچہ بعض ٹیرف کو 90 دن کے لیے عارضی طور پر معطل کرنے سے قلیل مدتی ریلیف حاصل ہوا ہے، لیکن ایسے عبوری اقدامات غیر یقینی صورتحال کو بڑھا دیتے ہیں، جس کے باعث کاروبار کے لیے سرمایہ کاری کی منصوبہ بندی کرنا، رسد کے سلسلہ کو منظم کرنا اور قیمتوں کی حکمتِ عملی وضع کرنا مشکل ہو جاتا ہے۔ کمپنی صورتحال پر قریبی نظر رکھے ہوئے ہے تاکہ بدلتے ہوئے عالمی تجارتی منظرنامے میں کامیابی سے راہ ہموار کر سکے۔

ٹیکسٹائل صنعت کو اب بھی بجلی، گیس وغیرہ کی بلند قیمتوں اور غیر منصفانہ پالیسیوں کی وجہ سے شدید مشکلات کا سامنا ہے، جو ایسے قوانین کی اجازت دیتی ہیں جن کے تحت یارن کی درآمد پر سیلز ٹیکس نہیں لگتا۔ اس کے نتیجے میں ہماری مصنوعات کی طلب میں کمی واقع ہوگئی ہے۔ اس دباؤ کی وجہ سے سپننگ انڈسٹری بری طرح متاثر ہو رہی ہے اور بہت سی پیداواری صلاحیتیں بند ہونے کے خدشات کا شکار ہیں۔ ہماری کمپنی نے اس سال مجموعی طور پر اچھی کارکردگی دکھائی اور آمدنی 5.574 بلین روپے رہی، جو پچھلے سال کے اسی دورانیے کے مقابلے میں تقریباً 27.84 فیصد کم ہے۔ کمپنی نے زیر جائزہ سال کے لیے 60.710 ملین روپے کا خالص منافع کمایا ہے جو گزشتہ سال کے مقابلے میں 19.79 فیصد زیادہ ہے۔ ہماری فی حصص آمدنی 2024 کی 2.24 کے مقابلے میں 2.68 روپے رہی۔ اس سال کپاس کی پیداوار تقریباً 5.5 ملین گانٹھ رہی، جو پچھلے سال کے مقابلے میں نمایاں کمی کو ظاہر کرتی ہے اور اس کا معیار بھی صنعتی ضروریات سے انتہائی ہلکا تھا۔ ملز نے بین الاقوامی منڈی میں کپاس کی قیمتوں میں نمایاں کمی کے باعث درآمد کا سلسلہ جاری رکھا۔ اس عرصے کے دوران مقامی اور عالمی منڈی دونوں میں قیمتیں مجموعی طور پر کافی حد تک مستحکم رہیں۔

مالیاتی اور عملی کارکردگی:

کمپنی، کئی عملی چیلنجز کے باوجود مسلسل اور مستعد کوششوں کے ذریعے منافع میں شاندار بہتری لانے میں کامیاب رہی ہے۔

ہمارے ٹیکسٹائل کے کاروبار کو متعدد چیلنجز کا سامنا کرنا پڑا ہے جس میں طلب اور منافع دونوں کافی حد تک کم ہو گئے ہیں۔ اس طرح کے نامساعد حالات میں کام کرنے کے باوجود آپ کی کمپنی زیر جائزہ سال کے دوران نفع حاصل کرنے میں کامیاب رہی ہے۔ ہم نے ملک میں کام کرنے والے ایسے ہی دیگر یونٹوں کے مقابلے میں بہت بہتر کارکردگی کا مظاہرہ کیا ہے۔

کمپنی کو پچھلے سال کے 50.679 ملین روپے بعد از ٹیکس منافع کے مقابلہ میں 60.710 ملین روپے بعد از ٹیکس منافع ہوا۔

زیر جائزہ سال کے دوران فروخت کی آمدنی 5,573.501 ملین روپے ریکارڈ کی گئی جبکہ پچھلے سال یہ 7,723.325 ملین روپے تھی۔ فروخت سے حاصل ہونے والی آمدنی میں کمی کی سب سے بڑی وجہ کمپنی کے لاہور ملتان روڈ پر واقع سپننگ یونٹ کی فروخت ہے۔

اس سال جاری آپریشنز کے لیے ہمارے مجموعی منافع کا تناسب 7.75 فیصد ہے۔ (2024: 8.00 فیصد)

پچھلے سال کے مقابلے میں کلیدی مالی نتائج کا خلاصہ ذیل میں نمایاں ہے:

پچھلے سال کے مقابلے میں کلیدی مالی نتائج کا خلاصہ

نفع اور نقصان	مالی سال 2025 (ہزار روپے)	فیصد %	مالی سال 2024 (ہزار روپے)	فیصد %	اضافہ / (کمی) (ہزار روپے)	فیصد %
جاری آپریشنز						
فروخت کی آمدنی	5,573,501	100.00	5,962,592	100.00	(389,091)	(6.53)
فروخت کی لاگت	5,141,580	92.25	5,485,638	92.00	(344,058)	(6.27)
مجموعی منافع	431,921	7.75	476,954	8.00	(45,033)	(9.44)
عملی اخراجات	358,928	6.44	310,094	5.20	48,834	15.75
دیگر آمدنی	88,985	1.60	55,436	0.93	33,549	60.52
عوامل سے منافع	161,978	2.91	222,296	3.73	(60,318)	(27.13)
مالیاتی لاگت	85,272	1.53	83,688	1.40	1,584	1.89
محصولات	70,217	1.26	61,966	1.04	8,251	13.32
منافع بعد از محصولات	6,489	0.12	76,642	1.29	(70,153)	(91.53)
بند آپریشنز						
منافع / (نقصان) بعد از محصولات	54,221	0.97	(25,963)	(0.44)	80,184	(308.84)
منافع بعد از محصولات	60,710		50,679		10,031	19.79
فی حصص آمدنی (روپے)	2.68		25.2		0.43	

مالی سال2024-25 کے ابتدائی نو ماہ کے دوران، مقامی خام کپاس کی قیمتیں بلند رہیں، جبکہ اسی مدت کے دوران بین الاقوامی منڈی میں قیمتوں میں کمی واقع ہوئی۔مقامی اور عالمی نرخوں کے درمیان اس تفاوت نے اسپننگ سیکٹرکو خاص طور پر بین الاقوامی منڈیوں میں یارن برآمد کرنے میں شدید مشکلات سے دوچار کیا۔صورتحال کا مؤثر انداز میں مقابلہ کرتے ہوئے، کمپنی نے اپنی سالانہ کپاس کی ضروریات کو مقامی اور درآمدی ذرائع کے امتزاج سے پورا کیا۔برآمدی منڈی میں کاٹن یارن کی قیمتیں پورے عرصے کے دوران دباؤ کا شکار رہیں۔تاہم، تیسری سہ ماہی کے آغاز میں برآمدی طلب میں معمولی اضافہ دیکھنے میں آیا۔اس کے برعکس، مقامی منڈی قیمتوں اور طلب دونوں کے لحاظ سے زیادہ حوصلہ افزا ثابت ہوئی، خصوصاً اوپن اینڈ یارن کے لیے، جس نے اس شعبہ کی معاونت میں اہم کردار ادا کیا۔

مالی طاقت:

کمپنی اپنی مالی طاقت کو بہتر بنانے میں کامیاب رہی ہے، کمپنی کا موجودہ تناسب اب 1.48 ہے (2024 میں 1.21)۔کمپنی کا کیش فلو مینجمنٹ سسٹم مستقل بنیادوں پر کیش ان فلو اور آؤٹ فلو کا منصوبہ بناتا ہے اور روزانہ کی بنیاد پر کیش پوزیشن پر نظر رکھتا ہے۔کمپنی قلیل المدتی قرضوں کے ذریعے اپنے جاری سرمایہ کی ضروریات کا انتظام کرتی ہے۔

فی حصص آمدنی:

فی حصص نفع 2.69 روپے رہا۔(2024ء میں فی حصص نفع 2.25 روپے)

خطرات اور مواقع:

کریسنٹ کاٹن ملز لمیٹڈ خطرہ مول لیتی ہے اور عام کاروبار میں مواقع پیدا کرتی ہے۔مسابقتی رہنے اور پائیدار کامیابی کو یقینی بنانے کے لئے خطرہ مول لینا ضروری ہے۔ہمارا ''خطرہ اور موقع'' کا نظم و نسق ایک اچھے کنٹرولڈ ماحول میں کاروبار کرنے کے لئے ایک موثر فریم ورک کا احاطہ کرتا ہے جہاں خطرہ کم ہوتا ہے اور مواقع سے استفادہ کیا جاتا ہے۔کسی بھی فیصلے سے قبل ''خطرہ اور موقع'' کو مناسب طریقے سے پرکھا اور سمجھا جاتا ہے۔فیصلے صرف اسی صورت میں طے کیے جاتے ہیں جب مواقع خطرے سے کہیں زیادہ ہوں۔درپیش خطرات اور ان خطرات کو کم کرنے کی حکمت عملی کا خلاصہ درج ذیل ہے:

تزویراتی خطرات:

ہم ایک مسابقانہ ماحول میں کام کر رہے ہیں جہاں جدت، معیار اور لاگت معنی رکھتے ہیں۔اس خطرے کو مسلسل تحقیق اور ترقی کے ذریعے کم کیا جاتا ہے۔تزویراتی خطرہ تمام خطرات میں سب سے اہم سمجھا جاتا ہے۔تمام کاروباری شعبہ جات کے سربراہ ملکی و بین الاقوامی سطح پر پیش آمدہ خطرات سے نمٹنے کے لیے مربوط حکمت عملی بنانے کیلئے مستقل بنیادوں پر رابطے میں رہتے ہیں۔

کاروباری خطرات:

کمپنی کو درج ذیل متعدد کاروباری خطرات کا سامنا ہے:

کپاس کی رسد اور قیمت:

کپاس کی رسد اور قیمتیں فطرتی عمل اور مقامی و بین الاقوامی کپاس کی منڈیوں میں طلب کے محرکات کے تابع ہیں۔ کپاس کی عدم دستیابی اور قومی و بین الاقوامی منڈیوں میں کپاس کی قیمتوں میں اضافے کا خطرہ ہمیشہ رہتا ہے۔ کمپنی کٹائی کے موسم کے آغاز پر ہی کپاس کی بھاری مقدار کی خریداری کر کے اس خطرہ کو کم کرتی ہے۔

برآمدی طلب اور قیمت:

ہمیں بین الاقوامی منڈیوں میں اپنی مصنوعات کی طلب میں کمی اور مسابقت کے خطرے کا سامنا رہتا ہے۔ ہم صارفین کے ساتھ مضبوط تعلقات استوار کرنے، کسٹمر بیس کو وسیع کرنے، معیار پر سمجھوتہ کیے بغیر جدید مصنوعات تیار کرنے اور صارفین کو بروقت فراہمی کو یقینی بنا کر اس خطرے کو کم کرتے ہیں۔

توانائی کی دستیابی اور قیمت:

توانائی کی بڑھتی ہوئی قیمتیں اور عدم دستیابی یعنی بجلی اور گیس کی کمی پیداواری صنعت کیلئے بہت بڑا خطرہ ہے۔ اگر یہ خطرہ کم نہ کیا جائے تو بین الاقوامی منڈیوں میں مسابقت کیلئے ہمیں نااہل کر سکتا ہے۔ توانائی کے بڑھتے ہوئے اخراجات کا مقابلہ کرنے کے لیے کمپنی متبادل قابل تجدید توانائی کے ذرائع اختیار کر رہی ہے۔ کمپنی کی تمام پیداواری سہولیات پر بھی توانائی کی بچت کے اقدامات کیے گئے ہیں۔

مالی خطرات:

کمپنی کا بورڈ آف ڈائریکٹرز ذمہ دار ہے کہ وہ مالیاتی رسک مینجمنٹ کی پالیسیاں مرتب کرے جو کمپنی کے شعبہ فنانس کے ذریعہ نافذ ہیں۔ کمپنی کو درج ذیل مالی خطرات کا سامنا ہے:

کرنسی کا خطرہ:

کمپنی کو بنیادی طور پر امریکی ڈالر اور برطانوی پاؤنڈ کے سلسلے میں مختلف کرنسیوں کے اظہار سے پیدا ہونے والے کرنسی کے خطرے کا سامنا ہے۔ کمپنی کے غیر ملکی زرمبادلہ کے خطرہ کا اظہار غیر ملکی اداروں سے قابل وصولی رقومات تک محدود ہے۔

شرح سود کا خطرہ:

کمپنی کو شرح سود کا خطرہ طویل مدتی فنانسنگ اور قلیل مدتی قرضے سے پیدا ہوتا ہے۔ مناسب قدر کی حساسیت کا تجزیہ اور نقد بہاؤ کی حساسیت کا تجزیہ ظاہر کرتا ہے کہ کمپنی کا نفع شرح سود کے خطرے سے مادی طور پر خالی نہیں ہے۔

ادھار کا خطرہ:

کمپنی کے ادھار کے خطرات اور خرابی کے نقصانات کے لیے کمپنی کا کریڈٹ ایکسپوژر اس کے تجارتی قرضوں، سرمایہ کاری، بینک بیلنس، دیگر قابل وصول، قرضوں، ایڈوانسز اور ڈپازٹس سے متعلق ہے۔ اس خطرے کو اس حقیقت سے کم کیا جا سکتا ہے کہ ہمارے بیشتر صارفین کی مالی حیثیت مضبوط ہے اور ہمارے تمام صارفین کے ساتھ ہمارے دیرینہ کاروباری تعلقات ہیں۔ ہم اپنے صارفین کی طرف سے عدم تعاون کی توقع نہیں کرتے لہٰذا ادھار کا خطرہ کم ہے۔

لیکیوڈٹی کا خطرہ:

بینکوں اور مالیاتی اداروں سے وابستہ ادھار کی سہولیات کے ذریعہ معقول فنڈز کی دستیابی کی وجہ سے یہ خطرہ کم از کم ہے۔

ملازمین کی بھرتی اور معاوضہ:

درست لوگوں کو راغب کرنے اور انہیں قائم رکھنے میں ناکامی کمپنی کے ترقیاتی منصوبے کے حصول کو بری طرح متاثر کر سکتی ہے۔ کمپنی کے انسانی وسائل اور ہنر مندی پر سخت زور دیا جاتا ہے۔ ہم عملے اور اسٹاف کو راغب اور برقرار رکھنے اور ان کی حوصلہ افزائی کے لیے بہترین ٹیلنٹ مینجمنٹ اور انسانی وسائل کے ذرائع بروئے عمل لاتے ہیں۔

پیداوار میں بہتری:

کمپنی کی انتظامیہ برآمدی منڈی کے لیے مصنوعات کی بہتری اور بعد ازاں ہمارے اپنے برانڈ کی اعلیٰ بین الاقوامی معیار کی مصنوعات کی تیاری پر توجہ مرکوز کیے ہوئے ہے جسے بین الاقوامی مارکیٹ میں اپنی طلب پیدا کرنا چاہئے۔ کمپنی کی 90 فیصد سے زیادہ پیداوار کو بنیادی اجناس کی اشیاء میں درجہ بندی کیا جا سکتا ہے اور کسی عام جنس کی مناسب مارکیٹ تیار کرنا ایک بہت بڑا کام ہے جس کے لئے انتظامیہ مسلسل کوشش کر رہی ہے۔

کارپوریٹ اور مالیاتی رپورٹنگ کے فریم ورک پر بیان:

1۔ کمپنی کی انتظامیہ کی طرف سے تیار کردہ مالیاتی بیانات منصفانہ طور پر اس کے معاملات کی حالت، اس کے عوامل کے نتائج، کیش کا بہاؤ اور

مساوات میں تبدیلی کو ظاہر کرتے ہیں۔

2۔ متذکرہ کمپنی اکاؤنٹس کی کتابیں مناسب طریقہ سے مرتب کی گئی ہیں۔

3۔ مالیاتی بیانات کی تیاری میں اکاؤنٹنگ کی مخصوص پالیسیوں کو مسلسل لاگو کیا گیا ہے اور اکاؤنٹنگ کے تخمینہ جات معقول اور ٹھوس فیصلوں پر مبنی ہیں۔

4۔ مالیاتی سٹیٹمنٹ کی تیاری میں عالمی مالیاتی 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 مؤثر طریقے سے کی گئی ہے، اور

6۔ اس میں کوئی شک نہیں کہ مندرجہ کمپنی میں متعلقہ معاملات کو جاری رکھنے کے لئے ممکنہ صلاحیت موجود ہے۔

7۔ پچھلے چھ سال کا تلخیص شدہ بنیادی عملی اور مالیاتی ڈیٹا لف ہے۔

8۔ مالیاتی بیانات میں ظاہر شدہ کے علاوہ ٹیکسز، ڈیوٹیز، لیویز اور چارجز کی مد میں تمام قانونی ادائیگیاں کر دی گئی ہیں۔

9۔ کمپنی کے سات (7) ڈائریکٹرز ہیں جن میں شامل ہیں:

(الف): 5 مرد ڈائریکٹرز

(ب): 2 خواتین ڈائریکٹرز

10۔ سال کے دوران بورڈ کے پانچ (5) اجلاس منعقد ہوئے جن میں ہر ڈائریکٹر کی حاضری درج ذیل ہے:

ڈائریکٹر کا نام (الفبائی ترتیب کے مطابق)	عہدہ	شرکت کردہ اجلاس
مسٹر عابد محمود	چیف ایگزیکٹو آفیسر	4
مسٹر عدنان امجد	غیر فعال ڈائریکٹر	4
مسٹر نوید گلزار	فعال ڈائریکٹر	4
مس نازش ارشد	غیر فعال ڈائریکٹر	4
مسٹر سلمان رفیع	آزاد ڈائریکٹر	0
مسز شامین اظفر	آزاد ڈائریکٹر	3
مسٹر تیمور امجد	چیئرمین	4

11۔ سال کے دوران آڈٹ کمیٹی کے چار (4) اجلاس منعقد ہوئے جن میں حاضری درج ذیل رہی:

ڈائریکٹر کا نام	عہدہ	شرکت کردہ اجلاس
مسٹر سلمان رفیع	چیئرمین	0
مسٹر عدنان امجد	ممبر	4
مسٹر تیمور امجد	ممبر	4

12۔ ایچ آر کمیٹی کے ممبران کی ساخت درج ذیل ہے:

(1): مسز شامین اظفر چیئرمین

(2): مسٹر عدنان امجد ممبر
(3): مس نازش ارشد ممبر

مالیاتی بیانات:

جیسا کہ مندرج کمپنیوں کے قواعد وضوابط کوڈ آف کارپوریٹ گورننس 2019 کی شق نمبر 25 کے تحت ضرورت تھی چیف ایگزیکٹو آفیسر اور چیف فنانشل آفیسر نے اپنے دستخطوں کے ہمراہ مالیاتی بیانات بورڈ آف ڈائریکٹرز کے غور وخوض اور منظوری کے لیے پیش کیے اور بورڈ نے غور وخوض اور منظوری کے بعد دستخط کردہ مالیاتی بیانات کے اجراء اور اشاعت کی اجازت دی۔

14 مارچ 2024 اور 03 جون 2024 کو منعقدہ غیر معمولی جنرل میٹنگز میں شیئر ہولڈرز کی منظوری کے نتیجے میں، نشاط آباد، فیصل آباد میں واقع کمپنی کی اراضی اور عمارتوں اور 46 کلومیٹر لاہور ملتان روڈ، چک نمبر 66، دینا ناتھ، تحصیل پتوکی، ضلع قصور پر واقع مکمل اسپننگ یونٹ کے اثاثوں کو فروخت کرنے کی منظوری دی گئی ہے۔ کمپنی کی انتظامیہ نے دورانِ سال مکمل سپننگ یونٹ کے اثاثے فروخت کر دیے ہیں، تاہم سخت اور مندی کا شکار رئیل اسٹیٹ مارکیٹ کے باعث فیصل آباد میں واقع زمین اور عمارات کو فروخت نہیں کیا جاسکا۔ نتیجتاً، بورڈ آف ڈائریکٹرز کی منظوری کے بعد ان اثاثوں کو برائے فروخت رکھے گئے اثاثوں کی کیٹیگری سے نکال کر جائیداد، پلانٹ اور مشینری میں دوبارہ شامل کر دیا گیا ہے۔

کمپنی کے مالیاتی بیانات کمپنی کے آڈیٹرز میسرز ریاض احمد اینڈ کو چارٹرڈ اکاؤنٹینٹس کی طرف سے اچھی طرح آڈٹ اور بغیر قابلیت کے منظور کیے گئے ہیں اور ان کی رپورٹ مالیاتی بیانات کے ساتھ لف ہے۔

تخصیصات:

کمپنی کے بورڈ آف ڈائریکٹرز کو لگتا ہے کہ مستقبل کی ترقی اور کمپنی کے بڑھتے ہوئے ورکنگ کیپیٹل کی ضروریات کے لیے منافع کو واپس کاروبار میں لگانا سمجھداری کی بات ہے اور 30 جون 2025 کو ختم ہونے والے سال کے لیے کسی ڈیویڈنڈ کی سفارش نہیں کرتے۔ کمپنی آنے والے سالوں میں حصص یافتگان کو کافی منافع فراہم کر سکے گی۔

حصص یافتگی کا نمونہ:

کمپنیز ایکٹ 2017 کی دفعہ 227 کے تحت حصص یافتگی کا نمونہ لف ہے۔

سال کے دوران ڈائریکٹران کی طرف سے خریدے گئے حصص کی تفصیل درج ذیل ہے:

نمبر شمار	ڈائریکٹر/ اہلیہ/ نابالغ بچوں کا نام	خریدے گئے حصص
1	مسٹر نوید گلزار	17,305
2	مسز شامین اظفر	1,926

نمبر شمار	ڈائریکٹر/ اہلیہ/ نابالغ بچوں کا نام	بیچے گئے حصص
1	مسز شامین اظفر	42,501

متذکرہ بالا ڈائریکٹرز/ اہلیہ/ نابالغ بچوں کے علاوہ سال کے دوران کسی بھی ڈائریکٹر، اس کی اہلیہ/ نابالغ بچوں، چیف فنانشل آفیسر، کمپنی سیکرٹری اوران کی بیگمات یا نابالغ بچوں کی طرف سے حصص کی کوئی خرید وفروخت نہیں ہوئی۔

متعلقہ پارٹیاں:

متعلقہ فریقین کے درمیان لین دین اس قیمت پر کیے گئے جو غیر وابستہ فریقین کے درمیان مروجہ قیمتوں کے مطابق ہوتے ہیں، اور یہ قیمتیں قابل موازنہ غیر مربوط قیمتوں کے طریقہ کار کے تحت مقرر کی گئی تھیں۔ یہ ٹرانزیکشنز آڈٹ کمیٹی کی طرف سے تصدیق اور بورڈ کی طرف سے منظور کی گئی ہیں۔

سرکلر نمبر 10 مورخہ 17 اپریل 2024 کے تحت صنفی تنخواہ کے فرق کا بیان::

کمپنی میں چند خواتین ہیں۔ تاہم، 30 جون 2025 وختم ہونے والے سال کے لیے درج ذیل صنفی تنخواہ کے فرق کا حساب لگایا گیا ہے:

(i) صنفی تنخواہ کا اوسط فرق: 221٪

(ii) صنفی اشتراک کا درمیانی فرق: 373٪

پائیداری کے خطرات اور مواقع سے نمٹنے کے لیے:

بورڈ کمپنی کے پائیداری سے متعلق خطرات اور مواقع کی نگرانی اور جائزہ لینے کے لیے ایک سرگرم پائیداری کمیٹی قائم کرنے کے عمل میں ہے۔ کمیٹی تنوع، مساوات اور شمولیت (DE&I) کے طریقوں کو یقینی بنانے اور صنفی مرکزی دھارے میں لانے، صنفی مساوات اور کمپنی کے انتظام اور افرادی قوت میں خواتین کی شرکت کی حوصلہ افزائی کرنے کی ذمہ دار ہوگی۔

کارپوریٹ گورننس:

مندرج کمپنیوں کے ہمراہ تکمیل کا بیان قواعد وضوابط کوڈ آف کارپوریٹ گورننس 2019 لف ہے۔

بورڈ کی کمیٹیاں:

بورڈ آف ڈائریکٹرز نے کارپوریٹ گورننس کی تکمیل کے ضابطہ کے ہمراہ محاسب کمیٹی اور انسانی وسائل وتجدید کمیٹی قائم کی ہے۔

ادارہ جاتی سماجی ذمہ داری:

آپ کی کمپنی معاشرے کی طرف سے عائد اپنی ادارہ جاتی ذمہ داری سمجھتی ہے اور معاشرے کے پسماندہ افراد اور اپنے مستحق ملازمین کو مالی امداد فراہم کرنے کے ساتھ ساتھ رفاہِ عامہ کے کام کے ذریعے اپنی ذمہ داری پوری کرتی ہے۔ کمپنی توانائی کی بچت اور ماحولیاتی تحفظ کے لیے مختلف حل لاگو کر کے، اپنے قابل قدر گاہکوں کو بہترین معیار کی مصنوعات اور بعد از فروخت تکنیکی خدمات کی فراہمی کے ذریعے قومی خزانے میں بھی معتد بہ مقدار میں اپنا حصہ ڈال رہی ہے۔

آپ کی کمپنی رفاہِ عامہ کی سرگرمیوں کے طور پر مختلف اداروں کو بھاری رقوم مستقلاً چندہ دے رہی ہے جو قدرتی آفات سے نمٹنے کے لیے قائم کیے گئے ہیں۔ آپ کی کمپنی اپنے ملازمین کو صحت مند، محفوظ اور سیکھنے کا ماحول فراہم کر رہی ہے اور انہیں اندرون و بیرون ملک تربیتی کورسز، سیمینارز، ورکشاپس اور کانفرنسز میں بھیجا جاتا ہے۔

بیرونی محاسب:

موجودہ بیرونی محاسب میسرز ریاض احمد اینڈ کو، چارٹرڈ اکاؤنٹینٹس سالانہ اجلاس عام کے اختتام پر ریٹائر ہو جائیں گے اور اہل ہونے کی صورت میں انہوں نے اپنی رضامندی ظاہر کی ہے۔ محاسب کمیٹی کی تجویز کی بنیاد پر بورڈ نے میسرز ریاض احمد اینڈ کو، چارٹرڈ اکاؤنٹینٹس کی 30 جون 2026ء کو ختم ہونے والے مالی سال کے لیے بطور بیرونی محاسب دوبارہ تعیناتی کی سفارش کی ہے۔

احوال بعد از تاریخ رپورٹنگ:

رپورٹنگ کی مدت کے بعد ایسا کوئی اہم وقوعہ یا تغیر رونما نہیں ہوا جسے ڈائریکٹرز رپورٹ میں ظاہر کرنا ضروری ہو۔

مضبوط مالی بیانات:

مضبوط مالیاتی بیانات ہمراہ متعلقہ معلومات کمپنیز ایکٹ 2017ء کی شق 228 کے تحت لف ہیں۔

پیش بندی:

ٹیکسٹائل اب بھی پاکستان کی معیشت کی ریڑھ کی ہڈی ہے، اور غیر یقینی مستقبل کسی بھی صنعت کے لیے خوش آئند نہیں۔ پاکستان میں مہنگائی میں نمایاں کمی آئی ہے اور قرض لینے کی لاگت میں بھی خاصی کمی واقع ہوئی ہے۔ تاہم، یوٹیلیٹی کی بلند قیمتیں اور ایسا مالیاتی نظام جو دھاگے کی درآمد کو ترجیح دیتا ہے، مقامی صنعت پر سنگین منفی اثرات ڈالے گا۔ کاروبار کرنے کی بلند لاگت کی وجہ سے ہمیں علاقائی ممالک سے سخت مقابلے کا سامنا رہے گا۔ زرمبادلہ کی شرح

مستحکم ہے اور آئی ایم ایف کی معاونت کی منظوری اور کرنٹ اکاؤنٹ میں فاضل رقم کی بنیاد پر توقع ہے کہ یہ رجحان برقرار رہے گا۔ حال ہی میں حکومت نے قدرتی گیس کی قیمتیں انتہائی بلند سطح پر بڑھا دی ہیں اور اب وہ کیپٹیو گیس پاور پلانٹس پر "گرڈ لیوی" نافذ کرنے کا منصوبہ بھی بنا رہی ہے۔ یہ صورتحال ٹیکسٹائل صنعت کے لیے انتہائی نقصان دہ ہے، خاص طور پر سندھ میں، جہاں بجلی فراہم کرنے والے گرڈز کی حالت خستہ ہے اور وہ اضافی طلب پوری کرنے کی صلاحیت نہیں رکھتے۔ امریکہ پوری دنیا پر محصولات (ٹیرف) عائد کرنے کی تجویز دے رہا ہے، اور یہ تا حال غیر یقینی ہے کہ اس کا ٹیکسٹائل تجارت پر کیا اثر پڑے گا۔ تاہم، اگر یہ تجویز منظور ہو جاتی ہے، تو ہم نسبتاً کم ٹیکس کی کیٹیگری میں ہوں گے اور ہمیں چاہیے کہ اس موقع سے فائدہ اٹھانے کے لیے اپنے کاروباری لاگت کو مؤثر انداز میں کم کریں۔ ہماری مسلسل بہتری اور سہولیات کو جدید بنانے پر توجہ نے لاگت میں زیادہ بچت کے حوالے سے مثبت نتائج دیے ہیں۔ یہ زیادہ تر اس وجہ سے ممکن ہوا ہے کہ ہم بہتر پیداواری صلاحیت حاصل کرنے میں کامیاب رہے اور جدید و مؤثر مشینری کی وجہ سے آپریٹنگ لاگت میں بھی کمی آئی۔ ہم چیلنجز کے باوجود محتاط انداز میں پر امید ہیں اور کوشش جاری رکھیں گے کہ اپنی منافع بخش صلاحیت کو برقرار رکھتے ہوئے شیئر ہولڈرز کو بہتر منافع فراہم کر سکیں۔ ہمارا فوکس جدت اور ٹیکنالوجی کے ذریعے اخراجات کم کرنے پر برقرار ہے۔

مشاہدہ کیا گیا ہے کہ تیسرے سہ ماہی کے اختتام پر معاشی اشاریے مستحکم ہو گئے ہیں۔ پاکستان کی جی ڈی پی ترقی مالی سال 2025 میں 3٪ اور مالی سال 2026 میں 4٪ رہنے کی پیش گوئی کی گئی ہے۔ مالی سال 2025 میں مہنگائی کی شرح 5٪ سے 6٪ کے درمیان متوقع ہے۔ اگرچہ اہم معاشی اشاریے جیسے کہ مہنگائی اور سود کی شرح میں کمی، روپے کی مستحکم قدر، اور مالی نظم و ضبط میں بہتری محتاط امید افزا صورت حال پیش کرتے ہیں، تاہم چیلنجز اب بھی موجود ہیں۔

حکومت کی توانائی کے اخراجات کو کم کرنے اور مزید مالی آسانیاں فراہم کرنے پر توجہ لاگت کے ڈھانچے کے لیے مثبت توقعات پیدا کرتی ہے۔ تاہم، پائیدار ترقی کا انحصار ایسے ساختی اور مالی اصلاحات پر ہوگا جو سرمایہ کاروں کا اعتماد بڑھائیں، پیداواریت میں اضافہ کریں اور معیشت کو مضبوط بنائیں۔ آپ کی کمپنی کی مینجمنٹ ان چیلنجز کا فعال طور پر مقابلہ کر رہی ہے، جس میں لاگت میں کمی، عملی بہتری، صلاحیت میں اضافہ اور کارکردگی کو بہتر بنانا شامل ہے تاکہ آنے والے مالی سال میں بہتر مالی نتائج حاصل کیے جا سکیں۔

ماتحت کمپنیاں:

کریسکوٹ ملز لمیٹڈ:

کریسکوٹ ملز لمیٹڈ ٹیکسٹائل کے خام مال کی تجارت کے کاروبار میں مصروف ہے۔ سال کے دوران کریسکوٹ ملز لمیٹڈ نے 486.158 ملین روپے کی آمدنی حاصل کی اور بعد از ٹیکس 6.893 ملین روپے کا نقصان اٹھایا۔

منجانب

بورڈ آف ڈائریکٹرز

چیف ایگزیکٹو آفیسر	ڈائریکٹر

فیصل آباد

29 ستمبر 2025ء

KEY OPERATING AND FINANCIAL DATA

(RUPEES IN MILLION)

	2025	2024	2023	2022	2021	2020
Summary of Profit and Loss Account						
Sales	5,574	5,963	6,386	7,115	5,406	5,517
Gross profit	432	477	468	726	726	365
Profit from operations	162	222	297	431	485	156
Finance cost	85	84	110	99	87	104
Profit/(Loss) before taxation	77	138	187	332	398	52
Taxation	70	62	72	83	76	10
Profit/(Loss) after taxation	7	76	115	249	322	42
Loss after taxation from discontinued operations	54	(26)	-	-	-	-
Profit/(Loss) after taxation	61	50	115	249	322	42
Summary of Balance Sheet						
Property, plant and equipment	5,373	587	5,911	5,312	5,204	5,191
Other non-current assets	82	68	63	57	60	65
Stock in trade	647	557	636	658	488	540
Trade debts	465	490	477	514	195	280
Other current assets	1,844	6,586	1,124	852	744	753
Current assets	2,956	7,633	2,237	2,024	1,427	1,573
Total assets	8,411	8,288	8,211	7,393	6,691	6,829
Shareholders equity	1,371	1,226	1,176	1,091	887	560
Surplus on revaluation of operating fixed assets	4,896	4,926	4,926	4,283	4,137	4,137
Long term financing	8	20	54	111	204	195
Other non-current liabilities	135	137	98	161	149	127
Trade and other payables	1,071	1,210	1,173	815	678	645
Short trem borrowings	903	698	561	674	369	841
Other current liabilities	27	71	223	258	267	324
Current liabilities	2,001	1,979	1,957	1,747	1,314	1,810
Total equity and liabilities	8,411	8,288	8,211	7,393	6,691	6,829
Summary of Cash Flow Statement						
Cash and cash equivalents at the beginning of the year	20	50	44	143	42	50
Net cash (used in) / generated from operating activities	(229)	(106)	226	(233)	548	(121)
Net cash used in investing activities	60	(5)	(2)	(64)	(59)	(103)
Net cash from / (used in) financing activities	164	81	(218)	198	(388)	216
Net increase / (decrease) in cash and cash equivalents	(5)	(30)	6	(99)	101	(8)
Cash and cash equivalents at the end of the year	15	20	50	44	143	42

PERFORMANCE INDICATORS

		2025	2024	2023	2022	2021	2020
Profitability Ratios							
Gross profit ratio	%	7.75	8.00	7.33	10.20	13.43	6.62
Net profit to sales	%	0.13	1.27	1.80	3.50	5.96	0.76
Return on equity	%	0.51	6.20	9.78	22.82	36.30	7.50
Return on capital employed	%	11.53	20.67	28.01	49.73	59.61	7.79
Earning/(loss) per share	Rs.	2.23	2.23	5.07	10.99	14.19	1.83
Liquidity Ratios							
Current ratio	Times	1.48	3.86	1.14	1.16	1.09	0.87
Quick ratio	Times	1.15	3.58	0.82	0.78	0.71	0.57
Cash to current liabilities	%	0.01	0.01	0.03	0.03	0.11	0.02
Activity / Turnover Ratios							
Inventory turnover	Times	9	9	9	11	9	10
Number of days in inventory	Days	43	40	40	33	40	36
Debtor turnover	Times	12	12	13	20	23	23
Number of days in receivables	Days	31	30	28	18	16	16
Creditors turnover	Times	5	5	6	9	7	7
Number of days in payables	Days	81	79	61	43	52	51
Total assets turnover	Times	0.67	0.72	0.82	1.01	0.80	0.83
Property, plant and equipment turnover	Times	1.87	1.84	1.14	1.35	1.04	1.07
Investment / Market Ratios							
Basic and diluted earning/(loss) per share	Rs.	2.23	2.23	5.07	10.99	14.19	1.83
Price earning ratio	Times	26.09	41.30	6.68	4.15	3.86	21.69
Market value per share							
- At the end of year	Rs.	58.17	92.10	33.86	45.66	54.75	39.70
- Highest during the year	Rs.	111.94	111.34	35.00	59.17	60.00	42.88
- Lowest during the year	Rs.	48.02	92.10	29.00	30.55	24.94	24.94
Break up value w/o surplus on revaluation	Rs.	60.50	54.10	51.90	48.15	39.14	24.71
Break up value with surplus on revaluation	Rs.	276.57	271.49	269.28	237.16	221.71	207.28
Capital Structure Ratios							
Financial leverage ratio	Times	0.66	0.59	0.52	0.72	0.65	1.85
Long term debt to equity ratio	%	0.58	1.63	4.59	10.17	23.00	34.82
Interest coverage ratio	Times	1.91	2.64	2.70	4.35	5.57	1.50

Form - 20

The Companies Act, 2017

(Section 227 (2) f)

Pattern Of Shareholding

1. Incorporation Number **0000984**
2. Name of The Company **Crescent Cotton Mills Limited**
3. Pattern of Holding of the Shares held by the Shareholders as at : **June 30, 2025**

Shareholders	From	To	Total Shares
620	1	100	18,943
417	101	500	100,557
143	501	1,000	102,527
147	1,001	5,000	295,084
28	5,001	10,000	202,684
11	10,001	15,000	137,455
4	15,001	20,000	69,373
5	20,001	25,000	113,701
4	25,001	30,000	108,419
1	35,001	40,000	37,352
6	40,001	45,000	253,445
2	45,001	50,000	96,709
3	50,001	55,000	158,605
2	55,001	60,000	118,430
2	60,001	65,000	126,095
1	65,001	70,000	65,623
1	70,001	75,000	71,549
1	75,001	80,000	75,500
2	80,001	85,000	163,959
1	85,001	90,000	88,491
1	90,001	95,000	90,650
1	95,001	100,000	98,000
4	100,001	105,000	412,434
1	110,001	115,000	113,598
1	120,001	125,000	121,480
1	125,001	130,000	128,365
2	135,001	140,000	271,329
1	145,001	150,000	148,226
1	155,001	160,000	157,855
1	160,001	165,000	162,541
1	165,001	170,000	167,866
1	170,001	175,000	173,012
2	175,001	180,000	355,715
2	190,001	195,000	381,600
2	205,001	210,000	413,183
2	210,001	215,000	426,255
1	215,001	220,000	216,555
1	230,001	235,000	230,834
1	350,001	355,000	353,224
2	380,001	385,000	765,907
2	400,001	405,000	806,745
1	410,001	415,000	413,264
1	465,001	470,000	465,011
1	480,001	485,000	483,124
1	540,001	545,000	543,046
1	570,001	575,000	571,620
1	590,001	595,000	590,744
1	605,001	610,000	606,885
2	640,001	645,000	1,285,083
1	650,001	655,000	650,821
1	705,001	710,000	708,599
1	735,001	740,000	737,066
1	885,001	890,000	888,479
1	1,015,001	1,020,000	1,017,813
1	1,030,001	1,035,000	1,034,499
1	1,060,001	1,065,000	1,061,848
1	1,225,001	1,230,000	1,229,104
1	1,970,001	1,975,000	1,973,245
1,450			**22,660,126**

Form - 20 (II)

Sr.#	Categories of Shareholders	Numbers	Shares Held	Percentage
1	Insurance Companies	1	212,000	0.94
2	Joint Stock Companies	21	1,372,169	6.06
3	Individuals	1406	19,471,561	85.93
4	Mutual Fund	2	1,061,974	4.69
5	Others	8	150,901	0.67
6	Financial Institutions	8	385,790	1.70
7	Investment Companies	4	5,731	0.03
	Grand Total	**1,450**	**22,660,126**	**100.00**

PATTERN OF HOLDING OF SHARES

Held by Shareholders as at June 30, 2025

Categories of Shareholder	Total Holding	%Age
1 - Directors, Chief Executive Officer, Their Spouses and Minor Childern		
Chief Executive Officer		
Mr. Abid Mehmood	316,092	1.39
Directors		
Mr. Adnan Amjad	806,599	3.56
Mr. Salman Rafi	80,203	0.35
Mrs. Shameen Azfar	2,500	0.01
Mr. Naveed Gulzar	1,128,147	4.98
Mr. Taimur Amjad	737,066	3.25
Mrs. Nazish Arshad	2,544,865	11.23
Director's Spouses and Their Minor Childern		
Mrs. Marium Naveed	105	0.00
Mst. Shireen Abid	1,582,328	6.98
	7,197,905	**31.76**
2 - Executives		
Executives	4,259,492	18.80
	4,259,492	**18.80**
3 - Associated Companies, Undertakings & Related Parties		
Premier Insurance Limited	212,000	0.94
	212,000	**0.94**
6 - Banks, NBFCs, DFIs, Takaful, Pension Funds		
Banks, NBFCs, DFIs, Takaful, Pension Funds	1,453,495	6.41
	1,453,495	**6.41**
7 - Other Companies		
Other Companies,Corporate Bodies, Trust etc.	1,523,070	6.72
	1,523,070	**6.72**
9 - General Public		
A. Local	8,014,164	35.37
B. Foreign	-	-
	8,014,164	**35.37**
	22,660,126	**100.00**
Shareholders More Than 5.00%		
Miss Nazish Arshad	**2,544,865**	11.23
Mst. Shireen Abid	**1,582,328**	6.98

Statement of Compliance with Listed Companies (Code of Corporate Governance) Regulations, 2019 For the year ended 30 June 2025

Crescent Cotton Mills Limited (the "company") has complied with the requirements of the Listed Companies (Code of Corporate Governance) Regulations 2019 (the "Regulations") in the following manner:

1. The total numbers of directors are Seven(7) as per the following.
   a. Male: 5 (Five)
   b. Female: 2 (Two)

2. The composition of the Board is as follows:

Category	**Name**
Independent Directors	Mr. Salman Rafi
	Mrs. ShameenAzfar (female)
Executive Directors	Mr. NaveedGulzar
	Mr. AbidMehmood (Chief Executive Officer)
Non-Executive Directors	Mr.TaimurAmjad (Chairman)
	Mr. Adnan Amjad
	MissNazishArshad (female)

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 ensured that complete record of particulars of significant policies along with their date of approval or updatingis maintained by the company;
6. All the powers of the Board have been duly exercised and decisions on relevant matters have been taken by Board/ shareholders as empowered by the relevant provisions of the Actand these Regulations;
7. The meetings of the Board were presided over by the Chairman and, in his absence, by a director elected by the Board for this purpose. The Board has complied with the requirements of Act and the Regulations with respect to frequency, recording and circulating minutes of meeting of Board;
8. The Board have aformal policy and transparent procedures for remuneration of Directors in accordance with the Act and these Regulations;
9. Five of the seven board members have either completed directors' training programme or are exempt due to the criteria of minimum of 14 years of education and 15 years of experience on the Boards of listed companies;
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

Mr. Salman Rafi	(Chairman)
Mr. Adnan Amjad	(Member)
Mr. Taimur Amjad	(Member)

b) HR and Remuneration Committee

Mrs. Shameen Azfar	(Chairperson)
Mr. Adnan Amjad	(Member)
Miss.Nazish Arshad	(Member)

c) Sustainability Committee

Mrs. Shameen Azfar	(Chairperson)
Mr. Adnan Amjad	(Member)
Miss. Nazish Arshad	(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 aforesaid committees were as per following:

a) Audit Committee: Four meetings during the financial year ended 30 June, 2025.
b) HR and Remuneration Committee: One meeting during the financial year ended 30 June, 2025.
c) Sustainability Committee: One meeting during the financial year ended 30 June, 2025.

15. The Board has outsourced the internal audit function to RSM Avais Hyder Liaquat Nauman, Chartered Accountants who are considered suitably qualified and experienced for the purpose and are conversant with the policies and procedures of the company.

16. The statutory auditors of the company have confirmed that they have been given a satisfactory rating under the quality control review program of the Institute of Chartered Accountants of Pakistan and registered with 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,except for the independent directors for which Board of Directors is of the view that considering the volume of business, independent directors should not be more than two as required by these Regulations. Hence, the fraction of independent directors has not been rounded up.

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	**Qualification of Company Secretary:** The same person shall not simultaneously hold office of chief financial officer and the company secretary of a listed company.	The Company is in the process of hiring the suitable individual for the company secretary.	24
2	**Nomination Committee:** The Board may constitute a separate committee, designated as the Nomination Committee (NC) of such number and class of directors, as it may deem appropriate in its circumstances.	Currently the Board has not constituted a separate NC and the functions are being performed by the HR Remuneration and Committee.	29(1)
3	**Risk Management Committee:** The Board may constitute the Risk Management Committee (RMC), of such number and class of directors, as it may deem appropriate in its circumstances, to carry out review of effectiveness of risk management procedures and present a report to the Board.	Currently the Board has not constituted the RMC and the Company's Risk Manager performs the requisite functions and apprises the Board accordingly.	30(1)
4	**Directors' Training for directors:** By June 30, 2022, all the directors on the Board have participated in directors training program.	Directors' Training Program for its remaining two directors has been planned by the Company to arrange in next year.	19(1)(iii)
5	**Directors' Training for female executive:** Companies are encouraged to arrange training forat least one female executive every year under the Directors' Training program from July 2020.	Directors' Training Program has been planned by the Company to arrange in next year, for at least one female executive.	19(3)(i)
6	**Directors' Training for Head of Department:** Companies are encouraged to arrange training for at least one head of department every year under the Directors' Training program from July 2022.	Directors' Training Program has been planned by the Company to arrange in next year, for at least one head of department.	19(3)(ii)

CHAIRMAN

CHIEF EXECUTIVE OFFICER

Faisalabad
September 29, 2025.

INDEPENDENT AUDITOR'S REVIEW REPORT

To the members of Crescent Cotton 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 Crescent Cotton Mills Limited(the Company) for the year ended 30 June 2025 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 2025.

RIAZ AHMAD & COMPANY
Chartered Accountants

Faisalabad
October 06, 2025
UDIN: CR202510158wnHGCaxP3

INDEPENDENT AUDITOR'S REPORT

To the members ofCrescent Cotton Mills Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the annexed financial statements ofCrescent Cotton Mills Limited (the Company), which comprise the statement of financial position as at 30 June 2025, and the statement of profit or loss, the statement of comprehensive income, the statement of changes in equity, the statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information and other explanatory information, and we state that we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of the audit.

In our opinion and to the best of our information and according to the explanations given to us, the statement of financial position, the statement of profit or loss, the statement of comprehensive income, the statement of changes in equity and the statement of cash flows together with the notes forming part thereof conform with the accounting and reporting standards as applicable in Pakistan and give the information required by the Companies Act, 2017 (XIX of 2017), in the manner so required and respectively give a true and fair view of the state of the Company's affairs as at 30 June 2025 and of the profit, 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:

<table>
<tr><th>Sr. No.</th><th>Key audit matters</th><th>How the matter were addressed inour audit</th></tr>
<tr><td>1.</td><td>Inventory existence and valuation

As at 30 June 2025,Inventories are stated at Rupees 697.337 million, break up of which is as follows:

- Stores, spare parts and loose tools of Rupees 50.196 million

- Stock-in-trade of Rupees 647.141million

Inventories are stated at lower of cost and net realizable value.

We identified existence and valuation of inventories as a key audit matter due to their size, representing 8.29% of the total assets of the Company as at 30 June 2025, and the judgment involved in valuation.

For further information on inventories, refer to the following:

- Material accounting policy information, Inventories (Note 2.10 to the financial statements).

- Stores, spare parts and loose tools (Note 19) and Stock-in-trade (Note 20) to the financial statements.</td><td>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 sites. 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.</td></tr>
<tr><td>2.</td><td>Revenue recognition

The Company recognized net revenue of Rupees 5,573.501 millionfrom continuing operations for the year</td><td>Our procedures included, but were not limited to:

• We obtained an understanding of the process</td></tr>
</table>

Sr. No.	Key audit matters	How the matter were addressed inour audit
	ended 30 June 2025. We identified recognition of revenue as a key audit matter because revenue is one of the key performance indicator 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 on revenue recognition, refer to the following: - Material accounting policy information, Revenue recognition(Note 2.13 to the financial statements). - Revenue(Note 28 to the financial statements).	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 requirementsregarding independence, and to communicate with them all relationships and other matters that may reasonablybe thought to bear on our independence, and where applicable, related safeguards.

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

Report on Other Legal and Regulatory Requirements

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

a) Proper books of account have been kept by the Company as required by the Companies Act, 2017 (XIX of 2017);

b) The statement of financial position, the statement of profit or loss, the statement of comprehensive income, the statement of changes in equity and the statement of 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 Mubashar Mehmood.

RIAZ AHMAD &COMPANY
Chartered Accountants

Faisalabad

October 06, 2025
UDIN: AR2025101580IifnQGV1

STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2025

EQUITY AND LIABILITIES	NOTE	2025	2024
SHARE CAPITAL AND RESERVES		(RUPEES IN THOUSAND)	
Authorized share capital			
30 000 000 (2024: 30 000 000) ordinary shares of Rupees 10 each		**300,000**	300,000
Issued, subscribed and paid up share capital	3	**226,601**	226,601
Reserves			
Capital reserves			
Premium on issue of shares	4	**5,496**	5,496
Plant modernization reserve		**12,000**	12,000
Fair value reserve	5	**74,950**	69,931
Surplus on revaluation of freehold land and investment properties	6	**4,896,102**	4,926,217
		4,988,548	5,013,644
Revenue reserves	7	**1,051,968**	912,163
Total reserves		**6,040,516**	5,925,807
TOTAL EQUITY		**6,267,117**	6,152,408
LIABILITIES			
NON-CURRENT LIABILITIES			
Long term financing	8	**7,818**	20,044
Staff retirement gratuity	9	**135,160**	137,363
		142,978	157,407
CURRENT LIABILITIES			
Trade and other payables	10	**1,070,663**	1,210,071
Accrued mark-up	11	**12,930**	24,391
Short term borrowings	12	**902,542**	698,287
Current portion of non-current liabilities	13	**11,373**	11,373
Unclaimed dividend		**2,909**	4,177
		2,000,417	1,948,299
Non-current liabilities directly associated with assets classified as held for sale	27	**-**	30,474
		2,000,417	1,978,773
TOTAL LIABILITIES		**2,143,395**	2,136,180
CONTINGENCIES AND COMMITMENTS	14		
TOTAL EQUITY AND LIABILITIES		**8,410,512**	8,288,588

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

CHIEF EXECUTIVE OFFICER

ASSETS	NOTE	2025	2024
		(RUPEES IN THOUSAND)	
NON-CURRENT ASSETS			
Property, plant and equipment	15	**5,065,337**	586,635
Investment properties	16	**307,687**	-
Long term investments	17	**5,916**	7,369
Long term deposits		**3,092**	3,383
Deferred income tax asset	18	**72,591**	57,141
		5,454,623	654,528
CURRENT ASSETS			
Stores, spare parts and loose tools	19	**50,196**	93,536
Stock-in-trade	20	**647,141**	556,583
Trade debts	21	**464,836**	490,311
Loans, advances and prepayments	22	**43,641**	65,335
Other receivables	23	**895,075**	855,546
Taxation and levy - net	24	**159,259**	140,556
Short term investments	25	**680,260**	138,811
Cash and bank balances	26	**15,481**	20,429
		2,955,889	2,361,107
Non-current assets held for sale	27	**-**	5,272,953
		2,955,889	7,634,060
TOTAL ASSETS		**8,410,512**	8,288,588

DIRECTOR

CHIEF FINANCIAL OFFICER

STATEMENT OF PROFIT OR LOSS
FOR THE YEAR ENDED 30 JUNE 2025

CONTINUING OPERATIONS	NOTE	2025	2024
		(RUPEES IN THOUSAND)	
REVENUE	28	**5,573,501**	5,962,592
COST OF SALES	29	**(5,141,580)**	(5,485,638)
GROSS PROFIT		**431,921**	476,954
DISTRIBUTION COST	30	**(83,277)**	(62,668)
ADMINISTRATIVE EXPENSES	31	**(258,422)**	(229,777)
OTHER EXPENSES	32	**(17,229)**	(17,649)
OTHER INCOME	33	**88,985**	55,436
PROFIT FROM CONTINUING OPERATIONS		**161,978**	222,296
FINANCE COST	34	**(85,272)**	(83,688)
PROFIT BEFORE LEVY AND TAXATION		**76,706**	138,608
LEVY	35	**(65,573)**	(50,860)
PROFIT BEFORE TAXATION		**11,133**	87,748
TAXATION	36	**(4,644)**	(11,106)
PROFIT AFTER TAXATION FROM CONTINUING OPERATIONS		**6,489**	76,642
DISCONTINUED OPERATION			
PROFIT / (LOSS) AFTER TAXATION FROM DISCONTINUED OPERATION	27.4	**54,221**	(25,963)
PROFIT AFTER TAXATION		**60,710**	50,679
EARNINGS PER SHARE - BASIC AND DILUTED (RUPEES)	37	**2.68**	2.24
EARNINGS PER SHARE - BASIC AND DILUTED FROM CONTINUING OPERATIONS (RUPEES)	37	**0.29**	3.38
EARNINGS / (LOSS) PER SHARE - BASIC AND DILUTED FROM DISCONTINUED OPERATION (RUPEES)	37	**2.39**	(1.14)

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

CHIEF EXECUTIVE OFFICER	DIRECTOR	CHIEF FINANCIAL OFFICER

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2025

	NOTE	2025	2024
		(RUPEES IN THOUSAND)	
PROFIT AFTER TAXATION		**60,710**	50,679
OTHER COMPREHENSIVE INCOME / (LOSS)			
Items that will not be reclassified subsequently to profit or loss:			
Experience adjustment on staff retirement gratuity	9.1	**5,772**	(23,344)
Deferred income tax related to experience adjustment	18.1.1	**(1,674)**	6,770
		4,098	(16,574)
Fair value adjustment arising on remeasurement of investments at fair value through other comprehensive income	5	**49,901**	16,218
		53,999	(356)
Items that may be reclassified subsequently to profit or loss		**-**	-
Other comprehensive income / (loss) for the year - net of deferred income tax		**53,999**	(356)
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		**114,709**	50,323

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

CHIEF EXECUTIVE OFFICER	DIRECTOR	CHIEF FINANCIAL OFFICER

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2025

	SHARE CAPITAL	RESERVES										TOTAL EQUITY
		CAPITAL RESERVES					REVENUE RESERVES			Total Reserves		
		Premium on issues of shares	Plant modernization	Fair value reserve of investments at FVTOCI	Surplus on revaluation of freehold land and investment properties	Sub total	General reserve	Unappropriated profit	Sub total			
	(RUPEES IN THOUSAND)											
Balance as at 30 June 2023	226,601	5,496	12,000	62,957	4,926,217	5,006,670	100,988	767,826	868,814	5,875,484		6,102,085
Gain realized on disposal of equity investments at fair value through other comprehensive income	-	-	-	(9,244)	-	(9,244)	-	9,244	9,244	-		-
Profit for the year	-	-	-	-	-	-	-	50,679	50,679	50,679		50,679
Other comprehensive loss for the year	-	-	-	16,218	-	16,218	-	(16,574)	(16,574)	(356)		(356)
Total comprehensive income for the year	-	-	-	16,218	-	16,218	-	34,105	34,105	50,323		50,323
Balance as at 30 June 2024	226,601	5,496	12,000	69,931	4,926,217	5,013,644	100,988	811,175	912,163	5,925,807		6,152,408
Gain realized on disposal of equity investments at fair value through other comprehensive income	-	-	-	(44,882)	-	(44,882)	-	44,882	44,882	-		-
Surplus related to freehold land disposed of during the year	-	-	-	-	(30,115)	(30,115)	-	30,115	30,115	-		-
Profit for the year	-	-	-	-	-	-	-	60,710	60,710	60,710		60,710
Other comprehensive income for the year	-	-	-	49,901	-	49,901	-	4,098	4,098	53,999		53,999
Total comprehensive income for the year	-	-	-	49,901	-	49,901	-	64,808	64,808	114,709		114,709
Balance as at 30 June 2025	226,601	5,496	12,000	74,950	4,926,217	4,988,548	100,988	950,980	1,051,968	6,040,516		6,267,117

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

CHIEF EXECUTIVE OFFICER

DIRECTOR

CHIEF FINANCIAL OFFICER

Crescent Cotton Mills Ltd.

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2025

	NOTE	2025	2024
		(RUPEES IN THOUSAND)	
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash generated from operations	38	9,972	95,191
Finance cost paid		(100,568)	(121,432)
Income tax and levy paid		(106,044)	(56,509)
Staff retirement gratuity paid		(47,996)	(22,682)
Long term deposits		291	-
Net decrease in long term advances		-	124
Net cash used in operating activities		(244,345)	(105,308)
CASH FLOWS FROM INVESTING ACTIVITIES			
Capital expenditure on property, plant and equipment		(6,364)	(23,057)
Proceeds from sale of non current assets held for sale		550,205	-
Proceeds from sale of property, plant and equipment		714	8,300
Investments made		(520,648)	-
Proceeds from sale of investments		52,076	9,671
Net cash generated from / (used in) investing activities		75,983	(5,086)
CASH FLOWS FROM FINANCING ACTIVITIES			
Repayment of long term financing		(39,573)	(56,497)
Short term borrowings - net		204,255	137,682
Dividend paid		(1,268)	-
Net cash from financing activities		163,414	81,185
NET DECREASE IN CASH AND CASH EQUIVALENTS		(4,948)	(29,209)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR		20,429	49,638
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	26	15,481	20,429

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

CHIEF EXECUTIVE OFFICER	DIRECTOR	CHIEF FINANCIAL OFFICER

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2025

1. THE COMPANY AND ITS OPERATIONS

Crescent Cotton Mills Limited (the Company) is a public limited company incorporated in March 1959 in Pakistan under the Companies Act, 1913 (Now Companies Act, 2017) and listed on Pakistan Stock Exchange Limited on 30 November 1965. The Company is engaged in the business of manufacturing and sale of yarn, home textile and hosiery items along with buying, selling and otherwise dealing in cloth and made-ups. The Company's registered office is situated at New Lahore Road, Nishatabad, Faisalabad, Punjab.

1.1 Geographical location and addresses of all business units of the Company except for the registered office as mentioned above are as follows:

Manufacturing Units & Offices	Address
Spinning Unit No. 1 and 2, Hosiery	Chak No. 44 R.B., Kotla Kahlawan, Tehsil Shahkot, District Nankana Sahib, Punjab
Liasion Unit	408-Business Avenue, Shahrah-e-Faisal, Karachi, Sindh
Liasion Unit	88-A, Broadway Commercial, Near Estate Building, D.H.A Phase 8, Lahore.

1.2 These financial statements are the separate financial statements of the Company. Consolidated financial statements are prepared separately. Detail of the Company's investment in subsidiary is stated in Note 17 to these financial statements.

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, except 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:

- International Financial Reporting Standards (IFRSs) issued by the International Accounting Standards Board (IASB), 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 from the IFRSs, the provisions of and directives issued under the Companies Act, 2017 have been followed.

b) Accounting convention

These financial statements have been prepared under the historical cost convention except otherwise specified 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 as applicable in Pakistan, 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 impairment

The estimates for revalued amounts of different classes of property, plant and equipment and investment properties 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. Estimates with respect to residual values and useful lives and pattern of flow of economic benefits are based on the analysis of the management of the Company. Any change in the estimates in future might affect the carrying amounts of the respective items of property, plant and equipment and investment properties with a corresponding effect on the depreciation charge and impairment, wherever applicable.

Inventories

Net realizable value of inventories is determined with reference to currently prevailing selling prices less estimated expenditure to make sales.

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. Instances where the Company's view differs from the view taken by the income tax department at the assessment stage and where the Company considers that its view on items of material nature is in accordance with law, the amounts are shown as contingent liabilities.

Recovery of deferred income tax assets

Deferred income tax assets are recognized for deductible temporary differences only if the Company considers it is probable that future taxable amounts will be available to utilize those temporary differences and losses.

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 cost of an asset.

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 of financial position date.

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, based on the Company's experience of actual credit loss in past years.

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.

Classification of investments

The management of the Company determines the appropriate classification at the time of purchase or increase in holding and classifies its investments in accordance with IFRS 9 'Financial instruments'

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

Following amendments to published approved accounting standards are mandatory for the Company's accounting periods beginning on or after 01 July 2024:

• Amendments to IAS 1 'Presentation of Financial Statements' – Classification of liabilities as current or non-current;

• Amendments to IAS 1 'Presentation of Financial Statements' – Non-current liabilities with covenants

• Amendments to IFRS 16 'Leases' – Lease liability in a sale and leaseback transaction; and

• Amendments to IAS 7 'Statement of Cash Flows' and IFRS 7 'Financial Instruments: Disclosures' – Supplier finance arrangements.

The above-mentioned amendments to approved accounting standards 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 Company

There are amendments to published standards that are mandatory for accounting periods beginning on or after 01 July 2024 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) Standard and amendments 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 2025 or later periods:

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 providing resources to the entity.

As per the current scenario, the Company will fall in Phase-II 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 2026.

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;
- IFRS 10 Consolidated Financial Statements; and
- IAS 7 Statement of Cash flows.

Amendments to IFRS 10 'Consolidated Financial Statements' and IAS 28 'Investments in Associates and Joint Ventures' (deferred indefinitely) to clarify the treatment of the sale or contribution of assets from an investor to its associates or joint venture, as follows: require full recognition in the investor's financial statements of gains and losses arising on the sale or contribution of assets that constitute a business (as defined in IFRS 3 'Business Combinations'); require the partial recognition of gains and losses where the assets do not constitute a business, i.e. a gain or loss is recognized only to the extent of the unrelated investors' interests in that associate or joint venture. These requirements apply regardless of the legal form of the transaction, e.g. whether the sale or contribution of assets occur by an investor transferring shares in a subsidiary that holds the assets (resulting in loss of control of the subsidiary), or by the direct sale of the assets themselves.

Classification and Measurements of Financial Instruments (Amendments to IFRS 7 'Financial Instruments: Disclosures' and IFRS 9 'Financial Instruments') effective for annual periods beginning on or after 01 January 2026. These amendments address matters identified during the past - implementation review of the classification and measurement requirements of IFRS 9.

Lack of Exchangeability (Amendments to IAS 21 'The Effects of Changes in Foreign Exchange Rates'). The amendments contain guidance to specify when a currency is exchangeable and how to determine the exchange rate when it is not. The amendments are effective for annual reporting periods beginning on or after 01 January 2025.

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 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'.

The above standards, amendments and improvements are likely to have no significant impact on the financial statements.

g) Standards and amendments to approved published 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 2024 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 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). These 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.

2.3 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 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.

2.4 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 the dividends are declared and other appropriations are recognized in the period in which these are approved by the Board of Directors.

2.5 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 the statement of profit or loss. Tax (final tax) deducted by subsidiaries or associates on distribution of dividend to the Company is charged as current tax in the 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 recognized for using the liability method on 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.

2.6 Property, plant, equipment and depreciation

Operating fixed assets

Operating fixed assets are stated at cost less accumulated depreciation and any identified impairment loss, except freehold land which is stated at revalued amount less any identified impairment loss. Capital work-in-progress is stated at cost less identified impairment loss, if any. All expenditure connected with specific assets incurred during installation and construction period are carried under capital work-in-progress. These are transferred to operating fixed assets as and when these are available for use. Cost of operating fixed assets consists of historical cost, borrowing cost pertaining to the erection / construction period of qualifying assets and other directly attributable costs of bringing the assets to working condition.

Increases in the carrying amounts arising on revaluation of freehold land are recognized 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.

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

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 statement of profit or loss during the period in which these are incurred.

b) Depreciation

Depreciation on property, plant and equipment is charged to 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 15. The Company charges the depreciation on additions from the date when the asset is available for use and on deletions upto the date 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.

2.7 Investment properties

Land and buildings held to earn rental income are classified as investment properties. Investment properties are carried at fair value which is based on active market prices, adjusted, if necessary, for any difference in the nature, location or condition of the specific asset. The valuation of the properties is carried out with sufficient regularity.

Gain or loss arising from a change in the fair value of investment properties is recognized in the statement of profit or loss for the year in which it arises.

2.8 Financial Instruments

i) Classification and measurement of financial instruments

Investments and other financial assets

a) Classification

The Company classifies its financial assets in the following measurement categories:

• those to be measured subsequently at fair value through other comprehensive income (FVTOCI);
• those to be measured subsequently at fair value through profit or loss (FVTPL); and
• those to be measured 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.
For assets measured at fair value, gains and losses will be recorded in other comprehensive income. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments, this will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income. The Company reclassifies debt instruments when and only when its business model for managing those assets changes.

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.

Debt instruments

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 into following measurement category:

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. Any gain or loss arising on de-recognition is recognized directly in profit or loss and presented in other income / (other expenses) together with foreign exchange gains and losses.

Equity instruments

The Company subsequently measures all equity investments at fair value for financial instruments quoted in an active market, the fair value corresponds to a market price (level 1). For financial instruments that are not quoted in an active market, the fair value is determined using valuation techniques including reference to recent arm's length market transactions or transactions involving financial instruments which are substantially the same (level 2), or discounted cash flow analysis including, to the greatest possible extent, assumptions consistent with observable market data (level 3). The Company classifies its equity instruments into following measurement categories:

Fair value through other comprehensive income (FVTOCI)

Where the Company's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss. Impairment losses (and reversal of impairment losses) on equity investments measured at FVTOCI are not reported separately from other changes in fair value.

Fair value through profit or loss (FVTPL)

Changes in the fair value of equity investments at fair value through profit or loss are recognized in other income / (other expenses) in the statement of profit or loss as applicable.
Dividends from equity investments are recognized in profit or loss when the Company's right to receive payments is established.

Financial liabilities

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

ii) Impairment of financial assets

The Company recognizes loss allowances for Expected Credit Losses (ECLs) on financial assets measured at amortized cost. The Company measures loss allowances at an amount equal to lifetime ECLs, except for the following, which are measured at 12-month ECLs:
- bank balances for which credit risk (i.e. 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-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).
Loss allowances 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 of 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 carried at amortized cost 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;
- it is probable that the debtor will enter bankruptcy or other financial reorganization; or
- the disappearance of an active market for a security because of financial difficulties.

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 assets and liabilities

Financial assets and financial liabilities are set off and the net amount is reported in the financial statements only when there is a legal 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.

2.9 Investment in subsidiary company

Investment in subsidiary company is stated at cost less accumulated impairment loss, in accordance with the provisions of IAS 27 'Separate Financial Statements'.

2.10 Inventories

Inventories, except for stock in transit and waste stock, are stated at 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. Items in transit 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 basis
(ii)	For work-in-process and finished goods	Average material cost, proportionate direct labour and factory overheads

Stock in transit is 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 the estimated costs of completion and the estimated costs necessary to make a sale.

2.11 Cash and cash equivalents

Cash and cash equivalents comprise cash in hand, cash at banks on current 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.

2.12 Non-current assets held for sale

Non-current assets are classified as assets held for sale when their carrying amount is to be recovered principally through a sale transaction and the sale is considered highly probable. These are stated at the lower of carrying amount and fair value less cost to sell.

2.13 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.

(b) Rendering of services
The Company provides textile related services to local customers. These services are sold separately and the Company's contract with the customers for services constitute a single performance obligation. Revenue from services is recognized at the point in time, generally at the time of dispatch. There are no terms giving rise to variable consideration under the Company's contracts with customers.

ii) 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.

iii) 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.

iv) Contract liabilities

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

v) Other income recognition

(a) Rent
Rent revenue from investment properties is recognized on a straight line basis over the lease term. Contingent rentals are recognized as income in the period when earned.

(b) Dividend
Dividend on equity investments is recognized when right to receive the dividend is established.

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

2.14 Borrowings

Financing and borrowings are recognized initially at fair value of the consideration received, net of transaction costs and are subsequently stated at amortized cost. Any difference between the proceeds and the redemption value is recognized in the statement of profit or loss over the period of the borrowings using the effective interest method. Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

2.15 Trade debts and other receivables

Trade debts are initially stated 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.

2.16 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.

2.17 Trade and other payables

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

2.18 Borrowing cost

Borrowing costs are recognized as expense in the period in which these are incurred except to the extent of borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset. Such borrowing costs are capitalized as part of the cost of that asset.

2.19 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 statement of financial position 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 costs 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.

2.20 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 of the amount of obligation can be made. Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate.

2.21 Earnings per share

The Company presents Earnings Per Share (EPS) data for its ordinary shares. EPS 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.

2.22 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.

2.23 Contingent liabilities

Contingent liability is disclosed when the Company has a possible obligation which arises from 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 possibility of a future outflow of resources is considered remote. In the event that the outflow of resources associated with a contingent liability is assessed as probable, and if the size of the outflow can be reliably estimated, a provision is recognized in the financial statements.

3. ISSUED, SUBSCRIBED AND PAID UP SHARE CAPITAL

2025	2024		2025	2024
(NUMBER OF SHARES)			(RUPEES IN THOUSAND)	
5 509 767	5 509 767	Ordinary shares of Rupees 10 each fully paid up in cash	**55,098**	55,098
16 992 345	16 992 345	Ordinary shares of Rupees 10 each issued as fully paid up bonus shares	**169,923**	169,923
158 014	158 014	Ordinary shares of Rupees 10 each fully paid up, issued to a financial institution against its right of option for conversion of debentures pursuant to a loan agreement	**1,580**	1,580
22 660 126	22 660 126		**226,601**	226,601

3.1 Ordinary shares of the Company held by the associated company:

	2025	2024
	(NUMBER OF SHARES)	
Premier Insurance Limited	**212 000**	212 000

4. PREMIUM ON ISSUE OF SHARES RESERVE

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

5. FAIR VALUE RESERVE

This represents the unrealized gain on remeasurement of investments at fair value through other comprehensive income and is not available for distribution. Reconciliation of fair value reserve is as under:

	2025	2024
	(RUPEES IN THOUSAND)	
Balance as on 01 July	**69,931**	62,957
Add: Fair value adjustment during the year	**49,901**	16,218
Less: Gain realized on disposal of equity investments	**44,882**	9,244
Balance as on 30 June	**74,950**	69,931

6. SURPLUS ON REVALUATION OF FREEHOLD LAND AND INVESTMENT PROPERTIES

Freehold land (Note 6.1)	**4,782,963**	4,813,078
Investment properties	**113,139**	113,139
	4,896,102	4,926,217

6.1 Surplus on revaluation of freehold land

Balance as on 01 July	**4,813,078**	4,813,078
Less: Surplus related to freehold land disposed of during the year	**30,115**	-
Balance as on 30 June	**4,782,963**	4,813,078

6.1.1 This represents surplus resulting from revaluation of freehold land carried out on 19 June 2023 by independent valuer Messrs Evaluation Focused Consulting. The valuation was determined with respect to the present market value of similar properties. Previously revaluation was carried out in June 2022, June 2019, June 2016, June 2015 and March 2010 by independent valuers.

7. REVENUE RESERVE

General reserve	**100,988**	100,988
Unappropriated profit	**950,980**	811,175
	1,051,968	912,163

8. LONG TERM FINANCING

From banking company - secured		
Long term loans (Note 8.1)	**19,191**	31,417
Less: Current portion shown under current liabilities (Note 13)	**11,373**	11,373
	7,818	20,044

6.1.1 These are different loans received from National Bank of Pakistan. These carry markup at the rate of 6% per annum and is paid on quarterly basis. These are repayable in twenty seven to twenty eight equal quarterly installments starting from 30 June 2020 and ending on 21 April 2027. These loans are secured against first charge of Rupees 107 million over entire fixed assets of the Company at Spinning Unit No. 1 and 2 and personal guarantee of Chief Executive Officer, Director and Executive of the Company.

9. STAFF RETIREMENT GRATUITY

The latest actuarial valuation of the staff retirement gratuity was conducted on 30 June 2025 using Projected Unit Credit Actuarial Cost Method.

	2025	2024
	(RUPEES IN THOUSAND)	

9.1 Reconciliation of the movements in the net liability recognized in the statement of financial position

	2025	2024
Balance as on 01 July	**137,363**	98,386
Add:		
Provision for the year (Note 9.3)	**48,438**	41,442
Experience adjustment recognized in other comprehensive income	**(5,772)**	23,344
	180,029	163,172
Less:		
Paid during the year	**(44,869)**	(22,682)
Liability classified as non-current liability directly associated with assets held for sale	**-**	(3,127)
	(44,869)	(25,809)
Balance as on 30 June	**135,160**	137,363

9.2 Movements in the present value of staff retirement gratuity

	2025	2024
Balance as on 01 July	**137,363**	98,386
Current service cost	**30,000**	25,914
Interest expense	**18,438**	15,528
Payments made during the year	**(44,869)**	(22,682)
Experience adjustment recognized in other comprehensive income	**(5,772)**	23,344
Liability classified as non-current liability directly associated with assets held for sale	**-**	(3,127)
Balance as on 30 June	**135,160**	137,363

9.3 Provision for the year

	2025	2024
Current service cost	**30,000**	25,914
Interest expense	**18,438**	15,528
	48,438	41,442

9.3.1 Charge for the year has been allocated as follows:

	2025	2024
	(RUPEES IN THOUSAND)	
Cost of sales (Note 29.2)	**25,605**	25,805
Administrative expenses (Note 31.1)	**22,833**	14,515
Discontinued operations	**-**	1,122
	48,438	41,442

9.4 Significant actuarial assumptions used

	2025	2024
Discount rate to determine defined benefit cost (per annum)	**14.75%**	16.25%
Expected rate of increase in salary to determine defined benefit cost (per annum)	**13.75%**	15.25%
Discount rate to determine defined benefit obligation (per annum)	**11.75%**	14.75%
Expected rate of increase in salary to determine defined benefit obligation (per annum)	**10.75%**	13.75%
Average duration of the benefit (years)	**5**	6
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

9.5 The estimated expenses to be charged to the statement of profit or loss for the year ending on 30 June 2026 are Rupees 44.639 million.

9.6 Sensitivity analysis for actuarial assumptions:

The sensitivity of the staff retirement gratuity as at reporting date to changes in the weighted principal assumption is:

	2025	2024
Discount rate	**1.00%**	1.00%
Increase in assumption (Rupees in thousand)	**(6,537)**	(7,405)
Decrease in assumption (Rupees in thousand)	**8,152**	9,165
Future salary increase	**1.00%**	1.00%
Increase in assumption (Rupees in thousand)	**8,278**	9,321
Decrease in assumption (Rupees in thousand)	**(6,807)**	(7,716)

The sensitivity analysis is based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions, the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied. The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the previous year except for certain changes as given in Note 9.4.

9.7 Risks associated with defined benefit plan

Discount rate risk

The risk of changes in discount rate will have an impact on the actuarial liability. Any increase in discount rate will reduce the liability and vice versa.

Salary increase / inflation risk

The increase in salary in future years being higher than assumed will increase the liability.

Mortality risk

Any reduction in the mortality rates being assumed will increase the liability.

Withdrawal risk

Any difference in the assumed withdrawal rates will have a corresponding impact on the liability depending on the benefits payable on withdrawal.

10. TRADE AND OTHER PAYABLES

	2025	2024
	(RUPEES IN THOUSAND)	
Creditors (Note 10.1)	**391,094**	447,681
Gas Infrastructure Development Cess (GIDC) payable (Note 10.2)	**59,017**	59,017
Accrued and other liabilities (Note 10.3)	**285,277**	406,651
Contract liabilities - unsecured	**252,743**	238,887
Income tax deducted at source	**12,671**	14,054
Sales tax payable	**43,121**	19,922
Workers' profit participation fund (Note 10.4)	**7,077**	6,868
Workers' welfare fund (Note 10.5)	**19,663**	16,991
	1,070,663	1,210,071

10.1 These include Rupees 0.144 million (2024: Rupees 4.050 million) due to Crescot Mills Limited, the subsidiary company.

10.2 This represents Gas Infrastructure Development Cess (GIDC) which was levied through GIDC Act, 2015. On 13 August 2020, Supreme Court of Pakistan upheld the GIDC Act, 2015 to be constitutional and intra vires. The Company along with other industrial gas consumers has obtained interim relief from Lahore High Court, Lahore against the charge of GIDC at the rate of captive power consumer instead of industrial consumer.

10.2.1 This amount is exclusive of GIDC amounting to Rupees 70.869 million, related to Spinning Unit No. 3 of the Company which was sold during the year ended 30 June 2021 and as per the agreement, its liabilities were taken over by the new owner of the property. However, the provision of this amount has been included in 'accrued and other liabilities' which will be written back after the confirmation of Sui Northern Gas Pipelines Limited (SNGPL) regarding transfer of liability of GIDC.

		2025	2024
		(RUPEES IN THOUSAND)	
10.3	These include amounts due to following related parties:		
	Crescot Mills Limited - subsidiary company	**233**	925
	Premier Insurance Limited - associated company	**-**	2,720
		233	3,645
10.4	**Workers' profit participation fund**		
	Balance as on 01 July	**6,868**	6,613
	Add:		
	Provision for the year (Note 32)	**6,743**	6,866
	Interest for the year (Note 34)	**855**	694
		14,466	14,173
	Less: Payments during the year	**7,389**	7,305
	Balance as on 30 June	**7,077**	6,868

10.4 Interest is charged at prescribed rate under the The Companies Profits (Workers Participation) Act, 1968 on funds utilized by the Company till the date of allocation to the workers.

10.5	**Workers' welfare fund**		
	Balance as on 01 July	**16,991**	14,109
	Add: Provision for the year (Note 32)	**2,672**	2,882
	Balance as on 30 June	**19,663**	16,991
11.	**ACCRUED MARK-UP**		
	Long term financing	**310**	2,369
	Short term borrowings	**12,620**	22,022
		12,930	24,391
12.	**SHORT TERM BORROWINGS**		
	From banking company - secured		
	Cash finances (Note 12.1)	**575,083**	387,889
	Others - unsecured		
	Other related parties (Note 12.3)	**327,459**	310,398
		902,542	698,287

12.1 These form part of total credit facility of Rupees 850 million (2024: Rupees 950 million) and carry mark-up at the rates of 1 month KIBOR plus 2.5 percent and 3 month KIBOR plus 1.5 percent (2024: 1 month KIBOR plus 2.5 percent) per annum. These are secured against charge, pledge, lien and hypothecation over fixed and current assets of the Company and personal guarantee of Chief Executive Officer, Director and certain executives. The rate of mark-up ranges from 13.82 percent to 25.00 percent (2024: 24.02 percent to 25.27 percent) per annum during the year on the balances outstanding.

12.2 The main facilities of letters of credits and guarantees aggregate to Rupees 350 million (2024: Rupees 350 million). The amounts utilized at 30 June 2025 were Rupees 284.844 million (2024: Rupees 243.397 million). Securities of these facilities are the same as mentioned in Note 12.1.

12.3 These represent interest free loans obtained from Chief Executive Officer, directors and certain executives of the Company to meet the Company's working capital requirements. These are repayable on demand.

13. CURRENT PORTION OF NON-CURRENT LIABILITIES

	2025	2024
	(RUPEES IN THOUSAND)	
Current portion of long term financing (Note 8)	**11,373**	11,373

14. CONTINGENCIES AND COMMITMENTS

a) Contingencies

i) Certain additions have been made by the assessing officers in tax years 2006 and 2010 on various grounds and have created demand of Rupees 3.700 million. The Company, being aggrieved, filed appeals with Lahore High Court, Lahore, which are still pending. Dates of the institution of above mentioned appeals were 05 September 2016 and 29 November 2014 respectively. No provision has been made in these financial statements against the aforesaid demand as the management is hopeful for positive outcome of the appeals filed by the Company.

ii) Crescent Fibres Limited (CFL) filed civil revision petition on 17 May 2019 for the recovery of Rupees 23.000 million along with mark-up in Lahore High Court, Lahore, after rejection of its application in Civil Court, Lahore. Lahore High Court, Lahore stayed the proceedings before Civil Court, Lahore on the same date. No provision against this receivable has been made in these financial statements as the management is hopeful that the case will be decided in favour of the Company and all the outstanding dues will be recovered.

iii) Commissioner Inland Revenue filed a sales tax reference No. 56623 dated 11 September 2023 in Lahore High Court, Lahore against the Company for an amount of Rupees 6.700 million. However, no provision is created due to possible favourable outcome of the reference for the Company, on advice of legal counsel.

iv) The Company filed writ petition No. 51121 of 2025 in Honorable Lahore High Court, Lahore on 11 September 2025, subsequent to reporting date, against the imposition of gas levy amounting to Rupees 5.917 million on the captive power plants under the Off the Grid (Captive Power Plants) Levy Ordinance, 2025. The Company has also given a post-dated cheque of the same amount to SNGPL. Keeping in view of 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 favorable outcome of the petition.

V) Guarantees of Rupees 106.888 million (2024: Rupees 94.433 million) are given by the banks of the Company to SNGPL and Lahore Electric Supply Company Limited against gas and electricity connections respectively.

b) Commitments

i) There was no commitment for capital expenditure as at 30 June 2025 (2024: Rupees Nil).

ii) Letters of credit other than for capital expenditure are of Rupees 177.956 million (2024: Rupees 148.964 million).

iii) Commitments arising from short term lease to be recognised on a straight line basis as expense under the practical expedient applied by the Company with respect to IFRS 16 are of Rupees 2.550 million (2024: Rupees 2.240 million) which are to be paid within one year (2024: within one year).

15. PROPERTY, PLANT AND EQUIPMENT

	2025	2024
	(RUPEES IN THOUSAND)	
Operating fixed assets (Note 15.1)	**5,062,729**	586,635
Capital work-in-progress (Note 15.2)	**2,608**	-
	5,065,337	586,635

15.1 Operating Fixed Assets

	Freehold land	Buildings and Roads	Plant and machinery	Stand-by equipment	Electric installations	Tools and equipment	Furniture & fixtures	Vehicles	Office equipment	Service equipment	Total
	(RUPEES IN THOUSAND)										
At 30 June 2023											
Cost / revalued amount	4,906,287	256,084	1,037,617	252,491	66,319	19,658	14,966	22,390	13,215	1,105	6,590,132
Accumulated depreciation	-	(167,490)	(597,444)	(115,365)	(38,560)	(14,729)	(10,630)	(12,311)	(13,056)	(1,078)	(970,663)
Net book value	4,906,287	88,594	440,173	137,126	27,759	4,929	4,336	10,079	159	27	5,619,469
Year ended 30 June 2024											
Opening net book value	4,906,287	88,594	440,173	137,126	27,759	4,929	4,336	10,079	159	27	5,619,469
Additions	-	-	-	22,897	-	-	-	160	-	-	23,057
Classified as non-current assets held for sale:											
Cost / revalued amount	(4,619,927)	(157,784)	(400,194)	(68,940)	(36,899)	(6,457)	(1,420)	(3,111)	(1,836)	(47)	(5,296,615)
Accumulated depreciation	-	84,758	188,705	17,330	18,144	2,890	677	1,562	1,814	45	315,925
	(4,619,927)	(73,026)	(211,489)	(51,610)	(18,755)	(3,567)	(743)	(1,549)	(22)	(2)	(4,980,690)
Disposal:											
Cost	-	-	-	(30,321)	-	-	-	-	-	-	(30,321)
Accumulated depreciation	-	-	-	25,312	-	-	-	-	-	-	25,312
	-	-	-	(5,009)	-	-	-	-	-	-	(5,009)
Depreciation charge for the year	-	(8,016)	(42,326)	(14,261)	(2,618)	(464)	(427)	(1,995)	(78)	(7)	(70,192)
Closing net book value	286,360	7,552	186,358	89,143	6,386	898	3,166	6,695	59	18	586,635
At 30 June 2024											
Cost / revalued amount	286,360	98,300	637,423	176,127	29,420	13,201	13,546	19,439	11,379	1,058	1,286,253
Accumulated depreciation	-	(90,748)	(451,065)	(86,984)	(23,034)	(12,303)	(10,380)	(12,744)	(11,320)	(1,040)	(699,618)
Net book value	286,360	7,552	186,358	89,143	6,386	898	3,166	6,695	59	18	586,635
Year ended 30 June 2025											
Opening net book value	286,360	7,552	186,358	89,143	6,386	898	3,166	6,695	59	18	586,635
Additions	-	-	-	1,467	-	-	-	2,289	-	-	3,756
Transferred from non-current assets held for sale (Note 27.1 and Note 27.2)	4,501,907	893	-	-	-	-	-	1,083	-	-	4,503,883
Disposal:											
Cost	-	-	-	-	-	-	-	(1,963)	-	-	(1,963)
Accumulated depreciation	-	-	-	-	-	-	-	1,524	-	-	1,524
	-	-	-	-	-	-	-	(439)	-	-	(439)
Depreciation charge for the year	-	(601)	(18,714)	(8,964)	(639)	(90)	(317)	(1,747)	(30)	(4)	(31,106)
Closing net book value	4,788,267	7,844	167,644	81,646	5,747	808	2,849	7,881	29	14	5,062,729
At 30 June 2025											
Cost / revalued amount	4,788,267	99,193	637,423	177,594	29,420	13,201	13,546	20,848	11,379	1,058	5,791,929
Accumulated depreciation	-	(91,349)	(469,779)	(95,948)	(23,673)	(12,393)	(10,697)	(12,967)	(11,350)	(1,044)	(729,200)
Net book value	4,788,267	7,844	167,644	81,646	5,747	808	2,849	7,881	29	14	5,062,729
Depreciation rate per annum (%)	-	5, 10	10, 15	10	10	10, 12	10	20	50	10, 25, 50	

15.1.1 The book value of freehold land on cost basis is Rupees 5.304 million (2024: Rupees 3.972 million).

15.1.2 Forced sale value of freehold land as per last revaluation was Rupees 4,070.027 million.

15.1.3 All items of operating fixed assets disposed of during the year had total net book value of less than Rupees 5 million.

15.1.4 Depreciation charge for the year has been allocated as follows:

	2025	2024
	(RUPEES IN THOUSAND)	
Cost of sales (Note 29)	**29,012**	31,274
Administrative expenses (Note 31)	**2,094**	2,055
Discontinued operations	**-**	36,863
	31,106	70,192

15.1.5 Particulars of immovable properties in the name of the Company are as follows:

Particulars	Location	Area of land	Covered Area of Building
		Acers	**Sq. Ft.**
Head Office	'New Lahore Road, Nishatabad, Faisalabad, Punjab	86.58	80 214
Manufacturing facility of Spinning and Hosiery	Chak No. 44 R.B., Kotla Kahlawan, Tehsil Shahkot, District Nankana Sahib, Punjab	44.74	381 863

15.2 Capital work-in-progress

	Buildings and roads
	(RUPEES IN THOUSAND)
Balance as at 30 June 2024	-
Additions	2,608
Balance as at 30 June 2025	2,608

16. INVESTMENT PROPERTIES

	2025	2024
	(RUPEES IN THOUSAND)	
Balance as on 01 July	-	**292,263**
Less: Classified as non-current assets held for sale (Note 27.1)	-	**(292,263)**
Add: Transferred from non-current assets held for sale (Note 27.1)	**292,263**	-
Add: Fair value gain during the year (Note 33)	**15,424**	-
Balance as on 30 June	**307,687**	-

16.1 The fair value of investment properties comprising freehold land and buildings thereon at Nishatabad, Faisalabad has been determined on 30 June 2025 by Messrs Empire Enterprises (Private) Limited, an independent valuer.

16.2 Forced sale value of investment properties as on the reporting date is Rupees 261.458 million.

16.3 Particulars of investment properties (i.e. land and buildings) are as follows:

Particulars	Location	Area of land	Covered Area of Building
		Acers	**Sq. Ft.**
Land and buildings	New Lahore Road, Nishatabad, Faisalabad, Punjab	4.38	184 128

	2025	2024
	(RUPEES IN THOUSAND)	
17 LONG TERM INVESTMENTS		
These represent the long term investments in:		
- Subsidiary company (Note 17.1)	**-**	-
- Associated company (Note 17.2)	**2,035**	1,790
- Others (Note 17.3)	**3,881**	5,579
	5,916	7,369
17.1 Subsidiary company - unquoted		
Crescot Mills Limited		
1 932 187 (2024: 1 932 187) ordinary shares of Rupees 10 each fully paid. Equity held 66.15% (2024: 66.15%)	**-**	-
17.2 Associated company - quoted		
At fair value through other comprehensive income		
Premier Insurance Limited		
303 384 (2024: 303 384) ordinary shares of Rupees 10 each fully paid. Equity held 0.60% (2024: 0.60%)	**75**	75
Add: Fair value adjustment	**1,960**	1,715
	2,035	1,790
17.3 Others		
At fair value through other comprehensive income		
Quoted		
Crescent Jute Products Limited		
Nil (2024: 201 933) ordinary shares of Rupees 10 each fully paid. Equity held Nil (2024: 0.85%)	**-**	-
Crescent Fibres Limited		
71 820 (2024: 71 820) ordinary shares of Rupees 10 each fully paid. Equity held 0.58% (2024: 0.58%)	**615**	615
Security Papers Limited		
522 (2024: 522) ordinary shares of Rupees 10 each fully paid.	**1**	1

Unquoted	2025	2024
	(RUPEES IN THOUSAND)	
Premier Financial Services (Private) Limited		
2 500 (2024: 2 500) ordinary shares of Rupees 1,000 each fully paid. Equity held 11.11% (2024: 11.11%)	**2,500**	2,500
Crescent Modaraba Management Company Limited		
119 480 (2024: 119 480) ordinary shares of Rupees 10 each fully paid. Equity held 6.52% (2024: 6.52%)	**284**	284
Crescent Bahuman Limited		
1 043 988 (2024: 1 043 988) ordinary shares of Rupees 10 each fully paid. Equity held 0.77% (2024: 0.77%)	**-**	-
Crescent Spinning Mills Limited		
696 000 (2024: 696 000) ordinary shares of Rupees 10 each fully paid. Equity held 4.59% (2024: 4.59%)	**-**	-
	3,400	3,400
Add: Fair value adjustment	**481**	2,179
	3,881	5,579

18. DEFERRED INCOME TAX ASSET

The deferred income tax asset / (liability) originated due to timing differences relating to:

	2025	2024
Deferred income tax liabilities		
Accelerated tax depreciation	**(45,310)**	(104,042)
Unrealized gain on investments	**(173)**	-
	(45,483)	(104,042)
Deferred tax income assets		
Staff retirement gratuity	**44,603**	40,742
Workers' profit participation fund	**2,335**	-
Workers' welfare fund	**6,489**	-
Provision for doubtful receivables	**6,273**	5,581
Available unused tax loss - unabsorbed tax depreciation	**27,833**	44,894
Minimum tax carry forward	**30,541**	69,966
	118,074	161,183
	72,591	57,141

18.1 Movement in deferred income tax asset balance is as follows:

	2025			
	Balance as on 01 July	Recognized in statement of profit or loss	Recognized in other comprehensive income	Balance as on 30 June
	(RUPEES IN THOUSAND)			
Accelerated tax depreciation	**(104,042)**	**58,732**	**-**	**(45,310)**
Unrealized gain on investments	**-**	**(173)**	**-**	**(173)**
Staff retirement gratuity	**40,742**	**5,535**	**(1,674)**	**44,603**
Workers' profit participation fund	**-**	**2,335**	**-**	**2,335**
Workers' welfare fund	**-**	**6,489**	**-**	**6,489**
Provision for doubtful receivables	**5,581**	**692**	**-**	**6,273**
Available unused tax loss - unabsorbed tax depreciation	**44,894**	**(17,061)**	**-**	**27,833**
Minimum tax carry forward:				
Available	**273,913**	**(75,264)**	**-**	**198,649**
Movement in deferred income tax not recognized	**(203,947)**	**35,839**	**-**	**(168,108)**
Deferred income tax recognized	**69,966**	**(39,425)**	**-**	**30,541**
	57,141	**17,124**	**(1,674)**	**72,591**

	2024			
	Balance as on 01 July	Recognized in statement of profit or loss	Recognized in other comprehensive income	Balance as on 30 June
	(RUPEES IN THOUSAND)			
Accelerated tax depreciation	(89,946)	(14,096)	-	(104,042)
Staff retirement gratuity	24,103	9,869	6,770	40,742
Provision for GIDC	14,957	(14,957)	-	-
Provision for doubtful receivables	6,322	(741)	-	5,581
Available unused tax loss - unabsorbed tax depreciation	33,644	11,250	-	44,894
Minimum tax carry forward:				
Available	299,330	(25,417)	-	273,913
Movement in deferred income tax not recognized	(236,193)	32,246	-	(203,947)
Deferred income tax recognized	63,137	6,829	-	69,966
	52,217	(1,846)	6,770	57,141

18.2 Deferred income tax asset has been recognised to the extent that the realization of related tax benefits is probable from future taxable profits. It is probable that sufficient taxable profits will be available for utilization of recognized deferred income tax asset. Available unused tax loss - unabsorbed tax depreciation as at 30 June 2025 is Rupees 95.975 million (2024: Rupees 154.806 million). Detail of minimum tax carried forward is given as follows:

Accounting year to which the minimum tax relates	Amount of minimum tax	Accounting year in which minimum tax expires
	(RUPEES IN THOUSAND)	
2025	52,646	2028
2024	62,305	2027
2023	63,215	2026
2021	20,483	2026
	198,649	

		2025	2024
		(RUPEES IN THOUSAND)	
19.	**STORES, SPARE PARTS AND LOOSE TOOLS**		
	Stores	**17,894**	19,719
	Spare parts	**32,293**	73,518
	Loose tools	**9**	299
		50,196	93,536

19.1 Stores and spare parts include items which may result in fixed capital expenditure but are not distinguishable.

		2025	2024
20.	**STOCK-IN-TRADE**		
	Raw materials (Note 20.1)	**148,386**	214,999
	Work-in-process (Note 20.2)	**95,684**	112,487
	Finished goods	**401,254**	228,376
	Waste	**1,817**	721
		647,141	556,583

20.1 These include stock of Rupees 24.335 million (2024: Rupees 22.880 million) sent to outside parties for conversion.

20.2 These include stock of Rupees 19.506 million (2024: Rupees 30.300 million) sent to outside parties for processing.

		2025	2024
21.	**TRADE DEBTS**		
	Considered good:		
	Unsecured	**466,939**	493,043
	Less: Allowance for expected credit losses (Note 21.3)	**2,103**	2,732
		464,836	490,311

	2025	2024
	(RUPEES IN THOUSAND)	

21.1 Trade debts in respect of foreign and local jurisdictions are as follows:

	2025	2024
Canada	**-**	1,786
Czech Republic	**96,573**	120,349
Ghana	**18,489**	23,992
Italy	**25,683**	-
Netherlands	**26,801**	-
Pakistan	**248,357**	193,749
Romania	**8,222**	-
United Kingdom	**6,147**	149,754
United States of America	**36,667**	3,413
	466,939	493,043

21.2 Revenue from the sale of goods is recognized at the time of delivery, while payment is generally due within 15 to 30 days from delivery in case of local sales, and 30 to 120 days in case of export sales.

21.3 Allowance for expected credit losses

	2025	2024
Balance as at 01 July	**2,732**	4,616
Add: Recognized during the year (Note 32)	**56**	2,589
	2,788	7,205
Less: Reversal during the year (Note 33)	**685**	4,473
As at 30 June	**2,103**	2,732

22. LOANS AND ADVANCES

	2025	2024
Considered good:		
Employees - interest free:		
Against expenses	**1,215**	3,095
Against salary	**1,149**	703
	2,364	3,798
Current portion of long term advances	**-**	124
Advances to suppliers / service providers	**37,190**	57,491
Letters of credit	**874**	1,008
Prepayments	**3,213**	2,914
	43,641	65,335
Considered doubtful:		
Advances to suppliers / service providers	**4,937**	4,544
Less: Provision for doubtful loans and advances (Note 22.1)	**4,937**	4,544
	-	-
	43,641	65,335

		2025	2024
		(RUPEES IN THOUSAND)	
22.1	**Provision for doubtful loans and advances**		
	Balance as at 01 July	**4,544**	5,216
	Add: Recognized during the year (Note 32)	**393**	-
		4,937	5,216
	Less: Reversal of provision for doubtful loans and advances (Note 33)	**-**	672
	As at 30 June	**4,937**	4,544
23.	**OTHER RECEIVABLES**		
	Considered good:		
	Sales tax and excise duty refundable	**828,464**	789,133
	Export rebate	**12,431**	12,905
	Others (Note 23.1 and Note 23.2)	**54,180**	53,508
		895,075	855,546
	Considered doubtful:		
	Others	**11,968**	11,968
	Less: Allowance for expected credit losses	**11,968**	11,968
		-	-
		895,075	855,546

23.1 These include Rupees 0.495 million (2024: Rupees 0.363 million) due from Riaz and Company (1962, Private) Limited, a related party, which is past due but not impaired. The ageing analysis is as follows:

	2025	2024
Within 1 to 6 months	132	363
More than 6 months	363	-
	495	363

23.2 The maximum aggregate amount receivable from the related party at the end of any month during the year was Rupees 0.495 million (2024: Rupees 0.363 million).

		2025	2024
24.	**TAXATION AND LEVY - NET**		
	Advance income tax - net		
	Advance income tax	**306,968**	211,659
	Provision for taxation	**(87,707)**	(8,797)
		219,261	202,862
	Levy payable - net		
	Prepaid levy	**5,454**	10,909
	Levy payable	**(65,456)**	(73,215)
		(60,002)	(62,306)
		159,259	140,556

	2025	2024
	(RUPEES IN THOUSAND)	

25. SHORT TERM INVESTMENTS

SHORT TERM INVESTMENTS

	2025	2024
Equity investments at fair value through other comprehensive income (FVTOCI) (Note 25.1).	**138,089**	138,811
At fair value through profit or loss (FVTPL) (Note 25.2)	**542,171**	-
	680,260	138,811

25.1 Equity investments at Fair Value Through Other Comprehensive Income (FVTOCI)

Others - quoted

	2025	2024
Shakarganj Limited Nil (2024: 1 143 693) ordinary shares of Rupees 10 each fully paid. Equity held Nil (2024: 0.91%)	**-**	7,194
Crescent Steel and Allied Products Limited 76 (2024: 76) ordinary shares of Rupees 10 each fully paid.	**1**	1
Samba Bank Limited 2 579 313 (2024: 2 579 313) ordinary shares of Rupees 10 each fully paid. Equity held 0.26% (2024: 0.26%)	**7,091**	7,091
The Crescent Textile Mills Limited 4 734 863 (2024: 4 734 863) ordinary shares of Rupees 10 each fully paid. Equity held 4.73% (2024: 4.73%)	**57,163**	57,163
	64,255	71,449
Add: Fair value adjustment	**73,834**	67,362
	138,089	138,811

25.2 At Fair Value Through Profit or Loss (FVTPL)

	2025	2024
Alfalah Money Market Fund 1 511 674.2246 Units (2024: Nil)	**149,251**	-
Alfalah Cash Fund 777 980.7692 Units (2024: Nil)	**392,324**	-
	541,575	-
Add: Fair value adjustment	**596**	-
	542,171	-

26. CASH AND BANK BALANCES

	2025	2024
	(RUPEES IN THOUSAND)	
With banks:		
On current accounts	**14,870**	19,399
Cash in hand	**611**	1,030
	15,481	20,429

27. NON-CURRENT ASSETS HELD FOR SALE

The non-current assets classified as held for sale under International Financial Reporting Standard (IFRS) 5 'Non-Current Assets Held for Sale and Discontinued Operations' in their respective categories are summarized hereunder:

(a) Non-current assets classified as held for sale

	2025	2024
Property, plant and equipment - Head Office (Note 27.1)	-	4,795,120
Property, plant and equipment - Spinning Unit 4 (Note 27.2)	-	477,833
	-	5,272,953

(b) Non-current liabilities directly associated with assets classified as held for sale

	2025	2024
Non-current liabilities - Spinning Unit 4 (Note 27.3)	-	30,474

(c) Analysis of the result of discontinued operation

	2025	2024
Profit / (loss) after taxation from discontinued operation - Spinning Unit 4 (Note 27.4)	**54,221**	(25,963)
Cash flows of discontinued operation - Spinning Unit 4 (Note 27.5)	**542,357**	(750)

A breakup of the constituents of non-current assets held for sale and discontinued operations is given as follows:

27.1 Property, plant and equipment - Head office

Property, plant and equipment related to Head Office has been presented as held for sale following the approval of the management of the Company and shareholders in Extraordinary General Meeting (EOGM) held on 13 March 2024 regarding the disposal of land and building alongwith investment properties related to the land of Head Office of the Company situated at New Lahore Road, Nishatabad, Faisalabad, Punjab. The Company took all necessary steps but was unable to find an active buyer within the one year period. Hence, the Company's Board of Directors in their meeting on 30 April 2025, made the decision to reclassify these assets from non-current assets held for sale to operating fixed assets and investment properties.

Non-current assets classified as held for sale

Reconciliation of the carrying amounts of non-current assets of the Head Office classified as held for sale is as follows:

	Operating fixed assets		Investment Properties	Total
	Freehold Land	Building		
	(RUPEES IN THOUSAND)			
Balance at 30 June 2023	-	-	-	-
Transferred from operating fixed assets and investment properties (Note 15.1 and Note 16)	4,501,907	950	292,263	4,795,120
Balance at 30 June 2024	4,501,907	950	292,263	4,795,120
Impairment loss charged during the year (Note 32)	-	(57)	-	(57)
	4,501,907	893	292,263	4,795,063
Transferred to operating fixed assets and investment properties (Note 15.1 and Note 16)	(4,501,907)	(893)	(292,263)	(4,795,063)
Balance at 30 June 2025	-	-	-	-

27.2 Property, plant and equipment - Spinning Unit 4

Following the approval of the management of the Company and shareholders in EOGM held on 03 June 2024 regarding the disposal of plant and machinery and related equipment of Spinning Unit 4 situated at 45-Km Lahore Multan Road, Dina Nath, Phool Nagar, Tehsil Pattoki, District Kasur, Punjab. The Company discontinued its operations of the Spinning Unit 4. On 01 October 2024, the Company entered into an agreement with Messrs Sultan Spinning Industries (Private) Limited (SSIPL) in which whole of the assets mentioned above and stores, spare parts and loose tools except vehicles will be transferred to SSIPL against total consideration of Rupees 550 million. The transaction was completed on 03 June 2025. Moreover, one of the vehicle has been sold during the period against the consideration of Rupees 0.205 million. Remaining vehicles have been transferred back to operating fixed assets.

Non-current assets classified as held for sale

Reconciliation of the carrying amounts of non-current assets of the Spinning Unit 4 classified as held for sale is as follows:

	Freehold land	Buildings and Roads	Plant and machinery	Stand-by equipment	Electric installations	Tools and equipment	Furniture & fixtures	Vehicles	Office equipment	Service equipment	Total
	(RUPEES IN THOUSAND)										
Balance at 30 June 2023	-	-	-	-	-	-	-	-	-	-	-
Transferred from operating fixed assets (Note 15.1)	118,020	72,076	211,489	51,610	18,755	3,567	743	1,549	22	2	477,833
Balance at 30 June 2024	118,020	72,076	211,489	51,610	18,755	3,567	743	1,549	22	2	477,833
Disposals during the year	(118,020)	(72,076)	(211,489)	(51,610)	(18,755)	(3,567)	(743)	(197)	(22)	(2)	(476,481)
Impairment loss charged during the year (Note 32)	-	-	-	-	-	-	-	(269)	-	-	(269)
	-	-	-	-	-	-	-	1,083	-	-	1,083
Transferred to operating fixed assets (Note 15.1)	-	-	-	-	-	-	-	(1,083)	-	-	(1,083)
Balance at 30 June 2025	-	-	-	-	-	-	-	-	-	-	-

27.3 Non-current liabilities directly associated with non-current assets classified as held for sale

Following liabilities were classified as non-current liabilities directly associated with assets classified as held for sale in relation to the discontinued operation as at 30 June 2024:

	2025	2024
	(RUPEES IN THOUSAND)	
Long term financing (Note 27.3.1)	-	27,347
Staff retirement gratuity (Note 27.3.2)	-	3,127
Total non-current liabilities of directly associated with non-current assets classified as held for sale	-	30,474

27.3.1 This loan was fully repaid on 13 August 2024.

27.3.2 The staff retirement gratuity was fully paid during the year.

27.4 Analysis of result of discontinued operation

	2025	2024
Revenue	-	1,760,733
Cost of sales	-	(1,703,417)
Gross profit	-	57,316
Distribution cost	-	(5,881)
Administrative expenses	-	(14,785)
Other income	**58,056**	1,577
Finance cost	**(3,835)**	(43,594)
Profit / (loss) before levy and taxation from discontinued operation	**54,221**	(5,367)
Levy	-	(22,009)
Profit / (loss) before taxation from discontinued operation	**54,221**	(27,376)
Taxation	-	1,413
Profit / (loss) after taxation from discontinued operation	**54,221**	(25,963)

27.5 Analysis of the cash flows of discontinued operation

	2025	2024
Cash inflows from operating activities	**53,147**	44,374
Cash inflows from investing activities	**541,557**	-
Cash outflows from financing activities	**(52,347)**	(45,124)
	542,357	(750)

	2025	2024
	(RUPEES IN THOUSAND)	

28. REVENUE

	2025	2024
Revenue from contracts with customers:		
Local sales (Note 28.1)	**4,424,205**	3,851,484
Export sales (Note 28.2)	**1,142,963**	2,105,159
	5,567,168	5,956,643
Export rebate	**6,333**	5,949
	5,573,501	5,962,592

28.1 Local sales

	2025	2024
Yarn	**5,058,534**	4,418,321
Hosiery	**11,365**	20,908
Home textiles	**3,729**	23,672
Raw materials	**106,504**	31,157
Waste	**40,430**	50,694
	5,220,562	4,544,752
Less: Sales tax	**796,357**	693,268
	4,424,205	3,851,484

28.2 Export sales

	2025	2024
Yarn sale to customer having Duty and Tax Remission for Exports (DTREs)	**-**	1,202,396
Hosiery	**207,749**	139,552
Home textiles	**856,630**	763,211
Fabric	**78,584**	-
	1,142,963	2,105,159

28.3 Sales in respect of foreign and local jurisdictions is as follows:

	2025	2024
Austria	**-**	1,702
Czech Republic	**572,476**	482,965
Ghana	**196,028**	79,442
Italy	**47,064**	18,594
Pakistan	**4,424,205**	3,851,484
Romania	**18,150**	-
Spain	**8,147**	42,195
Switzerland	**-**	9,457
United Kingdom	**21,024**	175,925
United States of America	**208,550**	95,925
Canada	**11,976**	2,507
Netherlands	**65,881**	-
Others - DTREs	**-**	1,202,396
	5,573,501	5,962,592

28.4 The amount of Rupees 213.894 million included in contract liabilities (Note 10) at 30 June 2024 has been recognised as revenue during the year (2024: Rupees 297.189 million).

28.5 Revenue is recognized at the point in time as per the terms and conditions of underlying contracts with customers.

		2025	2024
		(RUPEES IN THOUSAND)	
29.	**COST OF SALES**		
	Raw materials consumed (Note 29.1)	**3,087,540**	3,205,667
	Salaries, wages and other benefits (Note 29.2)	**365,442**	284,455
	Stores, spare parts and loose tools consumed	**192,231**	211,088
	Fuel and power	**1,209,173**	1,355,507
	Outside weaving / processing / stitching charges	**250,290**	198,225
	Other manufacturing overheads	**38,150**	27,322
	Insurance	**7,151**	7,814
	Repair and maintenance	**3,383**	4,331
	Depreciation (Note 15.1.4)	**29,012**	31,274
		5,182,372	5,325,683
	Work-in-process		
	Opening stock	**112,487**	45,226
	Closing stock	**(95,684)**	(112,487)
		16,803	(67,261)
	Cost of goods manufactured	**5,199,175**	5,258,422
	Finished goods		
	Opening stock	**219,676**	289,941
	Closing stock	**(403,071)**	(219,676)
		(183,395)	70,265
		5,015,780	5,328,687
	Cost of goods purchased for resale	**125,800**	156,951
		5,141,580	5,485,638
29.1	**Raw materials consumed**		
	Opening stock	**214,999**	189,710
	Add: Purchased during the year	**3,020,927**	3,230,956
		3,235,926	3,420,666
	Less: Closing stock	**148,386**	214,999
		3,087,540	3,205,667

29.2 Salaries, wages and other benefits include staff retirement benefit amounting to Rupees 25.605 million (2024: Rupees 25.805 million).

30. DISTRIBUTION COST

	2025	2024
	(RUPEES IN THOUSAND)	
Freight and forwarding	**59,780**	40,854
Commission to selling agents	**5,771**	10,163
Insurance	**624**	590
Loading and handling	**14,197**	9,019
Others	**2,905**	2,042
	83,277	62,668

31. ADMINISTRATIVE EXPENSES

	2025	2024
Salaries and other benefits (Note 31.1)	**186,572**	144,565
Workers' welfare	**2,536**	3,003
Traveling and conveyance	**5,697**	4,747
Insurance	**2,698**	2,507
Rent, rates and taxes (Note 31.2)	**6,657**	7,323
Entertainment	**2,900**	3,580
Fee and subscription	**2,872**	2,900
Communication	**2,666**	2,551
Vehicles' running	**10,536**	20,847
Repair and maintenance	**11,478**	11,813
Utilities	**7,491**	8,168
Printing and stationery	**2,315**	2,394
Books and periodicals	**15**	7
Advertisement	**136**	137
Auditor's remuneration (Note 31.3)	**2,620**	2,445
Legal and professional	**2,177**	2,797
Miscellaneous	**6,962**	7,938
Depreciation (Note 15.1.4)	**2,094**	2,055
	258,422	229,777

31.1 Salaries and other benefits include staff retirement benefit amounting to Rupees 22.833 million (2024: Rupees 14.515 million).

31.2 These include Rupees 3.442 million (2024: Rupees 2.393 million) in respect of short term lease.

31.3 Auditor's remuneration

	2025	2024
Statutory audit - standalone	**1,675**	1,600
Statutory audit - consolidation	**300**	300
Other certifications including half yearly review	**565**	500
Out of pocket expenses	**80**	45
	2,620	2,445

	2025	2024
	(RUPEES IN THOUSAND)	
32. OTHER EXPENSES		
Workers' profit participation fund (Note 10.4)	**6,743**	6,866
Exchange loss - net	**7,039**	5,292
Allowance for expected credit losses (Note 21.3)	**56**	2,589
Provision for doubtful loans and advances (Note 22.1)	**393**	-
Workers' welfare fund (Note 10.5)	**2,672**	2,882
Trade debts written off	**-**	20
Impairment loss on non-current assets classified as held for sale (Note 27.1 and Note 27.2)	**326**	-
	17,229	17,649

	2025	2024
33. OTHER INCOME		
Income from financial assets		
Dividend income (Note 33.1)	**887**	4,742
Unrealized gain on investment at FVTPL	**596**	-
Gain on sale of investments at FVTPL - net	**20,927**	-
Reversal of allowance for expected credit losses (Note 21.3)	**685**	4,473
	23,095	9,215
Income from non-financial assets		
Rental income	**44,272**	40,250
Scrap sales	**3,078**	1,954
Gain on sale of property, plant and equipment	**275**	3,291
Reversal of provision for doubtful loans and advances (Note 22.1)	**-**	672
Credit balances written back	**2,841**	54
Gain on remeasurement of fair value of investment properties (Note 16)	**15,424**	-
	65,890	46,221
	88,985	55,436

	2025	2024
33.1 Dividend income		
The Crescent Textile Mills Limited	**-**	4,735
Crescent Steel and Allied Products Limited	**1**	-
Security Papers Limited	**6**	7
Alfalah Money Market Fund	**765**	-
Alfalah Cash Fund	**115**	-
	887	4,742

	2025	2024
34. FINANCE COST		
Mark-up / interest on:		
Long term financing	**1,497**	2,187
Short term borrowings	**75,851**	75,538
Workers' profit participation fund (Note 10.4)	**855**	624
Bank charges and commission	**7,069**	5,339
	85,272	83,688

	2025	2024
	(RUPEES IN THOUSAND)	

35. LEVY

	2025	2024
Levy for the year	**65,456**	51,206
Prior year	**117**	(346)
	65,573	50,860

35.1 Levy represents minimum tax on turnover, super tax and final taxes under relevant provision of Income Tax Ordinance, 2001.

36. TAXATION

	2025	2024
Current - For the year	**21,768**	7,847
Deferred	**(17,124)**	3,259
	4,644	11,106

36.1 Taxation for the year represents tax on taxable income and super tax under relevant provisions of Income Tax Ordinance, 2001.

36.2 Reconciliation between tax expense and accounting profit

	2025	2024
Profit before levy and taxation	**130,927**	133,241
Applicable tax rate	**29%**	29%
Tax on accounting profit	**37,969**	38,640
Prior year adjustment	**117**	(346)
Effect of super tax	**12,063**	-
Effect of minimum tax	**69,707**	70,153
Effect of final tax regime income taxed at lower rate	**873**	59,773
Effect of deferred income tax	**17,124**	(1,846)
Effect of expenses / income that are not considered in determining taxable liability	**(67,636)**	(83,812)
Current levy and taxation as per applicable law	**70,217**	82,562
Continuing operations:		
Levy (Note 35)	**65,573**	50,860
Taxation (Note 36)	**4,644**	11,106
	70,217	61,966
Discontinued operations:		
Levy (Note 27.4)	**-**	22,009
Taxation (Note 27.4)	**-**	(1,413)
	-	20,596

37. EARNINGS / (LOSS) PER SHARE - BASIC AND DILUTED

There is no dilutive effect on the basic earnings / (loss) per share which is based on:

Continuing operations

		2025	2024
Profit attributable to ordinay shareholders	(Rupees in thousand)	**60,710**	50,679
Weighted average number of ordinary shares	(Numbers)	**22 660 126**	22 660 126
Earnings per share	(Rupees)	**2.68**	2.24

Continuing operations		2025	2024
Profit attributable to ordinary shareholders	(Rupees in thousand)	**6,489**	76,642
Weighted average number of ordinary shares	(Numbers)	**22 660 126**	22 660 126
Earnings per share	(Rupees)	**0.29**	3.38

Discontinued operation			
Profit / (loss) for the year after taxation	(Rupees in thousand)	**54,221**	(25,963)
Weighted average number of ordinary shares	(Numbers)	**22 660 126**	22 660 126
Earnings / (loss) per share	(Rupees)	**2.39**	(1.14)

	2025	2024
	(RUPEES IN THOUSAND)	

38. CASH GENERATED FROM OPERATIONS

Profit before taxation and levy	**130,927**	133,241
Adjustments for non cash charges and other items:		
Depreciation (Note 15.1.4)	**31,106**	70,192
Provision for staff retirement gratuity (Note 9.3)	**48,438**	41,442
Gain on sale of property, plant and equipment (Note 33)	**(275)**	(3,291)
Gain on sale of assets held for sale (Note 27.4)	**(58,056)**	-
Unrealized gain on investments at FVTPL (Note 33)	**(596)**	-
Gain on remeasurement of fair value of investment properties (Note 33)	**(15,424)**	-
Reversal of allowance for expected credit losses - net	**(629)**	(1,884)
Unrealized exchange (gain) / loss - net	**(2,931)**	4,018
Gain on sale of investment at FVTPL - net (Note 33)	**(20,927)**	-
Provision / (reversal of provision) for doubtful loans and advances - net	**393**	(672)
Finance cost (Note 34)	**89,107**	127,282
Credit balances written back (Note 33)	**(2,841)**	(54)
Trade debts written off (Note 32)	**-**	20
Impairment loss on non-current assets classified as held for sale (Note 32)	**326**	-
Working capital changes (Note 38.1)	**(188,646)**	(275,103)
	9,972	95,191

38.1 Working capital changes

Decrease / (increase) in current assets		
Stores, spare parts and loose tools	**27,672**	(20,979)
Stock-in-trade	**(90,558)**	79,573
Trade debts	**29,035**	(15,322)
Loans, advances and prepayments	**21,301**	(9,731)
Other receivables	**(39,529)**	(286,543)
	(52,079)	(253,002)
Decrease in trade and other payables	**(136,567)**	(22,101)
	(188,646)	(275,103)

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

	2025		
	Long term Financing	**Short term borrowings**	**Unclaimed dividend**
	(RUPEES IN THOUSAND)		
Balance as at 01 July	**58,764**	**698,287**	**4,177**
Short term borrowings - net	**-**	**204,255**	**-**
Repayment of long term financing	**(39,573)**	**-**	**-**
Dividend Paid	**-**	**-**	**(1,268)**
Balance as at 30 June	**19,191**	**902,542**	**2,909**

	2024		
	Long term Financing	**Short term borrowings**	**Unclaimed dividend**
	(RUPEES IN THOUSAND)		
Balance as at 01 July	115,261	560,605	4,177
Short term borrowings - net	-	137,682	-
Repayment of long term financing	(56,497)	-	-
Balance as at 30 June	58,764	698,287	4,177

39. TRANSACTIONS WITH RELATED PARTIES

The related parties comprise subsidiary company, associated companies, other related parties and key management personnel. The Company in the normal course of business carries out transactions with various related parties. Detail of transactions with related parties along with basis of relationship, except for remuneration to Chief Executive Officer, directors and key management personnel as discussed in Note 40, is as follows:

Name	Basis of relationship	Nature of transaction	2025 (RUPEES IN THOUSAND)	2024 (RUPEES IN THOUSAND)
Subsidiary company				
Crescot Mills Limited	66.15 % shareholding and common directorship	Raw materials purchased	68,054	186,267
		Sale of goods	2,940	-
		Expenses paid on behalf of subsidiary company	692	164
Associated companies				
Premier Insurance Limited	Common directorship	Insurance premium	3,590	15,289
Riaz and Company (1962, Private) Limited	Common directorship	Expenses paid on behalf of associated company	132	448
Other related parties				
Directors and executives	Members of Board of Directors, their relatives and key management personnel	Loan received - net	17,061	9,581

39.1 The Company had entered into transactions or have arrangements in place with following directors:

i) Mr. Abid Mehmood
ii) Mr. Naveed Gulzar
iii) Mr. Adnan Amjad
iv) Ms. Nazish Arshad
v) Mr. Taimur Amjad
vi) Ms. Shameen Azfar

40. REMUNERATION OF CHIEF EXECUTIVE OFFICER, DIRECTORS AND EXECUTIVES

The aggregate amount charged in the financial statements for remuneration including all benefits to Chief Executive Officer, directors and executives of the Company is as follows:

	Chief Executive Officer		Directors		Executives	
	2025	2024	2025	2024	2025	2024
	(RUPEES IN THOUSAND)					
Managerial remuneration	**9,018**	9,018	**6,002**	6,002	**41,375**	38,230
Allowances:						
Housing	**4,058**	4,058	**2,701**	2,701	**18,198**	15,069
Utilities	**902**	902	**600**	600	**4,138**	4,061
Group insurance	**-**	-	**6**	6	**33**	33
Reimbursable expenses	**902**	902	**600**	600	**4,006**	3,452
	14,880	14,880	**9,909**	9,909	**67,750**	60,845
Number of persons	**1**	1	**1**	1	**14**	10

40.1 Aggregate amount charged in the financial statements for meeting fee to four directors (2024: five directors) was Rupees 460,000 (2024: Rupees 580,000).

40.2 The Chief Executive Officer, directors and executives of the Company are provided with Company maintained vehicles.

40.3 Apart from the meeting fee as disclosed in Note 40.1, no remuneration was paid to non-executive directors of the Company.

41. NUMBER OF EMPLOYEES

	2025	2024
Number of employees as on 30 June	**773**	659
Average number of employees during the year	**793**	1185

42. ENTITY - WIDE INFORMATION

The Company constitutes a single reportable segment. All non-current assets of the Company as at reporting dates are located and operating in Pakistan. The Company's revenue is earned from three major customers (2024: three) of the Company representing revenue of Rupees 2,048.283 million (2024: Rupees 2,890.194 million).

43. PLANT CAPACITY AND ACTUAL PRODUCTION

		2025	2024
Spinning:			
100% plant capacity converted to 20s count	Kgs.	**11 002 649**	11 002 649
Actual production converted to 20s count	Kgs.	**9 658 301**	9 586 874

Hosiery and home textiles:

Capacity of such units cannot be determined due to nature of their operations.

43.1 Reason For Low Production

The variation in planned production of yarn counts changed the capacity. The reasons for low production include normal repair and maintenance and power shut down / jerks.

44. FINANCIAL RISK MANAGEMENT

44.1 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 is exposed to currency risk arising from various currency exposures, primarily with respect to the United States Dollar (USD), Great Britain Pound (GBP) and Euro. Currently, the Company's foreign exchange risk exposure is restricted to the amounts receivable from the foreign entities. The Company's exposure to currency risk was as follows:

	2025	2024
Trade debts - USD	**567,742**	350,486
Trade debts - GBP	**13,080**	574,439
Trade debts - EURO	**157,964**	-

Following significant exchange rates were applied during the year:

Rupees per US Dollar		
Average rate	**279.47**	284.67
Reporting date rate	**283.60**	278.30
Rupees per GBP		
Average rate	**360.49**	356.23
Reporting date rate	**388.97**	351.22
Rupees per EURO		
Average rate	**313.71**	-
Reporting date rate	**332.25**	-

Sensitivity analysis

'If the functional currency, at reporting date, had weakened / strengthened by 5% against the USD, GBP and Euro with all other variables held constant, the impact on profit after taxation for the year would have been Rupees 9.654 million (2024: Rupees 13.917 million) higher / lower, mainly as a result of exchange gains / losses on translation of foreign exchange denominated financial instruments. Currency risk sensitivity to foreign exchange movements has been calculated on a symmetric basis. In management's opinion, the sensitivity analysis is unrepresentative of inherent currency risk as the year end exposure does not reflect the exposure during the year.

(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 (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instruments or its issuer, or factors affecting all similar financial instrument traded in the market. The Company is not exposed to commodity price risk.

Sensitivity analysis

The table below summarizes the impact of increase / decrease in the Index of Pakistan Stock Exchange Limited (PSX) on the Company's equity (fair value reserve of FVTOCI investments) and Mutual Funds Association of Pakistan (MUFAP) on the Company's profit after taxation for the year (FVTPL investments). The analysis is based on the assumption that the equity index had increased / decreased by 5% with all other variables held constant and all the Company's equity instruments moved according to the historical correlation with the index:

Index	Impact on statement of other comprehensive income (fair value reserve)	
	2025	2024
	(RUPEES IN THOUSANDS)	
PSX 100 (5% increase)	**7,191**	7,245
PSX 100 (5% decrease)	**(7,191)**	(7,245)

Equity (fair value reserve) would increase / decrease as a result of gains / losses on equity investments classified as FVTOCI.

Index	Impact on profit after taxation	
MUFAP (5% increase)	**17,900**	-
MUFAP (5% decrease)	**(17,900)**	-

Profit after taxation would increase / decrease as a result of gains / losses on equity investments classified as FVTPL.

(iii) Interest rate risk

This represents 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 interest rate risk arises from long term financing 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:

	2025	2024
	(RUPEES IN THOUSAND)	
Fixed rate instruments		
Financial liabilities		
Long term financing	**19,191**	31,417
Floating rate instruments		
Financial liabilities		
Long term financing	**-**	27,347
Short term borrowings	**575,083**	387,889

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, profit after taxation for the year would have been Rupees 5.354 million (2024: Rupees 3.865 million) lower / higher, mainly as a result of higher / lower interest expense on floating rate financial instruments. This analysis is prepared assuming that amounts of financial instruments outstanding at reporting dates 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:

	2025	2024
	(RUPEES IN THOUSAND)	
Investments	**686,176**	146,180
Loans and advances	**1,149**	827
Deposits	**3,092**	3,383
Trade debts	**464,836**	490,311
Other receivables	**54,180**	53,508
Bank balances	**14,870**	19,399
	1,224,303	713,608

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:

Banks	Rating			2025	2024
	Short Term	Long Term	Agency	Rupees in Thousands	
Conventional accounts					
National Bank of Pakistan	A1+	AAA	PACRA	**9,694**	1,743
Allied Bank Limited	A1+	AAA	PACRA	**288**	154
Bank Alfalah Limited	A1+	AAA	PACRA	**493**	121
Habib Bank Limited	A-1+	AAA	VIS	**250**	6,356
Habib Metropolitan Bank Limited	A1+	AA+	PACRA	**1,022**	1,010
Faysal Bank Limited	A1+	AA	PACRA	**-**	20
MCB Bank Limited	A1+	AAA	PACRA	**66**	66
United Bank Limited	A-1+	AAA	VIS	**783**	2,243
Askari Bank Limited	A1+	AA+	PACRA	**31**	31
Bank AL Habib Limited	A1+	AAA	PACRA	**553**	442
The Bank of Punjab	A1+	AA+	PACRA	**253**	1,302
Sindh Bank Limited	A-1+	AA-	VIS	**53**	91
JS Bank Limited	A1+	AA-	PACRA	**63**	1,056
				13,549	14,635

	Rating			2025	2024
	Short Term	Long Term	Agency	Rupees in Thousands	
Shariah compliant accounts					
Meezan Bank Limited	A-1+	AAA	VIS	**888**	1,011
Faysal Bank Limited	A1+	AA	PACRA	**141**	952
MCB Islamic Bank Limited	A1	A+	PACRA	**-**	35
Bank Al-Habib Limited	A1+	AAA	PACRA	**25**	25
Askari Bank Limited	A1+	AA+	PACRA	**121**	2,213
Bank Islami Pakistan Limited	A1	AA-	PACRA	**25**	-
Bank Alfalah Limited	A1+	AAA	PACRA	**121**	528
				1,321	4,764
				14,870	19,399

Due to the Company's long standing business relationship with these counterparties, management does not expect non-performance by these counterparties on their obligations of the Company. Accordingly the credit risk is minimal.

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. Majority of the Company's 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 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.

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	
	2025	2024	2025	2024
	(RUPEES IN THOUSAND)		(RUPEES IN THOUSAND)	
Not past due	**259,720**	99,101	**-**	-
Upto 1 month	**188,096**	162,951	**-**	-
1 to 6 months	**16,809**	108,579	**-**	-
6 months to 1 year	**211**	119,680	**-**	-
More than 1 year	**2,103**	2,732	**2,103**	2,732
	466,939	493,043	**2,103**	2,732

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 assets. 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 2025, the Company had Rupees 274.917 million (2024: Rupees 562.111 million) available borrowing limits from financial institutions and Rupees 15.481 million (2024: Rupees 20.429 million) cash and bank balances. Management believes the liquidity risk to be low. Following are the contractual maturities of financial liabilities, including interest payments. The amounts disclosed in the tables are undiscounted cash flows.

Contractual maturities of financial liabilities as at 30 June 2025:

Non-derivative financial liabilities:	Carrying Amount	Contractual cash flows	6 month or less	6-12 months	1-2 years	More than 2 years
	(RUPEES IN THOUSAND)					
Long term financing	**19,191**	**20,002**	**5,857**	**5,857**	**8,288**	**-**
Trade and other payables	**735,388**	**735,388**	**735,388**	**-**	**-**	**-**
Accrued mark-up	**12,930**	**12,930**	**12,930**	**-**	**-**	**-**
Short term borrowings	**902,542**	**935,122**	**935,122**	**-**	**-**	**-**
Unclaimed dividend	**2,909**	**2,909**	**2,909**	**-**	**-**	**-**
	1,672,960	**1,706,351**	**1,692,206**	**5,857**	**8,288**	**-**

Contractual maturities of financial liabilities as at 30 June 2024:

Non-derivative financial liabilities:	Carrying Amount	Contractual cash flows	6 month or less	6-12 months	1-2 years	More than 2 years
Long term financing	58,764	62,711	15,172	14,998	24,531	8,010
Trade and other payables	913,349	913,349	913,349	-	-	-
Accrued mark-up	24,391	24,391	24,391	-	-	-
Short term borrowings	698,287	735,440	735,440	-	-	-
Unclaimed dividend	4,177	4,177	4,177	-	-	-
	1,698,968	1,740,068	1,692,529	14,998	24,531	8,010

The contractual cash flows relating to the above financial liabilities have been determined on the basis of interest rates / mark-up rates effective at the year end. The rates of interest / mark-up have been disclosed in Note 8 and 12 to these financial statements.

44.2 Financial instruments by categories

	2025				2024		
	At amortized cost	At FVTOCI	At FVTPL	Total	At amortized cost	At FVTOCI	Total
	(RUPEES IN THOUSAND)						
Assets as per statement of financial position							
Investments	**-**	**144,005**	**542,171**	**686,176**	-	146,180	146,180
Loans and advances	**1,149**	**-**	**-**	**1,149**	827	-	827
Deposits	**3,092**	**-**	**-**	**3,092**	3,383	-	3,383
Trade debts	**464,836**	**-**	**-**	**464,836**	490,311	-	490,311
Other receivables	**54,180**	**-**	**-**	**54,180**	53,508	-	53,508
Cash and bank balances	**15,481**	**-**	**-**	**15,481**	20,429	-	20,429
	538,738	**144,005**	**542,171**	**1,224,914**	568,458	146,180	714,638

	2025	2024
	Financial liabilities at amortized cost	
	(RUPEES IN THOUSAND)	
Liabilities as per statement of financial position		
Long term financing	**19,191**	58,764
Trade and other payables	**735,388**	913,349
Accrued mark-up	**12,930**	24,391
Short term borrowings	**902,542**	698,287
Unclaimed dividend	**2,909**	4,177
	1,672,960	1,698,968

44.3 Reconciliation of financial assets and financial liabilities to the line items presented in the statement of financial position is as follows:

	2025			2024		
	Financial assets	Other than financial assets	Total as per statement of financial position	Financial assets	Other than financial assets	Total as per statement of financial position
	(RUPEES IN THOUSAND)					
Assets as per statement of financial position						
Long term investments	**5,916**	**-**	**5,916**	7,369	-	7,369
Long term deposits	**3,092**	**-**	**3,092**	3,383	-	3,383
Trade debts	**464,836**	**-**	**464,836**	490,311	-	490,311
Loans, advances and prepayments	**1,149**	**42,492**	**43,641**	827	64,508	65,335
Other receivables	**54,180**	**840,895**	**895,075**	53,508	802,038	855,546
Short term investments	**680,260**	**-**	**680,260**	138,811	-	138,811
Cash and bank balances	**15,481**	**-**	**15,481**	20,429	-	20,429
	1,224,914	**883,387**	**2,108,301**	714,638	866,546	1,581,184

	2025			2024		
	Financial liabilities	Other than financial liabilities	Total as per statement of financial position	Financial liabilities	Other than financial liabilities	Total as per statement of financial position
	(RUPEES IN THOUSAND)					
Liabilities as per statement of financial position						
Long term financing	**19,191**	**-**	**19,191**	58,764	-	58,764
Trade and other payables	**735,388**	**335,275**	**1,070,663**	913,349	296,722	1,210,071
Unclaimed dividend	**2,909**	**-**	**2,909**	4,177	-	4,177
Accrued mark-up	**12,930**	**-**	**12,930**	24,391	-	24,391
Short term borrowings	**902,542**	**-**	**902,542**	698,287	-	698,287
	1,672,960	**335,275**	**2,008,235**	1,698,968	296,722	1,995,690

44.4 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.

44.5 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. 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, 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 long term financing and short term borrowings obtained by the Company as referred to in Note 8 and Note 12 respectively. Total capital employed includes 'total equity' as shown in the statement of financial position plus 'borrowings'.

	2025	2024
	(RUPEES IN THOUSAND)	
Borrowings	**921,733**	757,051
Total equity	**6,267,117**	6,152,408
Total capital employed	**7,188,850**	6,909,459
	(PERCENTAGE)	
Gearing ratio	**12.82**	10.96

Increase in gearing ratio resulted primarily from decrease in borrowings of the Company.

45. RECOGNIZED FAIR VALUE MEASUREMENTS - FINANCIAL INSTRUMENT

(i) Fair value hierarchy

Judgements and estimates are made in determining the fair values of the financial instruments that are recognized and measured at fair value in 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 three levels. An explanation of each level follows underneath the table:

Recurring fair value measurements At 30 June 2025	Level 1	Level 2	Level 3	Total
	(RUPEES IN THOUSAND)			
Financial assets				
At fair value through other comprehensive income	**143,817**	**-**	**188**	**144,005**
At fair value through profit and loss	**542,171**	**-**	**-**	**542,171**
Total financial assets	**685,988**	**-**	**188**	**686,176**

Recurring fair value measurements At 30 June 2024	Level 1	Level 2	Level 3	Total
	(RUPEES IN THOUSAND)			
Financial assets				
At fair value through other comprehensive income	144,909	-	1,271	146,180
Total financial assets	144,909	-	1,271	146,180

The above table does not include fair value information for financial assets and financial liabilities 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.

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

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.

Level 1: The fair value of financial instruments traded in active markets (such as publicly traded derivatives and equity securities) is based on quoted market prices at the end of the reporting period. The quoted market price used for financial assets held by the Company is the current bid price. These instruments are included in level 1.

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: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities.

(ii) Valuation techniques used to determine fair values

Specific valuation technique used to value listed financial instruments include the use of quoted market prices.

46. RECOGNIZED FAIR VALUE MEASUREMENTS - NON-FINANCIAL ASSETS

(i) Fair value hierarchy

Judgements and estimates are made for the non-financial assets 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 non-financial assets into the following three levels.

	Level 1	Level 2	Level 3	Total
	(RUPEES IN THOUSAND)			
At 30 June 2025				
Investment properties	**-**	**307,687**	**-**	**307,687**
Freehold land	**-**	**4,788,267**	**-**	**4,788,267**
Total non-financial assets	**-**	**5,095,954**	**-**	**5,095,954**

	Level 1	Level 2	Level 3	Total
	(RUPEES IN THOUSAND)			
At 30 June 2024				
Freehold land	-	286,360	-	286,360
Total non-financial assets	-	286,360	-	286,360

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 were no transfers between levels 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 valuations for its investment properties and freehold land (classified as property, plant and equipment) annually. 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 value of new construction / replacement value of the same building.

Valuation process

The Company engages external, independent and qualified valuer, to determine the fair value of the Company's investment properties and freehold land. The fair value of freehold land and the investment properties have been determined by Messrs Evaluation Focused Consulting and Messrs Empire Enterprises (Private) Limited as at 21 June 2023 and 30 June 2025 respectively.

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

47. DISCLOSURE REQUIREMENT FOR COMPANY NOT ENGAGED IN SHARIAH NON-PERMISSIBLE BUSINESS ACTIVITIES AS ITS CORE BUSINESS ACTIVITIES

Description	Note	2025	2024
		(RUPEES IN THOUSAND)	
Short term borrowings obtained as per Islamic mode	12	**327,459**	310,398
Interest or mark-up accrued on any conventional loan or advance			
Long term financing	11	**310**	2,369
Short term borrowings	11	**12,620**	22,022
Long-term and short-term Shariah compliant investments		**686,176**	146,180
Shariah-compliant bank deposits and bank balances	44.1 (b)	**1,321**	4,764
Revenue earned from shariah compliant business segment		**5,573,501**	7,723,325
Gain or loss or dividend earned on Shariah compliant investments			
Unrealized gain on remeasurement of equity investments at FVTOCI - net	5	**49,901**	16,218
Gain realized on disposal of equity investments at FVTOCI	5	**44,882**	9,244
Unrealized gain on remeasurement of equity investments at FVTPL	33	**596**	-
Gain on sale of investment at FVTPL - net	33	**20,927**	-
Dividend income	33	**887**	4,742

Source and detailed breakup of other income, including breakup of other or miscellaneous portions of other income into Shariah-compliant and non-compliant income

Shariah-compliant			
Dividend income	33	887	4,742
Reversal of allowance for expected credit losses	33	685	4,473
Reversal of provision for doubtful loans and advances	33	-	672
Rental income	33	44,272	40,250
Scrap sales	33	3,078	1,954
Gain on sale of property, plant and equipment	33	275	3,291
Credit balances written back	33	2,841	54
Gain on remeasurement of fair value of investment properties	33	15,424	-
Unrealized gain on remeasurement of equity investments at FVTPL	33	596	-
Gain on sale of investment at FVTPL - net	33	20,927	-

There were no late payments or liquidity damages during the year. Moreover there was no profit earned on Shariah compliant / conventional bank balances as all the bank balances are in current accounts. The relationship with all shariah compliant banks for the current year is related to bank accounts as given in Note 44.1 (b).

48. DATE OF AUTHORIZATION

These financial statements were authorized for issue on September 29, 2025 by the Board of Directors of the Company.

49. CORRESPONDING FIGURES

Corresponding figures have been re-arranged and reclassified for better presentation, wherever necessary for the purpose of comparison. However, no significant reclassifications have been made.

50. GENERAL

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

CHIEF EXECUTIVE OFFICER	DIRECTOR	CHIEF FINANCIAL OFFICER

CRESCENT COTTON MILLS LIMITED
AND ITS SUBSIDIARY

CONSOLIDATED FINANCIAL STATEMENTS
WITH ACCOMPANYING INFORMATION

YEAR ENDED 30 JUNE 2025

INDEPENDENT AUDITOR'S REPORT
To the members of Crescent Cotton Mills Limited
Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the annexed consolidated financial statements of Crescent Cotton Mills Limited and its Subsidiary Company (the Group), which comprise the consolidated statement of financial position as at 30 June 2025, and the consolidated statement of profit or loss, the consolidated statement of comprehensive income, the consolidated statement of changes in equity, the consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including material accounting policy information and other explanatory information.

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 30 June 2025, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with the accounting and reporting standards as applicable in Pakistan.

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 Consolidated Financial Statements* section of our report. We are independent of the Group 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 consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated 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:

<table>
<tr><th>Sr. No.</th><th>Key audit matters</th><th>How the matters were addressed in our audit</th></tr>
<tr><td>1.</td><td>Inventory existence and valuation

As at 30 June 2025 amounting to Rupees 697.337 million of the Holding Company as at 30 June 2025 represented a material portion in the consolidated statement of financial position, break up of which is as follows:

- Stores, spare parts and loose tools of Rupees 50.196 million

- Stock-in-trade of Rupees 647.141 million

Inventories are stated at lower of cost and net realizable value.

We identified existence and valuation of inventories as a key audit matter due to their size, representing 7.72% of the total assets of the Group as at 30 June 2025, and the judgment involved in valuation.

For further information on inventories, refer to the following:

- Material accounting policy information, Inventories (Note 2.10 to the consolidated financial statements).

- Stores, spare parts and loose tools (Note 19) and Stock-in-trade (Note 20) to the consolidated financial statements.</td><td>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 sites. 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 consolidated financial statements.</td></tr>
</table>

Sr. No.	Key audit matters	How the matters were addressed in our audit
2.	**Revenue recognition** We identified recognition of revenue of the Holding Company as a key audit matter because revenue is one of the key performance indicators 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 2.13 to the consolidated financial statements). - Revenue (Note 28 to the consolidated 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 consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated 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 consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated 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 Consolidated Financial Statements

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

In preparing the consolidated financial statements, management is responsible for assessing the Group'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 Group or to cease operations, or has no realistic alternative but to do so.

The Board of directors is responsible for overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated 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 consolidated 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 consolidated 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 Group'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 Group'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 consolidated 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 Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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 consolidated 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.

The engagement partner on the audit resulting in this independent auditor's report is Mubashar Mehmood.

RIAZ AHMAD & COMPANY
Chartered Accountants

Faisalabad
October 06, 2025

UDIN: AR2025101585q4akFeM1

CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2025

	NOTE	2025	2024
		(RUPEES IN THOUSAND)	
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorized share capital			
30 000 000 (2024: 30 000 000) ordinary shares of Rupees 10 each		**300,000**	300,000
Issued, subscribed and paid up share capital	3	**226,601**	226,601
Reserves			
Capital reserves			
Premium on issue of shares	4	**5,496**	5,496
Plant modernization reserve		**12,000**	12,000
Share of equity accounted investees' reserve		**7,033**	5,937
Fair value reserve	5	**42,532**	3,953
Surplus on revaluation of freehold land and investment properties	6	**4,896,102**	4,926,217
		4,963,163	4,953,603
Revenue reserves	7	**1,426,731**	1,324,504
Total reserves		**6,389,894**	6,278,107
Equity attributable to equity holders of the Holding Company		**6,616,495**	6,504,708
Non-controlling interest		**178,814**	181,072
TOTAL EQUITY		**6,795,309**	6,685,780
LIABILITIES			
NON-CURRENT LIABILITIES			
Long term financing	8	**7,818**	20,044
Staff retirement gratuity	9	**140,883**	141,507
		148,701	161,551
CURRENT LIABILITIES			
Trade and other payables	10	**1,163,512**	1,216,443
Accrued mark-up	11	**12,930**	24,391
Short term borrowings	12	**902,542**	698,287
Current portion of long term financing	8	**11,373**	11,373
Unclaimed dividend		**2,909**	4,177
		2,093,266	1,954,671
Non-current liabilities directly associated with assets classified as held for sale	27	**-**	30,474
		2,093,266	1,985,145
TOTAL LIABILITIES		**2,241,967**	2,146,696
CONTINGENCIES AND COMMITMENTS	13		
TOTAL EQUITY AND LIABILITIES		**9,037,276**	8,832,476

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

CHIEF EXECUTIVE OFFICER

	NOTE	2025	2024
		(RUPEES IN THOUSAND)	
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	14	**5,083,352**	608,765
Investment properties	15	**685,268**	365,281
Investments in equity accounted investees	16	**2,062**	552
Other long term investments	17	**3,881**	5,181
Long term deposits		**3,614**	3,905
Deferred income tax asset	18	**71,173**	54,573
		5,849,350	1,038,257
CURRENT ASSETS			
Stores, spare parts and loose tools	19	**50,196**	93,536
Stock-in-trade	20	**727,445**	566,685
Trade debts	21	**464,836**	490,311
Loans, advances and prepayments	22	**48,920**	72,530
Short term deposits and other receivables	23	**921,701**	868,001
Taxation and levy - net	24	**167,998**	145,458
Short term investments	25	**680,260**	140,693
Cash and bank balances	26	**126,570**	144,052
		3,187,926	2,521,266
Non-current assets held for sale	27	**-**	5,272,953
		3,187,926	7,794,219
TOTAL ASSETS		**9,037,276**	8,832,476

DIRECTOR

CHIEF FINANCIAL OFFICER

CCML
Crescent Cotton Mills Ltd.

CRESCENT COTTON MILLS LIMITED AND ITS SUBSIDIARY COMPANY
CONSOLIDATED STATEMENT OF PROFIT OR LOSS
FOR THE YEAR ENDED 30 JUNE 2025

	NOTE	2025	2024
		(RUPEES IN THOUSAND)	
CONTINUING OPERATIONS:			
REVENUE	28	**5,988,665**	6,217,784
COST OF SALES	29	**(5,538,700)**	(5,711,926)
GROSS PROFIT		**449,965**	505,858
DISTRIBUTION COST	30	**(84,978)**	(66,950)
ADMINISTRATIVE EXPENSES	31	**(302,166)**	(270,285)
OTHER EXPENSES	32	**(17,229)**	(17,649)
OTHER INCOME	33	**115,439**	85,399
PROFIT FROM CONTINUING OPERATIONS		**161,031**	236,373
FINANCE COST	34	**(86,489)**	(84,319)
		74,542	152,054
SHARE OF NET PROFIT IN EQUITY ACCOUNTED INVESTEES - NET OF TAX	16.1	**414**	656
PROFIT BEFORE LEVY AND TAXATION		**74,956**	152,710
LEVY	35	**(71,714)**	(53,176)
PROFIT BEFORE TAXATION		**3,242**	99,534
TAXATION	36	**(3,404)**	(16,997)
(LOSS) / PROFIT AFTER TAXATION FROM CONTINUING OPERATIONS		**(162)**	82,537
DISCONTINUED OPERATION			
PROFIT / (LOSS) AFTER TAXATION FROM DISCONTINUED OPERATION	27.4	**54,221**	(25,963)
PROFIT AFTER TAXATION		**54,059**	56,574
SHARE OF PROFIT / (LOSS) ATTRIBUTABLE TO:			
EQUITY HOLDERS OF HOLDING COMPANY		**56,392**	56,562
NON-CONTROLLING INTEREST		**(2,333)**	12
		54,059	56,574
EARNINGS PER SHARE - BASIC AND DILUTED (RUPEES)	37	**2.49**	2.50
EARNINGS PER SHARE - BASIC AND DILUTED FROM CONTINUING OPERATIONS (RUPEES)	37	**0.10**	3.64
EARNINGS / (LOSS) PER SHARE - BASIC AND DILUTED FROM DISCONTINUED OPERATION (RUPEES)	37	**2.39**	(1.14)

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

CHIEF EXECUTIVE OFFICER | DIRECTOR | CHIEF FINANCIAL OFFICER

CRESCENT COTTON MILLS LIMITED AND ITS SUBSIDIARY COMPANY
CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2025

	NOTE	2025	2024
		(RUPEES IN THOUSAND)	
PROFIT AFTER TAXATION		**54,059**	56,574
OTHER COMPREHENSIVE INCOME / (LOSS)			
Items that will not be reclassified subsequently to profit or loss:			
Experience adjustment on defined benefit plan	9.1	**6,084**	(23,692)
Deferred income tax related to experience adjustment	18.1	**(1,764)**	6,871
		4,320	(16,821)
Fair value adjustment on remeasurement of investments at fair value through other comprehensive income	5	**50,054**	8,732
Share of other comprehensive income of equity accounted investees:			
Experience adjustment on defined benefit plan - net of tax		**(4)**	489
Surplus on revaluation of property, plant and equipment		**-**	60
Fair value adjustment on remeasurement of investments at fair value through other comprehensive income		**843**	11
Share of other comprehensive income from associated company		**257**	6
		1,096	566
		55,470	(7,523)
Items that may be reclassified subsequently to profit or loss		**-**	-
Other comprehensive income / (loss) for the year - net of tax		**55,470**	(7,523)
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		**109,529**	49,051
SHARE OF TOTAL COMPREHENSIVE INCOME / (LOSS) ATTRIBUTABLE TO:			
EQUITY HOLDERS OF HOLDING COMPANY		**111,787**	49,123
NON-CONTROLLING INTEREST		**(2,258)**	(72)
		109,529	49,051

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

CHIEF EXECUTIVE OFFICER | DIRECTOR | CHIEF FINANCIAL OFFICER

CRESCENT COTTON MILLS LIMITED AND ITS SUBSIDIARY COMPANY
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2025

	SHARE CAPITAL	ATTRIBUTABLE TO EQUITY HOLDERS OF THE HOLDING COMPANY											NON-CONTROLLING INTEREST	TOTAL EQUITY
		CAPITAL RESERVES						REVENUE RESERVES			TOTAL RESERVES	SHAREHOLDERS' EQUITY		
		Premium on issue of shares	Plant modernization on	Fair value reserve of investments at FVTOCI	Surplus on revaluation of free hold land & investment properties	Share of equity accounted investees' reserve	Sub total	General reserve	Unappropriated profit	Sub total				
	(RUPEES IN THOUSAND)													
Balance as at 30 June 2023	226,601	5,496	12,000	(4,779)	4,926,217	5,215	4,944,149	48,975	1,235,860	1,284,835	6,228,984	6,455,585	181,144	6,636,729
Transfer of share of equity accounted investee reserve due to disposal	-	-	-	-	-	156	156	-	(156)	(156)	-	-	-	-
Profit for the year	-	-	-	-	-	-	-	-	56,562	56,562	56,562	56,562	12	56,574
Other comprehensive loss for the year	-	-	-	8,732	-	566	9,298	-	(16,737)	(16,737)	(7,439)	(7,439)	(84)	(7,523)
Total comprehensive income for the year	-	-	-	8,732	-	566	9,298	-	39,825	39,825	49,123	49,123	(72)	49,051
Balance as at 30 June 2024	226,601	5,496	12,000	3,953	4,926,217	5,937	4,953,603	48,975	1,275,529	1,324,504	6,278,107	6,504,708	181,072	6,685,780
Gain realized on disposal of equity investments at fair value through other comprehensive income	-	-	-	(11,475)	-	-	(11,475)	-	11,475	11,475	-	-	-	-
Surplus related to freehold land disposed of during the year	-	-	-	-	(30,115)	-	(30,115)	-	30,115	30,115	-	-	-	-
Profit for the year	-	-	-	-	-	-	-	-	56,392	56,392	56,392	56,392	(2,333)	54,059
Other comprehensive income for the year	-	-	-	50,054	-	1,096	51,150	-	4,245	4,245	55,395	55,395	75	55,470
Total comprehensive income for the year	-	-	-	50,054	-	1,096	51,150	-	60,637	60,637	111,787	111,787	(2,258)	109,529
Balance as at 30 June 2025	226,601	5,496	12,000	42,532	4,896,102	7,033	4,963,163	48,975	1,377,756	1,426,731	6,389,894	6,616,495	178,814	6,795,309

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

CHIEF EXECUTIVE OFFICER

DIRECTOR

CHIEF FINANCIAL OFFICER

CCML
Crescent Cotton Mills Ltd.

CRESCENT COTTON MILLS LIMITED AND ITS SUBSIDIARY COMPANY
CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2025

	NOTE	2025	2024
		(RUPEES IN THOUSAND)	
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash (used in) / generated from operations	38	**(7,013)**	102,279
Finance cost paid		**(97,095)**	(121,369)
Income tax paid		**(116,022)**	(64,239)
Workers' profit participation fund paid	10.4	**(7,389)**	(7,305)
Staff retirement gratuity paid		**(48,221)**	(22,682)
Decrease in long term deposits		**291**	-
Decrease in long term advances		**-**	124
Net cash used in operating activities		**(275,449)**	(113,192)
CASH FLOWS FROM INVESTING ACTIVITIES			
Capital expenditure on property, plant and equipment		**(6,521)**	(23,410)
Advance against purchase of investment property		**(3,100)**	(7,453)
Proceeds from sale of property, plant and equipment		**714**	8,300
Profit on PLS account and TDRs received		**17,919**	23,241
Dividends received		**950**	5,420
Proceeds from sale of non current assets held for sale		**550,205**	-
Proceeds against disposal of FVTOCI investments		**52,076**	-
FVTPL investments (acquired) / redeemed - net		**(517,690)**	8,386
Net cash from investing activities		**94,553**	14,484
CASH FLOWS FROM FINANCING ACTIVITIES			
Repayment of long term financing	38.2	**(39,573)**	(56,497)
Short term borrowings - net	38.2	**204,255**	137,682
Dividend paid	38.2	**(1,268)**	-
Net cash from financing activities		**163,414**	81,185
NET DECREASE IN CASH AND CASH EQUIVALENTS		**(17,482)**	(17,523)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR		**144,052**	161,575
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	26	**126,570**	144,052

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

CHIEF EXECUTIVE OFFICER

DIRECTOR

CHIEF FINANCIAL OFFICER

CRESCENT COTTON MILLS LIMITED AND ITS SUBSIDIARY COMPANY
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2025

1. THE GROUP AND ITS OPERATIONS

The Group consists of Crescent Cotton Mills Limited (the Holding Company) and its Subsidiary Company, Crescot Mills Limited.

Crescent Cotton Mills Limited

Crescent Cotton Mills Limited (CCML) is a public limited company incorporated in March 1959 in Pakistan under the Companies Act, 1913 (Now Companies Act, 2017) and is listed on Pakistan Stock Exchange Limited. The Company is engaged in the business of manufacturing and sale of yarn, home textile and hosiery items along with buying, selling and otherwise dealing in cloth and made-ups. The Company's registered office is situated at New Lahore Road, Nishatabad, Faisalabad, Punjab.

1.1 Geographical location and addresses of all business units of the Company except for the registered office as mentioned above are as follows:

Manufacturing Unit and Offices	Address
Spinning Unit No. 1 and 2, Hosiery	Chak No. 44 R.B., Kotla Kahlawan, Tehsil Shahkot, District Nankana Sahib, Punjab
Liaison Office	408-Business Avenue, Shahrah-e-Faisal, Karachi, Sindh
Liaison Office	88-A, Broadway Commercial, Near Estate Building, D.H.A Phase 8, Lahore.

Crescot Mills Limited

Crescot Mills Limited (CML) is a public limited company incorporated in Pakistan under the Companies Act, 1913 (Now Companies Act, 2017). It is a subsidiary of CCML due to 66.15% equity holding. The registered office of CML is situated at Office No. 408, Plot No. 26-A, Block No. 6, P.E.C.H.S. Shahrah-e-Faisal, Karachi, Sindh. However its books of account are being maintained at the registered office of CCML at New Lahore Road, Nishatabad, Faisalabad, Punjab. CML is engaged in the business of trading of raw materials of textiles.

2. MATERIAL ACCOUNTING POLICY INFORMATION

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

2.1 Basis of preparation

a) Statement of compliance

These consolidated 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:

- International Financial Reporting Standards (IFRSs) issued by the International Accounting Standards Board (IASB), 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 from the IFRSs, the provisions of and directives issued under the Companies Act, 2017 have been followed.

b) Accounting convention

These consolidated 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 consolidated financial statements in conformity with the approved accounting and reporting standards as applicable in Pakistan requires the use of certain critical accounting estimates. It also requires the management to exercise its judgment in the process of applying the 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 consolidated 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 and investment properties are based on valuation performed by external professional valuer and recommendation of technical teams of the Group. The said recommendations also include estimates with respect to residual values and depreciable lives. Further, the Group reviews the value of the assets for possible impairment on an annual basis. Any change in the estimates in future might affect the carrying amounts of the respective items of property, plant and equipment and investment properties with a corresponding effect on the depreciation charge and impairment.

Inventories

Net realizable value of inventories is determined with reference to currently prevailing selling prices less estimated expenditure to make sales.

Income Tax and levy

In making the estimates for income tax and levy currently payable by the Group, the management takes into account the current income tax law and the decisions of appellate authorities on certain issues in the past. Instances where the Groups view differs from the view taken by the income tax department at the assessment stage and where the Group considers that its view on items of material nature is in accordance with law, the amounts are shown as contingent liabilities.

Recovery of deferred tax assets

Deferred tax assets are recognized for deductible temporary differences only if the Group considers it is probable that future taxable amounts will be available to utilize those temporary differences and losses.

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 consolidated statement of profit or loss unless the provision was originally recognized as part of cost of an asset.

Contingencies

The Group reviews the status of all pending litigations and claims against the Group. 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 of financial position date.

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, based on the Group's experience of actual credit loss in past years.

Impairment of investments in equity accounted investees

The Group determines that a significant and prolonged decline in the fair value of its investments in equity accounted investees below their cost is an objective evidence of impairment. The impairment loss is recognized when the carrying amount exceeds the higher of fair value less cost to sell and value in use.

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 Group 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 benefit

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 standards that are effective in current year and are relevant to the Group

Following amendments to published approved accounting standards are mandatory for the Group's accounting periods beginning on or after 01 July 2024:

• Amendments to IAS 1 'Presentation of Financial Statements' – Classification of liabilities as current or non-current;

• Amendments to IAS 1 'Presentation of Financial Statements' – Non-current liabilities with covenants;

• Amendments to IFRS 16 'Leases' – Lease liability in a sale and leaseback transaction; and
• Amendments to IAS 7 'Statement of Cash Flows' and IFRS 7 'Financial Instruments: Disclosures' – Supplier finance arrangements.

The above-mentioned amendments and improvements to approved accounting standards 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 Group

There are amendments to published standards that are mandatory for accounting periods beginning on or after 01 July 2024 but are considered not to be relevant or do not have any significant impact on the Group's financial statements and are therefore not detailed in these consolidated financial statements.

f) Standard and amendments to published approved accounting standards that are not yet effective but relevant to the Group

Following standard and amendments to existing standards have been published and are mandatory for the Group's accounting periods beginning on or after 01 July 2025 or later periods:

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 providing resources to the entity.

As per the current scenario, the Group will fall in Phase-II 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 Group is for annual reporting periods beginning on or after 01 July 2026.

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 Group, as result of the IASB's annual improvements project:

- IFRS 7 Financial Instruments: Disclosures;
- IFRS 9 Financial Instruments;
- IFRS 10 Consolidated Financial Statements; and
- IAS 7 Statement of Cash flows.

Amendments to IFRS 10 'Consolidated Financial Statements' and IAS 28 'Investments in Associates and Joint Ventures' (deferred indefinitely) to clarify the treatment of the sale or contribution of assets from an investor to its associates or joint venture, as follows: require full recognition in the investor's financial statements of gains and losses arising on the sale or contribution of assets that constitute a business (as defined in IFRS 3 'Business Combinations'); require the partial recognition of gains and losses where the assets do not constitute a business, i.e. a gain or loss is recognized only to the extent of the unrelated investors' interests in that associate or joint venture. These requirements apply regardless of the legal form of the transaction, e.g. whether the sale or contribution of assets occur by an investor transferring shares in a subsidiary that holds the assets (resulting in loss of control of the subsidiary), or by the direct sale of the assets themselves.

Classification and Measurements of Financial Instruments (Amendments to IFRS 7 'Financial Instruments: Disclosures' and IFRS 9 'Financial Instruments') effective for annual periods beginning on or after 01 January 2026. These amendments address matters identified during the past - implementation review of the classification and measurement requirements of IFRS 9.

Lack of Exchangeability (Amendments to IAS 21 'The Effects of Changes in Foreign Exchange Rates'). The amendments contain guidance to specify when a currency is exchangeable and how to determine the exchange rate when it is not. The amendments are effective for annual reporting periods beginning on or after 01 January 2025.

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 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'.

The above standard and amendments are likely to have no significant impact on the consolidated financial statements.

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

There are other standards and amendments to published approved 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 Group's financial statements and are therefore not detailed in these consolidated financial statements.

2.2 Basis of Consolidation

a) Subsidiary Company

Subsidiary is the company over which the Group has control. The Group controls a company when the Group is exposed to, or has rights to variable returns from its involvement with the company and has the ability to affect those returns through its power to direct the activities of the company. Subsidiary is fully consolidated from the date on which the control is transferred to the Group. These are deconsolidated from the date the control ceases.

The assets and liabilities of the Subsidiary Company has been consolidated on a line-by-line basis and the carrying value of the investment held by the Holding Company is eliminated against the Holding Company's share in paid up capital of the Subsidiary Company.

Non-controlling interest is that part of net results of operations and of net assets of the Subsidiary Company which is not owned by the Holding Company. Non-controlling interest is presented as a separate item in the consolidated financial statements.
Intra-group balances and transactions are eliminated.

b) Associates

Associates are all entities over which the Group has significant influence but not control or joint control. Investments in associates are accounted for using the equity method of accounting, after initially being recognized at cost.

Under the equity method of accounting, the investments are initially recognized at cost and adjusted thereafter to recognize the Group's share of the post-acquisition profits or losses of the investee in profit or loss, and the Group's share of movements in other comprehensive income of the investee in other comprehensive income. Dividends received or receivable from associates are recognized as a reduction in the carrying amount of the investment.

When the Group's share of losses in an equity-accounted investment equals or exceeds its interest in the entity, including any other unsecured long-term receivables, the Group does not recognize further losses, unless it has incurred obligations or made payments on behalf of the other entity.

Unrealized gains on transactions between the Group and its associates are eliminated to the extent of the Group's interest in these entities. Unrealized losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of equity accounted investees have been changed where necessary to ensure consistency with the policies adopted by the Group.

Investments in equity accounted investees are tested for impairment in accordance with the provisions of IAS 36 `Impairment of Assets`.

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

Items included in the consolidated financial statements of the Group are measured using the currency of the primary economic environment in which the Group operates (the functional currency). These consolidated financial statements are presented in Pak Rupees, which is the Group'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 consolidated statement of profit or loss.

2.4 Staff retirement gratuity

The Group 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 Group. The Group obligation under the scheme is determined through actuarial valuation using the Projected Unit Credit 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 consolidated 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.

Remeasurement changes which comprise actuarial gains and losses are recognized immediately in other comprehensive income.

2.5 Dividend and other appropriations

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

2.6 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 the statement of profit or loss. Tax (final tax) deducted by subsidiaries or associates on distribution of dividend to the Group is charged as current tax in the 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 recognized for using the liability method on all temporary differences arising from differences between the carrying amount of assets and liabilities in the consolidated 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 recognized for using the liability method on all temporary differences arising from differences between the carrying amount of assets and liabilities in the consolidated 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.

2.7 Property, plant, equipment and depreciation

Operating fixed assets

Operating fixed assets are stated at cost less accumulated depreciation and any identified impairment loss, except freehold land which is stated at revalued amount less any identified impairment loss. Capital work-in-progress is stated at cost less identified impairment loss, if any. All expenditure connected with specific assets incurred during installation and construction period are carried under capital work-in-progress. These are transferred to operating fixed assets as and when these are available for use. Cost of operating fixed assets consists of historical cost, borrowing cost pertaining to the erection / construction period of qualifying assets and other directly attributable costs of bringing the assets to working condition.

Increases in the carrying amounts arising on revaluation of freehold land are recognized 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.

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

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 Group and the cost of the item can be measured reliably. All other repair and maintenance costs are charged to consolidated statement of profit or loss during the period in which these are incurred.

b) Depreciation

Depreciation on property, plant and equipment is charged to consolidated 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 14.1. The Group charges the depreciation on additions from the date when the asset is available for use and on deletions upto the date 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 consolidated statement of profit or loss in the year the asset is de-recognized.

2.8 Investment properties

Land and buildings held to earn rental income or for capital appreciation are classified as investment properties. Investment properties are carried at fair value which is based on active market prices, adjusted, if necessary, for any difference in the nature, location or condition of the specific asset. The valuation of the properties is carried out with sufficient regularity.

Gain or loss arising from a change in the fair value of investment properties is recognized in the consolidated statement of profit or loss for the year in which it arises.

2.9 Financial Instruments

i) Classification and measurement of financial instruments

Investments and other financial assets

a) Classification

The Group classifies its financial assets in the following measurement categories:

• those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss); and
• those to be measured at amortized cost

The classification depends on the Group's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments, this will depend on whether the Group has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income. The Group reclassifies debt instruments when and only when its business model for managing those assets changes.

b) Measurement

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

Financial assets with embedded derivatives are considered in their entirety when determining whether the cash flows are solely payment of principal and interest.

Debt instruments

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the cash flow characteristics of the asset. The Group classifies its debt instruments into following measurement category:

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. Any gain or loss arising on de-recognition is recognized directly in profit or loss and presented in other income / (other expenses) together with foreign exchange gains and losses.

Equity instruments

The Group subsequently measures all equity investments at fair value for financial instruments quoted in an active market, the fair value corresponds to a market price (level 1). For financial instruments that are not quoted in an active market, the fair value is determined using valuation techniques including reference to recent arm's length market transactions or transactions involving financial instruments which are substantially the same (level 2), or discounted cash flow analysis including, to the greatest possible extent, assumptions consistent with observable market data (level 3). The Group classifies its equity instruments into following measurement categories:

Fair Value Through Other Comprehensive Income (FVTOCI)

Where the Group's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss. Impairment losses (and reversal of impairment losses) on equity investments measured at FVTOCI are not reported separately from other changes in fair value. Dividends from such investments are recognized in profit or loss as other income when the Group's right to receive payments is established.

Fair Value Through Profit or Loss (FVTPL)

Changes in the fair value of equity investments at fair value through profit or loss are recognized in other income / (other expenses) in the consolidated statement of profit or loss as applicable.

Dividends from such investments are recognized in profit or loss as other income when the Group's right to receive payments is established.

Financial liabilities

Classification and measurement

Financial liabilities are classified as measured at amortized cost. These are subsequently measured at amortized cost using the effective interest method. Interest expenses and foreign exchange gains and losses are recognized in the consolidated statement of profit or loss. Any gain or loss on de-recognition is also included in profit or loss.

ii) Impairment of financial assets

The Group recognizes loss allowances for Expected Credit Losses (ECLs) on financial assets measured at amortized cost. The Group measures loss allowances at an amount equal to lifetime ECLs, except for the following, which are measured at 12-month ECLs:

- bank balances for which credit risk (i.e. 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 Group 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 Group's historical experience and informed credit assessment and including forward-looking information.

The Group 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-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).

Loss allowances 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 Group has no reasonable expectations of recovering of a financial asset in its entirety or a portion thereof. The Group 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 Group 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 Group's procedures for recovery of amounts due.

At each reporting date, the Group assesses whether financial assets carried at amortized cost 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 Group on terms that the Group would not consider otherwise;

- it is probable that the debtor will enter bankruptcy or other financial reorganization; or

- the disappearance of an active market for a security because of financial difficulties.

iii) De-recognition of financial assets and financial liabilities

a) Financial assets

The Group 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 Group is recognized as a separate asset or liability.

b) Financial liabilities

The Group 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 assets and liabilities

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

2.10 Inventories

Inventories, except for stock in transit and waste stock, are stated at 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. Items in transit 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 basis
(ii) For work-in-process and finished goods	Average material cost, proportionate direct labour and factory overheads

Stock in transit is 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 the estimated costs of completion and the estimated costs necessary to make a sale.

2.11 Cash and cash equivalents

Cash and cash equivalents comprise cash in hand, cash at banks on current, saving and deposit 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.

2.12 Non-current assets held for sale

Non-current assets are classified as assets held for sale when their carrying amount is to be recovered principally through a sale transaction and the sale is considered highly probable. These are stated at the lower of carrying amount and fair value less cost to sell.

2.13 Revenue recognition

i) Revenue from contracts with customers

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.

Rendering of Services

The Group provides textile related services to local customers. These services are sold separately and the Group's contract with the customers for services constitute a single performance obligation. Revenue from services is recognized at the point in time, generally at the time of dispatch. There are no terms giving rise to variable consideration under the Group's contracts with customers.

ii) Contract assets

Contract assets arise when the Group 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.

iii) 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.

iv) Contract liabilities

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

v) Other income recognition

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.

Rent

Rent revenue from investment properties is recognized on a straight line basis over the lease term. Contingent rentals are recognized as income in the period when earned.

Dividend

Dividend on equity investments is recognized when right to receive the dividend is established.

Other revenue

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

2.14 Borrowings

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

2.15 Trade debts and other receivables

Trade debts are initially stated 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.

2.16 Share capital

Ordinary shares are classified as share capital. Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction, net of tax.

2.17 Trade and other payables

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

2.18 Borrowing cost

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

2.19 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 consolidated statement of financial position 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 costs 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 consolidated statement of profit or loss.

2.20 Provisions

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

The Group had two reportable business segments: Textiles and Trading. However, the Group has decided to eliminate Trading segment due to reducing the trading activities and therefore, the minimum threshold as defined in IFRS 8 'Operating Segments' cannot be met anymore.

2.21 Earnings per share

Earnings per share is calculated by dividing the profit or loss attributable to ordinary shareholders of the Holding Company by the weighted average number of ordinary shares outstanding during the year.

2.22 Contingent assets

Contingent assets are disclosed when the Group 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 Group. Contingent assets are not recognized until their realization becomes certain.

2.23 Contingent liabilities

Contingent liability is disclosed when the Group 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 Group. Contingent liabilities are not recognized, only disclosed, unless the possibility of a future outflow of resources is considered remote. In the event that the outflow of resources associated with a contingent liability is assessed as probable, and if the size of the outflow can be reliably estimated, a provision is recognized in the consolidated financial statements.

3. ISSUED, SUBSCRIBED AND PAID UP SHARE CAPITAL

2025	2024		2025	2024
(NUMBER OF SHARES)			(RUPEES IN THOUSAND)	
5 509 767	5 509 767	Ordinary shares of Rupees 10 each fully paid up in cash	**55,098**	55,098
16 992 345	16 992 345	Ordinary shares of Rupees 10 each issued as fully paid up bonus shares	**169,923**	169,923
158 014	158 014	Ordinary shares of Rupees 10 each fully paid up, issued to a financial institution against its right of option for conversion of debentures pursuant to a loan agreement	**1,580**	1,580
22 660 126	22 660 126		**226,601**	226,601

3.1 Ordinary shares of the Holding Company held by the associated companies:

	2025	2024
	(NUMBER OF SHARES)	
Premier Insurance Limited	**212 000**	212 000

4. PREMIUM ON ISSUE OF SHARES RESERVE

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

5. FAIR VALUE RESERVE

This represents the unrealized gain on remeasurement of investments at fair value through other comprehensive income and is not available for distribution. Reconciliation of fair value reserve - net of deferred income tax is as under:

	2025	2024
	(RUPEES IN THOUSAND)	
Balance as on 01 July	**3,953**	(4,779)
Add: Fair value adjustment during the year	**50,054**	8,732
Less: Gain realized on disposal of equity investments	**11,475**	-
Balance as on 30 June	**42,532**	3,953

6. SURPLUS ON REVALUATION OF FREEHOLD LAND AND INVESTMENT PROPERTIES

Freehold land (Note 6.1)	**4,782,963**	4,813,078
Investment properties	**113,139**	113,139
	4,896,102	4,926,217

6.1 Surplus on revaluation of freehold land

Balance as on 01 July	**4,813,078**	4,813,078
Less: Surplus related to freehold land disposed of during the year	**(30,115)**	-
Balance as on 30 June	**4,782,963**	4,813,078

6.1.1 This represents surplus resulting from revaluation of freehold land carried out on 19 June 2023 by independent valuer Messrs Evaluation Focused Consulting. The valuation was determined with respect to the present market value of similar properties. Previously revaluation was carried out in June 2022, June 2019, June 2016, June 2015 and March 2010 by independent valuers.

7. REVENUE RESERVES

General	**48,975**	48,975
Unappropriated profit	**1,377,756**	1,275,529
	1,426,731	1,324,504

8. LONG TERM FINANCING

From banking company - secured

Long Term loans (Note 8.1)	**19,191**	31,417
Less: Current portion shown under current liabilities	**11,373**	11,373
	7,818	20,044

8.1 These are different loans received from National Bank of Pakistan. These carry markup at the rate of 6% per annum and is paid on quarterly basis. These are repayable in twenty seven to twenty eight equal quarterly installments starting from 30 June 2020 and ending on 21 April 2027. These loans are secured against first charge of Rupees 107 million over entire fixed assets of the Holding Company at Spinning Unit No. 1 and 2 and personal guarantee of Chief Executive Officer, Director and Executive of the Holding Company.

9. STAFF RETIREMENT BENEFIT

The latest actuarial valuation of the staff retirement gratuity was conducted on 30 June 2025 using Projected Unit Credit Actuarial Cost Method.

		2025	2024
		(RUPEES IN THOUSAND)	
9.1	**Reconciliation of the movements in the net liability recognized in the consolidated statement of financial position**		
	Balance as on 01 July	**141,507**	100,726
	Add:		
	Provision for the year (Note 9.3)	**50,554**	42,898
	Experience adjustment recognized in other comprehensive income	**(6,084)**	23,692
		185,977	167,316
	Less:		
	Paid during the year	**45,094**	22,682
	Liability classified as non-current liability directly associated with assets held for sale (Note 27.3)	**-**	3,127
		45,094	25,809
	Balance as on 30 June	**140,883**	141,507
9.2	**Movements in the present value of staff retirement gratuity**		
	Balance as on 01 July	**141,507**	100,726
	Current service cost	**31,552**	27,001
	Interest expense	**19,002**	15,897
	Payments made during the year	**(45,094)**	(22,682)
	Experience adjustment recognized in other comprehensive income	**(6,084)**	23,692
	Liability classified as non-current liability directly associated with assets held for sale	**-**	(3,127)
	Balance as on 30 June	**140,883**	141,507

		2025	2024
		(RUPEES IN THOUSAND)	
9.3	**Provision for the year**		
	Current service cost	**31,552**	27,001
	Interest expense	**19,002**	15,897
		50,554	42,898
	Charge for the year has been allocated as follows:		
	Cost of sales (Note 29.1)	**25,605**	25,805
	Administrative expenses (Note 31.1)	**24,949**	15,971
	Discontinued operations	**-**	1,122
		50,554	42,898

9.4 Significant actuarial assumptions used

	2025	2024
Discount rate to determine defined benefit cost (per annum)	**14.00% - 14.75%**	15.75% - 16.25%
Expected rate of increase in salary to determine defined benefit cost (per annum)	**13.00% - 13.75%**	14.75% - 15.25%
Discount rate to determine defined benefit obligation (per annum)	**11.75% - 12.50%**	14.00% - 14.75%
Expected rate of increase in salary to determine defined benefit obligation (per annum)	**10.75% - 11.50%**	13.00% - 13.75%
Average duration of the benefit (years)	**5-10**	6-10
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

9.5 The estimated expenses to be charged to the consolidated statement of profit or loss for the year ending on 30 June 2026 is Rupees 47.047 million.

9.6 Sensitivity analysis for actuarial assumptions:

The sensitivity of the staff retirement gratuity as at reporting date to changes in the weighted principal assumption is:

	2025	2024
Discount rate	**1.00%**	1.00%
Increase in assumption (Rupees in thousand)	**(7,050)**	(7,799)
Decrease in assumption (Rupees in thousand)	**8,749**	9,624
Future salary increase	**1.00%**	1.00%
Increase in assumption (Rupees in thousand)	**8,880**	9,784
Decrease in assumption (Rupees in thousand)	**(7,335)**	(8,121)

The sensitivity analysis is based on a change in an assumption while holding all other assumptions constant. When calculating the sensitivity of the defined benefit plan to significant actuarial assumptions, the same method (present value of the defined benefit plan calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the gratuity liability recognized within the consolidated statement of financial position.

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the previous year except for certain changes as given in Note 9.4.

9.7 Risks associated with defined benefit plan

Discount rate risk

The risk of changes in discount rate may have an impact on the actuarial liability. Any increase in discount rate will reduce the liability and vice versa.

Salary increase / inflation risk

The increase in salary in future years being higher than assumed will increase the liability.

Mortality risk

Any increase in the mortality rates being assumed will increase the liability.

Withdraw risk

Any difference in the assumed withdrawal rates will have a corresponding impact on the liability depending on the benefits payable on withdrawal.

10. TRADE AND OTHER PAYABLES

	2025	**2024**
	(RUPEES IN THOUSAND)	
Creditors (Note 10.1)	**408,433**	444,832
Gas Infrastructure Development Cess (GIDC) payable (Note 10.2)	**59,017**	59,017
Accrued liabilities and other payables (Notes 10.3)	**290,015**	411,108
Contract liabilities - unsecured	**312,458**	240,276
Income tax deducted at source	**12,981**	16,051
Sales tax payable	**53,868**	21,300
Workers' profit participation fund (Note 10.4)	**7,077**	6,868
Workers' welfare fund (Note 10.5)	**19,663**	16,991
	1,163,512	1,216,443

10.1 These include Rupees Nil (2024: Rupees 0.549 million) due to Bridgeline Global Logistics (Private) Limited, an associated company. The balance is in ordinary course of business and interest free.

10.2 This represents Gas Infrastructure Development Cess (GIDC) which was levied through GIDC Act, 2015. On 13 August 2020, Supreme Court of Pakistan upheld the GIDC Act, 2015 to be constitutional and intra vires. The Holding Company along with other industrial gas consumers has obtained interim relief from Lahore High Court, Lahore against the charge of GIDC at the rate of captive power consumer instead of industrial consumer.

10.2.1 This amount is exclusive of GIDC amounting to Rupees 70.869 million, related to Spinning Unit No. 3 of the Holding Company which was sold during the year ended 30 June 2021 and as per the agreement, its liabilities were taken over by the new owner of the property. However, the provision of this amount has been included in 'trade and other payables' which will be written back after the confirmation of Sui Northern Gas Pipelines Limited (SNGPL) regarding transfer of liability of GIDC.

		2025	2024
		(RUPEES IN THOUSAND)	
10.3	These include amounts due to following related parties:		
	Premier Insurance Limited - associated company	**-**	**2,720**

10.4 Workers' profit participation fund

	2025	2024
Balance as on 01 July	**6,868**	6,613
Add:		
Provision for the year (Note 32)	**6,743**	6,866
Interest for the year (Note 34)	**855**	694
	14,466	14,173
Less: Payments made during the year	**7,389**	7,305
Balance as on 30 June	**7,077**	6,868

10.4.1 Interest is accrued at prescribed rate under the Companies Profits (Workers Participation) Act, 1968 on funds utilized by the Company till the date of allocation to workers.

10.5 Workers' welfare fund

	2025	2024
Balance as on 01 July	**16,991**	14,109
Provision for the year (Note 32)	**2,672**	2,882
Balance as on 30 June	**19,663**	16,991

	2025	2024
	(RUPEES IN THOUSAND)	
11. ACCRUED MARK-UP		
Long term financing	**310**	2,369
Short term borrowings	**12,620**	22,022
	12,930	24,391

12. SHORT TERM BORROWINGS		
Holding Company		
From banking company - secured:		
Cash finances (Note 12.1)	**575,083**	387,889
Others - unsecured:	**327,459**	310,398
Other related parties (Note 12.3)	**902,542**	698,287

12.1 These form part of total credit facility of Rupees 850 million (2024: Rupees 950 million) and carries mark-up at the rates of 1 month KIBOR plus 2.5 percent and 3 month KIBOR plus 1.5 percent (2024: 1 month KIBOR plus 2.5 percent) per annum. These are secured against charge, pledge, lien and hypothecation over fixed and current assets of the Holding Company and personal guarantee of Chief Executive Officer, Director and certain executives. The rate of mark-up ranges from 13.82 percent to 25.00 percent (2024: 24.02 percent to 25.27 percent) per annum during the year on the balances outstanding.

12.2 The main facilities of letters of credits and guarantees aggregate to Rupees 350 million (2024: Rupees 350 million). The amounts utilized at 30 June 2025 were Rupees 284.844 million (2024: Rupees 243.397 million). Securities of these facilities are the same as mentioned in Note 12.1.

12.3 These represent interest free loans obtained from Chief Executive Officer, Directors and certain executives of the Holding Company to meet the Group's working capital requirements. These are repayable on demand.

14. CONTINGENCIES AND COMMITMENTS

a) Contingencies

Holding Company

i) Certain additions have been made by the assessing officers in tax years 2006 and 2010 on various grounds and have created demand of Rupees 3.700 million. The Holding Company, being aggrieved, has filed appeals with Lahore High Court, Lahore, which are still pending. Dates of the institution of above mentioned appeals were 05 September 2016 and 29 November 2014 respectively. No provision has been made in these consolidated financial statements against the aforesaid demand as the management is hopeful for positive outcome of the appeals filed by the Holding Company.

ii) Crescent Fibres Limited (CFL) filed civil petition for the recovery of Rupees 23.000 million along with mark-up in Lahore High Court, Lahore, after rejection of its application in Civil Court, Lahore. Lahore High Court, Lahore stayed the proceedings before Civil Court, Lahore on the same date. No provision against this receivable has been made in these consolidated financial statements as the management is hopeful that the case will be decided in favour of the Holding Company and all the outstanding dues will be recovered.

Iii) Commissioner Inland Revenue filed a sales tax reference No. 56623 dated 11 September 2023 in Lahore High Court, Lahore against the Holding Company for an amount of Rupees 6.700 million. However, no provision is created due to possible favourable outcome of the reference for the Holding Company.

iv) The Holding Company filed writ petition in Honorable Lahore high Court, Lahore on 11 September 2025, subsequent to reporting date, against the imposition of gas levy amounting to Rupees 5.917 million on the captive power plants under the Off the Grid (Captive Power Plants) Levy Ordinance, 2025. The Holding Company has also given a post-dated cheque of Rupees 5.917 million against this amount to SNGPL. Keeping in view of the opinion of the legal counsel of the Holding Company, the related provision is not made in these consolidated financial statements as there are strong grounds of favorable outcome of the petition.

v) Guarantees of Rupees 106.888 million (2024: Rupees 94.433 million) are given by the banks of the Holding Company to Sui Northern Gas Pipelines Limited (SNGPL) and Lahore Electric Supply Company Limited against gas and electricity connections respectively

vi) Holding Company's share in contingencies of associates accounted for under equity method is Rupees 2.883 million (2024: Rupees 2.622 million).

Subsidiary Company

vii) Sindh High Court, Karachi made decision on 04 June 2021 about the levy of Sindh Infrastructure Cess, against which the Subsidiary Company was contingently liable for Rupees 7.550 million although guarantees were submitted by the Subsidiary Company's Bank for the same amount. Against the decision, the Company lodged a constitution petition No. 11267 / 2021 dated 21 October 2021, in Supreme Court of Pakistan (SCP). Thereafter, on 10 November 2021, SCP allowed the petition, suspended the judgement of Sindh High Court, Karachi and leave to appeal was granted. However, the case is not yet fixed for hearing by SCP. On advice of legal counsel, in view of possible favorable outcome, no provision is accounted for in these consolidated financial statements.

b) Commitments

i) Letters of credit for capital expenditure of the Group are of Rupees Nil (2024: Rupees Nil).

ii) Letters of credit other than for capital expenditure of the Group are of Rupees 268.217 million (2024: Rupees 194.854 million).

iii) Commitments arising from short term lease to be recognised on a straight line basis as expense under the practical expedient applied by the Group with respect to IFRS 16 are of Rupees 2.550 million (2024: Rupees 2.240 million) which are to be paid within one year (2024: within one year).

14. PROPERTY, PLANT AND EQUIPMENT

	2025	2024
	(RUPEES IN THOUSAND)	
Operating fixed assets (Note 14.1)	**5,080,744**	608,765
Capital work-in-progress (Note 14.2)	**2,608**	-
	5,083,352	608,765

CCML Crescent Cotton Mills Ltd.

14.1 Operating fixed assets

	Land - Freehold	Buildings and roads	Plant and machinery	Stand-by equipment	Electric installations	Tools and equipment	Furniture and fixtures	Vehicles	Office equipment	Service equipment	Total
	(RUPEES IN THOUSAND)										
At 30 June 2023											
Cost / revalued amount	4,906,287	256,084	1,037,617	252,718	68,919	19,657	14,987	49,796	13,412	1,105	6,620,582
Accumulated depreciation	-	(167,490)	(597,444)	(115,422)	(39,071)	(14,729)	(10,634)	(15,030)	(13,147)	(1,078)	(974,045)
Net book value	4,906,287	88,594	440,173	137,296	29,848	4,928	4,353	34,766	265	27	5,646,537
Year ended 30 June 2024											
Opening net book value	4,906,287	88,594	440,173	137,296	29,848	4,928	4,353	34,766	265	27	5,646,537
Additions	-	-	-	22,897	-	-	206	160	147	-	23,410
Classified as non-current assets held for sale:											
Cost / revalued amount	(4,619,927)	(157,784)	(400,194)	(68,940)	(36,899)	(6,457)	(1,420)	(3,111)	(1,836)	(47)	(5,296,615)
Accumulated depreciation	-	84,758	188,705	17,330	18,144	2,890	677	1,562	1,814	45	315,925
	(4,619,927)	(73,026)	(211,489)	(51,610)	(18,755)	(3,567)	(743)	(1,549)	(22)	(2)	(4,980,690)
Disposals:											
Cost	-	-	-	(30,321)	-	-	-	-	-	-	(30,321)
Accumulated depreciation	-	-	-	25,312	-	-	-	-	-	-	25,312
	-	-	-	(5,009)	-	-	-	-	-	-	(5,009)
Depreciation charge	-	(8,016)	(42,326)	(14,295)	(2,827)	(464)	(429)	(6,932)	(187)	(7)	(75,483)
Closing net book value	286,360	7,552	186,358	89,279	8,266	897	3,387	26,445	203	18	608,765
At 30 June 2024											
Cost / revalued amount	286,360	98,300	637,423	176,354	32,020	13,200	13,773	46,845	11,723	1,058	1,317,056
Accumulated depreciation	-	(90,748)	(451,065)	(87,075)	(23,754)	(12,303)	(10,386)	(20,400)	(11,520)	(1,040)	(708,291)
Net book value	286,360	7,552	186,358	89,279	8,266	897	3,387	26,445	203	18	608,765
Year ended 30 June 2025											
Opening net book value	286,360	7,552	186,358	89,279	8,266	897	3,387	26,445	203	18	608,765
Additions	-	-	-	1,467	-	-	157	2,289	-	-	3,913
Transferred from non-current assets held for sale (Note 27.1 and Note 27.2)	4,501,907	893	-	-	-	-	-	1,083	-	-	4,503,883
Disposals:											
Cost	-	-	-	-	-	-	-	(1,963)	-	-	(1,963)
Accumulated depreciation	-	-	-	-	-	-	-	1,524	-	-	1,524
	-	-	-	-	-	-	-	(439)	-	-	(439)
Depreciation charge for the year	-	(601)	(18,714)	(8,991)	(827)	(90)	(352)	(5,697)	(102)	(4)	(35,378)
Closing net book value	4,788,267	7,844	167,644	80,288	7,439	807	3,035	21,392	101	14	5,076,831
At 30 June 2025											
Cost / revalued amount	4,788,267	99,193	637,423	177,821	32,020	13,200	13,930	48,254	11,723	1,058	5,822,889
Accumulated depreciation	-	(91,349)	(469,779)	(96,066)	(24,581)	(12,393)	(10,738)	(24,573)	(11,622)	(1,044)	(742,145)
Net book value	4,788,267	7,844	167,644	81,755	7,439	807	3,192	23,681	101	14	5,080,744
Annual rate of depreciation (%)	-	5, 10	10, 15	10, 20	10	10, 12	10	20	50	10, 25, 50	

14.1.1 The book value of freehold land on cost basis is Rupees 5.304 million (2024: Rupees 3.972 million).

14.1.2 Forced sale value of freehold land as per last revaluation was Rupees 4,070.027 million.

14.1.3 All items of operating fixed assets disposed of during the year had total net book value of less than Rupees 5 million.

14.1.4 Depreciation charge for the year has been allocated as follows:

	2025	2024
	(RUPEES IN THOUSAND)	
Cost of sales (Note 29)	**29,012**	31,274
Administrative expenses (Note 31)	**6,366**	7,346
Discontinued Operations	**-**	36,863
	35,378	75,483

14.1.5 Particulars of immovable properties (i.e. land and buildings) are as follows:

Particulars	Location	Area of land	Covered Area of building
		Acers	Sq.ft.
Head Office	New Lahore Road, Nishatabad, Faisalabad, Punjab	86.58	80 214
Manufacturing facility of Spinning and Hosiery	Chak No. 44 R.B., Kotla Kahlawan, Tehsil Shahkot, District Nankana Sahib,	44.74	381 863

14.2 Capital work-in-progress

	Buildings and roads
	(RUPEES IN THOUSAND)
Balance as at 30 June 2024	-
Additions	2,608
Balance as at 30 June 2025	2,608

15. INVESTMENT PROPERTIES

	2025	2024
	(RUPEES IN THOUSAND)	
Freehold land and buildings (Note 15.1)	**569,887**	253,000
Advance against purchase of investment property (Note 15.2)	**115,381**	112,281
	685,268	365,281

15.1 Freehold land and buildings

	2025	2024
Balance as on 01 July	**253,000**	545,263
Less: Classified as non-current assets held for sale (Note 27.1)	**-**	(292,263)
Add: Transferred from non-current assets held for sale (Note 27.1)	**292,263**	-
Add: Fair value gain during the year (Note 33)	**24,624**	-
Balance as on 30 June	**569,887**	253,000

15.1.1 The fair value of investment property of Subsidiary Company comprising freehold land of 46 Kanals at Moaza Hadiyara, Tehsil Lahore Cantt, District Lahore, Punjab and Holding Company comprising freehold land and buildings thereon at Nishatabad, Faisalabad has been determined on 29 June 2024 by Messrs Sadruddin Associates (Private) Limited and on 30 June 2025 by Messrs Empire Enterprises (Private) Limited by independent valuers. Forced sale value of investment properties as on the reporting date is Rupees 471.218 million.

15.2 Advance against purchase of investment property

Previously as per the resolution by circulation of the Subsidiary Company's Board of Directors on 14 January 2022, it was decided to invest in 66 666 shares of a company, Paymentsfusion (Private) Limited (PPL) for undertaking a country club / farm house project. Full amount against these shares of Rupees 80 million was paid to PPL. However, due to delay in the issuance of shares, the Subsidiary Company in consent with PPL decided to acquire 33% of the land already purchased by PPL at Deh Bhanero, Tapo Babra, Tehsil Mirpur Sakro, District Thatta, Sindh. Out of total area, the share of the Subsidiary Company is almost 40 Acres. Sale deed has been signed between the Subsidiary Company and PPL on 05 May 2023 and Rupees 35.381 million have been further transferred to PPL uptill 30 June 2025. However the transaction is yet to be finalized and will be completed in the next financial year.

15.3 Particulars of investment properties of Holding Company (i.e. land and buildings) are as follows:

Particulars	Location	Area of land	Covered Area of Building
		Acers	Sq. Ft.
Land and buildings	New Lahore Road, Nishatabad, Faisalabad, Punjab	4.38	184 128

16. INVESTMENTS IN EQUITY ACCOUNTED ASSOCIATES

16.1 Reconciliation of investments in associates under equity method:

	Jubilee Spinning & Weaving Milsl Limited - quoted		Premier Insurance Limited - quoted		Total	
	2025	2024	2025	2024	2025	2024
			(RUPEES IN THOUSAND)			
Cost	-	427	**75**	75	**75**	502
Share of post acquisition reserves:						
As at 01 July	-	2,947	**477**	(75)	**477**	2,872
Share of profit / (loss) after income tax	-	608	**414**	48	**414**	656
Share of other comprehensive income	-	62	**1,096**	504	**1,096**	566
As at 30 June	-	670	**1,510**	552	**1,510**	1,222
	-	3,617	**1,987**	477	**1,987**	4,094
	-	4,044	**2,062**	552	**2,062**	4,596
Less: Investment disposed off during the year	-	(4,044)	-	-	-	(4,044)
	-	-	**2,062**	552	**2,062**	552

16.2 Summarized statement of financial position

	Jubilee Spinning & Weaving Milss Limited		Premier Insurance Limited	
	As at 30 June 2024	As at 30 June 2023	As at 31 December 2024	As at 31 December 2023
	(RUPEES IN THOUSAND)			
Current assets	-	144,755	**1,147,072**	1,060,433
Non-current assets	-	849,033	**1,858,598**	1,555,428
Total assets	-	993,788	**3,005,670**	2,615,861
Current liabilities	-	178,550	**1,788,947**	1,657,576
Non-current liabilities	-	12,947	**17,672**	10,889
Total liabilities	-	191,497	**1,806,619**	1,668,465
Net assets	-	802,291	**1,199,051**	947,396
Reconciliation to carrying amounts:				
Opening balance	-	723,381	**947,396**	855,413
Profit after income tax	-	71,614	**69,059**	7,938
Other comprehensive income	-	7,296	**182,596**	84,045
Closing balance	-	802,291	**1,199,051**	947,396
Group's share (%)	**Nil**	Nil	**0.60%**	0.60%
Carrying amount	-	-	**2,062**	552
Number of shares held	**Nil**	Nil	**303,384**	303,384

16.3 Summarized statement of comprehensive income

Revenue	-	5,338		314,859
Profit for the year	-	71,614		7,938
Other comprehensive income for the year	-	7,296		84,045
Total comprehensive income	-	78,910		91,983

16.4 All companies are associated companies due to common directorship.

16.5 Interests in equity accounted associates

Name of associated company	Country of incorporation	% of ownership interest		Measurement method	Quoted fair value		Carrying amount	
		2025	2024		2025	2024	2025	2024
					(RUPEES IN THOUSAND)			
Jubilee Spinning and Weaving Mills Limited (Note 16.5.1)	Pakistan	**0.00%**	0.00%	Equity method	**-**	-	**-**	-
Premier Insurance Limited (Note 16.5.2)	Pakistan	**0.60%**	0.60%	Equity method	**2,036**	1,790	**2,062**	552

16.5.1 Jubilee Spinning and Weaving Mills Limited is engaged in the business of manufacturing and selling of yarn, buying, selling and otherwise dealing in yarn and raw cotton. The Company also operates electric power generation facilities.

16.5.2 Premier Insurance Limited is engaged in general insurance business. The registered office of Premier Insurance Limited is situated at 5th Floor, State Life Building No. 2A, Wallace Road, Off. I.I. Chundrigar Road, Karachi.

	2025	2024
	(RUPEES IN THOUSAND)	
17. OTHER LONG TERM INVESTMENTS		
At fair value through other comprehensive income		
Holding Company		
Quoted		
Crescent Jute Products Limited Nil (2024: 201 933) ordinary shares of Rupees 10 each fully paid. Equity held Nil (2024: 0.85%)	**-**	-
Crescent Fibers Limited 71 820 (2024: 71 820) ordinary shares of Rupees 10 each fully paid. Equity held 0.58% (2024: 0.58%)	**615**	615
Security Papers Limited 522 (2024: 522) ordinary shares of Rupees 10 each fully paid.	**1**	1
Unquoted		
Crescent Modaraba Management Company Limited 119 480 (2024: 119 480) ordinary shares of Rupees 10 each fully paid. Equity held 6.52% (2024: 6.52%)	**285**	285
Crescent Bahuman Limited 1 043 988 (2024: 1 043 988) ordinary shares of Rupees 10 each fully paid. Equity held 0.77% (2024: 0.77%)	**-**	-
Crescent Spinning Mills Limited 696 000 (2024: 696 000) ordinary shares of Rupees 10 each fully paid. Equity held 4.59% (2024: 4.59%)	**-**	-
Premier Financial Services (Private) Limited 2 500 (2024: 2 500) ordinary shares of Rupees 1,000 each fully paid. Equity held 11.11% (2024: 11.11%)	**873**	873
	1,774	1,774
Add: Fair value adjustment	**2,107**	3,407
	3,881	5,181

18. DEFERRED INCOME TAX ASSET

The deferred income tax (liability) / asset originated due to timing differences relating to:

	2025	2024
	(RUPEES IN THOUSAND)	
Deferred income tax liabilities		
Accelerated tax depreciation	**(52,392)**	(107,895)
Unrealized gain on investment	**(173)**	-
Investments in associates	**(65)**	-
	(52,630)	(107,895)
Deferred tax income assets		
Staff retirement gratuity	**46,263**	41,944
Workers' profit participation fund	**2,335**	-
Workers' welfare fund	**6,489**	-
Provision for doubtful receivables	**6,273**	5,581
Investments in associates	**-**	83
Available unused tax loss - unabsorbed tax depreciation	**27,833**	44,894
Minimum tax carry forward	**34,610**	69,966
	123,803	162,468
	71,173	54,573

18.1 Movement in deferred income tax asset balance is as follows:

	2025			
	Balance as on 01 July	Recognized in consolidated statement ofprofit or loss	Recognized in consolidated statement of other comprehensiveincome	Balance as on 30 June
	(RUPEES IN THOUSAND)			
Accelerated tax depreciation	**(107,895)**	**55,503**	**-**	**(52,392)**
Unrealized gain on investment	**-**	**(173)**	**-**	**(173)**
Staff retirement gratuity	**41,944**	**6,083**	**(1,764)**	**46,263**
Workers' profit participation fund	**-**	**2,335**	**-**	**2,335**
Workers' welfare fund	**-**	**6,489**	**-**	**6,489**
Provision for doubtful receivables	**5,581**	**692**	**-**	**6,273**
Investments in associates	**83**	**(148)**	**-**	**(65)**
Unused tax losses:				
Available	**45,437**	**(14,918)**	**-**	**30,519**
Movement in deferred income tax not recognized	**(543)**	**(2,143)**	**-**	**(2,686)**
Deferred income tax recognized	**44,894**	**(17,061)**	**-**	**27,833**
Minimum tax carry forward:				
Available	**273,913**	**(75,264)**	**-**	**198,649**
Movement in deferred income tax not recognized	**(203,947)**	**39,908**	**-**	**(164,039)**
Deferred income tax recognized	**69,966**	**(35,356)**	**-**	**34,610**
	54,573	**18,364**	**(1,764)**	**71,173**

	2024			
	Balance as on 01 July	Recognized in consolidated statement ofprofit or loss	Recognized in consolidated statement of other comprehensiveincome	Balance as on 30 June
	(RUPEES IN THOUSAND)			
Accelerated tax depreciation	(94,871)	(13,024)	-	(107,895)
Staff retirement gratuity	24,782	10,291	6,871	41,944
Provision for GIDC	14,957	(14,957)	-	-
Provision for doubtful receivables	6,322	(741)	-	5,581
Investments in associates	506	(423)	-	83
Unused tax losses:				
Available	34,187	11,250	-	45,437
Movement in deferred income tax not recognized	(543)	-	-	(543)
Deferred income tax recognized	33,644	11,250	-	44,894
Minimum tax carry forward:				
Available	299,330	(25,417)	-	273,913
Movement in deferred income tax not recognized	(232,096)	28,149	-	(203,947)
Deferred income tax recognized	67,234	2,732	-	69,966
	52,574	(4,872)	6,871	54,573

18.2 Deferred income tax asset has been recognized to the extent that the realization of related tax benefits is probable from future taxable profits. It is probable that sufficient taxable profits will be available for utilization of recognized deferred income tax asset. The Group has unused tax losses of Rupees 105.239 (2024: Rupees 156.678 million) representing unabsorbed tax depreciation of Rupees 95.975 million (2024: Rupees 154.806 million) and business losses of Rupees 8.188 million (2024: Rupees 1.872 million). Detail of minimum tax and tax losses carried forward are given as follows:

Accounting year to which the minimum tax relates	Amount of minimum tax	Accounting year in which minimum tax expires
	(RUPEES IN THOUSAND)	
2025	58,723	2028
2024	64,400	2027
2023	63,215	2026
2021	20,483	2026
	206,821	

Accounting year to which tax loss relates	Amount of tax loss	Accounting year in which tax loss will expire
	(RUPEES IN THOUSAND)	
2025	6,316	2031
2021	1,872	2027
	8,188	

	2025	2024
	(RUPEES IN THOUSAND)	

19. STORES, SPARE PARTS AND LOOSE TOOLS

Stores	**17,894**	19,719
Spare parts	**32,293**	73,518
Loose tools	**9**	299
	50,196	93,536

20. STOCK-IN-TRADE

Raw materials (Note 20.1 and Note 20.2)	**228,714**	225,101
Work-in-process (Note 20.3)	**95,684**	112,487
Finished goods	**401,230**	228,376
Waste	**1,817**	721
	727,445	566,685

20.1 These include stock in transit of Rupees 62.572 million (2024: Rupees Nil).

20.2 These include stock of Rupees 24.335 million (2024: Rupees 22.880 million) sent to outside parties for conversion.

20.3 These include stock of Rupees 19.506 million (2024: Rupees 30.300 million) sent to outside parties for processing.

21. TRADE DEBTS

Considered good:

Unsecured	**466,939**	493,043
Less: Allowance for expected credit lossess (Note 21.3)	**2,103**	2,732
	464,836	490,311

21.1 Trade debts in respect of foreign and local jurisdictions are as follows:

Canada	**-**	1,786
Czech Republic	**96,573**	120,349
Ghana	**18,489**	23,992
Italy	**25,683**	-
Netherlands	**26,801**	-
Pakistan	**248,357**	193,749
Romania	**8,222**	-
United Kingdom	**6,147**	149,754
United States of America	**36,667**	3,413
	466,939	493,043

21.2 Revenue from the sale of goods is recognized at the time of delivery, while payment is generally due within 15 to 60 days from delivery in case of local sales, and 30 to 120 days in case of export sales.

		2025	2024
		(RUPEES IN THOUSAND)	
21.3	**Allowance for expected credit losses**		
	Balance as at 01 July	**2,732**	4,616
	Add: Recognized during the year (Note 32)	**56**	2,589
		2,788	7,205
	Reversed during the year (Note 33)	**(685)**	(4,473)
	As at 30 June	**2,103**	2,732
22.	**LOANS, ADVANCES AND PREPAYMENTS**		
	Considered good:		
	Employees - interest free:		
	Against expenses	**1,215**	3,095
	Against salary	**1,149**	727
		2,364	3,822
	Current portion of long term advances	**-**	124
	Advances to suppliers / service providers	**41,490**	63,933
	Letters of credit	**1,285**	1,190
	Prepayments	**3,781**	3,461
		48,920	72,530
	Considered doubtful:		
	Advances to suppliers / service providers	**4,937**	4,544
	Less: Provision for doubtful loans and advances (Note 22.1)	**4,937**	4,544
		-	-
		48,920	72,530
22.1	**Provision for doubtful loans and advances**		
	Balance as at 01 July	**4,544**	5,216
	Add: Recognized during the year (Note 32)	**393**	-
		4,937	5,216
	Less: Reversal of provision for doubtful loans and advances (Note 33)	**-**	(672)
	As at 30 June	**4,937**	4,544

CCML Crescent Cotton Mills Ltd.

23. SHORT TERM DEPOSITS AND OTHER RECEIVABLES

	2025	2024
	(RUPEES IN THOUSAND)	
Considered good:		
Deposits	**3,842**	3,007
Sales tax and excise duty refundable	**849,306**	794,835
Profit on deposits with banks receivable	**1,051**	2,855
Export rebate	**12,431**	12,905
Others (Note 23.1 and Note 23.2)	**55,071**	54,399
	921,701	868,001
Considered doubtful:		
Others	**11,968**	11,968
Less: Allowance for expected credit losses	**11,968**	11,968
	-	-
	921,701	868,001

23.1 These include Rupees 0.495 million (2024: Rupees 0.363 million) due from Riaz and Company (1962, Private) Limited, a related party, which is past due but not impaired. The ageing analysis is as follows:

	2025	2024
Within 1 to 6 months	**132**	363
More than 6 months	**363**	-
	495	363

23.2 The maximum aggregate amount receivable from the related party at the end of any month during the year was Rupees 0.495 million (2024: Rupees 0.363 million).

24. TAXATION AND LEVY - NET

	2025	2024
Advance income tax - net		
Advance income tax	**321,784**	222,079
Less: Provision for taxation	**(87,707)**	(12,220)
	234,077	209,859
Levy payable - net		
Levy payable	**(71,818)**	(75,531)
Prepaid levy	**5,739**	11,130
	(66,079)	(64,401)
	167,998	145,458

25. SHORT TERM INVESTMENTS

	2025	2024
At fair value through other comprehensive income (Note 25.1)	**138,089**	138,811
At fair value through profit or loss (Note 25.2)	**542,171**	1,882
	680,260	140,693

	2025	2024
	(RUPEES IN THOUSAND)	
25.1 At fair value through other comprehensive income		
Quoted		
Samba Bank Limited 2 579 313 (2024: 2 579 313) ordinary shares of Rupees 10 each fully paid. Equity held 0.26% (2024: 0.26%)	**7,091**	7,091
Crescent Steel and Allied Products Limited 76 (2024: 76) ordinary shares of Rupees 10 each fully paid.	**1**	1
The Crescent Textile Mills Limited 4 734 863 (2024: 4 734 863) ordinary shares of Rupees 10 each fully paid. Equity held 4.73% (2024: 4.73%)	**90,550**	90,550
Shakarganj Limited Nil (2024: 1 143 693) ordinary shares of Rupees 10 each fully paid. Equity held Nil (2024: 0.91%)	**-**	40,601
	97,642	138,243
Add: Fair value adjustment	**40,447**	568
	138,089	138,811

	2025	2024
25.2 At fair value through profit or loss		
Faysal Money Market Fund Nil Units (2024: 14 246.1930 Units)	**-**	1,468
Alfalah Islamic Rozana Amdani Fund Nil Units (2024: 4 144.7473 Units)	**-**	414
Alfalah Money Market Fund 1 511 674.2246 Units (2024: Nil)	**149,251**	-
Alfalah Cash Fund 777 980.7692 Units (2024: Nil)	**392,324**	-
	541,575	1,882
Add: Fair value adjustment	**596**	-
	542,171	1,882

26. CASH AND BANK BALANCES

	2025	2024
With banks:		
On current accounts	**23,698**	40,670
On PLS account (Note 26.1)	**230**	349
Term Deposit Receipts (TDRs) (Note 26.2)	**102,000**	102,000
	125,928	143,019
Cash in hand	**642**	1,033
	126,570	144,052

26.1 Rate of profit on PLS saving account was 9.5% to 19.75% (2024: 19.75%) per annum.

26.2 These represent term deposit receipts with maturity period of 1 and 3 months and carry profit at the rate of 8.06% to 19.55% (2024: 15.80% to 20.16%) per annum.

27. NON-CURRENT ASSETS HELD FOR SALE

The non-current assets classified as held for sale under International Financial Reporting Standard (IFRS) 5 'Non-Current Assets Held for Sale and Discontinued Operations' in their respective categories are summarized hereunder:

	2025	2024
	(RUPEES IN THOUSAND)	
(a) Non-current assets classified as held for sale		
Property, plant and equipment - Head Office (Note 27.1)	-	4,795,120
Property, plant and equipment - Spinning Unit 4 (Note 27.2)	-	477,833
	-	5,272,953
(b) Non-current liabilities directly associated with assets classified as held for sale		
Non-current liabilities - Spinning Unit 4 (Note 27.2)	-	30,474
(c) Analysis of the result of discontinued operation		
Profit / (loss) after taxation from discontinued operation - Spinning Unit 4 (Note 27.4)	**54,221**	(25,963)
Cash flows of discontinued operation - Spinning Unit 4 (Note 27.5)	**542,357**	(750)

A breakup of the constituents of non-current assets held for sale and discontinued operations is given as follows:

27.1 Property, plant and equipment - Head office

Property, plant and equipment related to Head Office has been presented as held for sale following the approval of the management of the Holding Company and shareholders in Extraordinary General Meeting (EOGM) held on 13 March 2024 regarding the disposal of land and building alongwith investment properties related to the land of Head Office of the Holding Company situated at New Lahore Road, Nishatabad, Faisalabad, Punjab. The Holding Company took all necessary steps but was unable to find an active buyer within the one year period. Hence, the Holding Company's Board of Directors in their meeting on 30 April 2025, made the decision to reclassify these assets from non-current assets held for sale to operating fixed assets and investment properties.

Non-current assets classified as held for sale

Reconciliation of the carrying amounts of non-current assets of the Head Office classified as held for sale is as follows:

	Operating fixed assets		Investment Properties	Total
	Freehold Land	Building		
	(RUPEES IN THOUSAND)			
Balance at 30 June 2023	-	-	-	-
Transferred from operating fixed assets and investment properties (Note 14.1 and Note 15)	4,501,907	950	292,263	4,795,120
Balance at 30 June 2024	4,501,907	950	292,263	4,795,120
Impairment loss charged during the year (Note 32)	-	(57)	-	(57)
	4,501,907	893	292,263	4,795,063
Transferred to operating fixed assets and investment properties (Note 14.1 and Note 15)	(4,501,907)	(893)	(292,263)	(4,795,063)
Balance at 30 June 2025	-	-	-	-

27.2 Property, plant and equipment - Spinning Unit 4

Following the approval of the management of the Holding Company and shareholders in EOGM held on 03 June 2024 regarding the disposal of plant and machinery and related equipment of Spinning Unit 4 situated at 45-Km Lahore Multan Road, Dina Nath, Phool Nagar, Tehsil Pattoki, District Kasur, Punjab. The Holding Company discontinued its operations of the Spinning Unit 4. On 01 October 2024, the Holding Company entered into an agreement with Messrs Sultan Spinning Industries (Private) Limited (SSIPL) in which whole of the assets mentioned above and stores, spare parts and loose tools except vehicles will be transferred to SSIPL against total consideration of Rupees 550 million. The transaction was completed on 03 June 2025. Moreover, one of the vehicle has been sold during the period against the consideration of Rupees 0.205 million. Remaining vehicles have been transferred back to operating fixed assets.

Non-current assets classified as held for sale

Reconciliation of the carrying amounts of non-current assets of the Spinning Unit 4 classified as held for sale is as follows:

	Freehold land	Buildings and Roads	Plant and machinery	Stand-by equipment	Electric installations	Tools and equipment	Furniture & fixtures	Vehicles	Office equipment	Service equipment	Total
	(RUPEES IN THOUSAND)										
Balance at 30 June 2023	-	-	-	-	-	-	-	-	-	-	-
Transferred from operating fixed assets (Note 14.1)	118,020	72,076	211,489	51,610	18,755	3,567	743	1,549	22	2	477,833
Balance at 30 June 2024	118,020	72,076	211,489	51,610	18,755	3,567	743	1,549	22	2	477,833
Disposals during the year	(118,020)	(72,076)	(211,489)	(51,610)	(18,755)	(3,567)	(743)	(197)	(22)	(2)	(476,481)
Impairment loss charged during the year (Note 32)	-	-	-	-	-	-	-	(269)	-	-	(269)
	-	-	-	-	-	-	-	1,083	-	-	1,083
Transferred to operating fixed assets (Note 14.1)	-	-	-	-	-	-	-	(1,083)	-	-	(1,083)
Balance at 30 June 2025	-	-	-	-	-	-	-	-	-	-	-

27.3 Non-current liabilities directly associated with non-current assets classified as held for sale

Following liabilities were classified as non-current liabilities directly associated with assets classified as held for sale in relation to the discontinued operation as at 30 June 2024:

	2025	2024
	(RUPEES IN THOUSAND)	
Long term financing (Note 27.3.1)	-	27,347
Staff retirement gratuity (Note 27.3.2)	-	3,127
Total non-current liabilities of directly associated with non-current assets classified as held for sale	-	30,474

27.3.1 This loan was fully repaid on 13 August 2024.

27.3.2 The staff retirement gratuity was fully paid during the year.

27.4 Analysis of result of discontinued operation

	2025	2024
Revenue	-	1,760,733
Cost of sales	-	(1,703,417)
Gross profit	-	57,316
Distribution cost	-	(5,881)
Administrative expenses	-	(14,785)
Other income	**58,056**	1,577
Finance cost	**(3,835)**	(43,594)
Profit / (loss) before levy and taxation from discontinued operation	**54,221**	(5,367)
Levy	-	(22,009)
Profit / (loss) before taxation from discontinued operation	**54,221**	(27,376)
Taxation	-	1,413
Profit / (loss) after taxation from discontinued operation	**54,221**	(25,963)

27.5 Analysis of the cash flows of discontinued operation

	2025	2024
Cash inflows from operating activities	**53,147**	44,374
Cash inflows from investing activities	**541,557**	-
Cash outflows from financing activities	**(52,347)**	(45,124)
	542,357	(750)

		2025	2024
		(RUPEES IN THOUSAND)	
28.	**REVENUE**		
	Revenue from contracts with customers		
	Local sales (Note 28.1)	**4,839,369**	4,106,676
	Export sales (Note 28.2)	**1,142,963**	2,105,159
	Export rebate	**6,333**	5,949
		5,988,665	6,217,784
28.1	**Local sales**		
	Yarn	**4,987,540**	4,418,321
	Hosiery	**11,365**	20,908
	Home textiles	**3,729**	23,672
	Raw materials	**680,170**	332,284
	Waste	**40,430**	50,694
		5,723,234	4,845,879
	Less: Sales tax	**883,865**	739,203
		4,839,369	4,106,676
28.2	**Export sales**		
	Yarn sale to customer having Duty and Tax Remission for Exports (DTREs)	**-**	1,202,396
	Hosiery	**207,749**	139,552
	Home textiles	**856,630**	763,211
	Fabric	**78,584**	-
		1,142,963	2,105,159
28.3	Sales in respect of foreign and local jurisdictions is as follows:		
	Austria	**-**	1,702
	Czech Republic	**572,476**	482,965
	Ghana	**196,028**	79,442
	Italy	**47,064**	18,594
	Pakistan	**4,839,369**	4,106,676
	Romania	**18,150**	-
	Spain	**8,147**	42,195
	Switzerland	**-**	9,457
	United Kingdom	**21,024**	175,925
	United States of America	**208,550**	95,925
	Canada	**11,976**	2,507
	Netherlands	**65,881**	-
	Others - DTREs	**-**	1,202,396
		5,988,665	6,217,784

28.4 The amount of Rupees 215.102 million included in contract liabilities (Note 10) at 30 June 2024 has been recognised as revenue during the year (2024: Rupees 297.189 million).

28.5 The revenue is recognized at the point in time as per the terms and conditions of underlying contracts with customers.

	2025	2024
	(RUPEES IN THOUSAND)	
29. COST OF SALES		
Raw materials consumed	**3,016,546**	3,019,400
Salaries, wages and other benefits (Note 29.1)	**365,442**	284,455
Stores, spare parts and loose tools consumed	**192,231**	211,088
Fuel and power	**1,209,173**	1,355,507
Outside weaving / processing / stitching charges	**250,290**	198,225
Other manufacturing overheads	**38,150**	27,322
Insurance	**7,151**	7,814
Repair and maintenance	**3,383**	4,331
Depreciation (Note 14.1.4)	**29,012**	31,274
	5,111,378	5,139,416
Work-in-process		
Opening stock	**112,487**	45,226
Closing stock	**(95,684)**	(112,487)
	16,803	(67,261)
Cost of goods manufactured	**5,128,181**	5,072,155
Finished goods		
Opening stock	**219,676**	289,941
Closing stock	**(403,047)**	(219,676)
	(183,371)	70,265
	4,944,810	5,142,420
Cost of goods purchased for resale	**593,890**	569,506
	5,538,700	5,711,926

29.1 Salaries, wages and other benefits include staff retirement benefit amounting to Rupees 25.605 million (2024: Rupees 25.805 million).

30. DISTRIBUTION COST		
Freight and forwarding	**59,780**	40,854
Commission to selling agents	**7,104**	10,777
Insurance	**802**	715
Loading and handling	**14,387**	12,562
Others	**2,905**	2,042
	84,978	66,950

		2025	2024
		(RUPEES IN THOUSAND)	
31.	**ADMINISTRATIVE EXPENSES**		
	Salaries and other benefits (Note 31.1)	**213,222**	167,856
	Workers' welfare	**2,536**	3,003
	Traveling and conveyance	**8,795**	6,392
	Insurance	**3,417**	3,397
	Rent, rates and taxes (Note 31.2)	**7,853**	8,509
	Entertainment	**3,206**	3,900
	Fee and subscription	**2,877**	2,949
	Communication	**3,190**	2,973
	Vehicles' running	**14,429**	25,784
	Repair and maintenance	**13,092**	12,905
	Utilities	**8,123**	8,885
	Printing and stationery	**2,520**	2,531
	Books and periodicals	**15**	7
	Advertisement	**136**	137
	Auditor's remuneration (Note 31.3)	**3,010**	2,785
	Legal and professional	**2,344**	2,902
	Miscellaneous	**7,035**	8,024
	Depreciation (Note 14.1.4)	**6,366**	7,346
		302,166	270,285

31.1 These include Rupees 3.535 million (2024: Rupees 3.535 million) in respect of short term leases.

31.2 These include Rupees 3.535 million (2024: Rupees 3.535 million) in respect of short term lease.

31.3 Auditor's remuneration

	2025	2024
Statutory audit - standalone	**2,025**	1,925
Statutory audit - consolidation	**300**	300
Other certifications including half yearly review	**565**	500
Out of pocket expenses	**120**	60
	3,010	2,785

32. OTHER EXPENSES

	2025	2024
Workers' profit participation fund (Note 10.4)	**6,743**	6,866
Exchange loss - net	**7,039**	5,292
Allowance for expected credit losses (Note 21.3)	**56**	2,589
Provision for doubtful loans and advances (Note 22.1)	**393**	-
Workers' welfare fund (Note 10.5)	**2,672**	2,882
Trade debts written off	**-**	20
Impairment loss on non-current assets classified as held for sale (Note 27.1 and Note 27.2)	**326**	-
	17,229	17,649

		2025	2024
		(RUPEES IN THOUSAND)	
33.	**OTHER INCOME**		
	Income from financial assets		
	Reversal of allowance for expected credit losses (Note 21.3)	**685**	4,473
	Unrealized gain on investments at FVTPL	**596**	-
	Gain on sale of investment at FVTPL - net	**22,003**	479
	Profit on PLS account and TDRs	**16,115**	23,179
	Dividend income	**950**	5,420
		40,349	33,551
	Income from non-financial assets		
	Rental income	**44,272**	40,250
	Reversal of provision for doubtful loans and advances (Note 22.1)	**-**	672
	Scrap sales	**3,078**	1,954
	Gain on sale of property, plant and equipment	**275**	3,291
	Credit balances added back	**2,841**	54
	Gain on sale of investment in equity accounted associate	**-**	5,627
	Gain on remeasurement of fair value of investment properties (Note 15)	**24,624**	-
		75,090	51,848
		115,439	85,399
34.	**FINANCE COST**		
	Mark-up / interest on:		
	Long term financing	**1,497**	2,187
	Short term borrowings	**75,851**	75,538
	Workers' profit participation fund (Note 10.4)	**855**	624
	Bank charges and commission	**8,286**	5,970
		86,489	84,319
35.	**LEVY**		
	- Levy for the year (Note 35.1)	**71,818**	53,522
	- Prior year	**(104)**	(346)
		71,714	53,176

35.1 Levy represents minimum tax on turnover, super tax and final taxes under relevant provision of Income Tax Ordinance, 2001.

		2025	2024
		(RUPEES IN THOUSAND)	
36.	**TAXATION**		
	Current:		
	For the year	**21,768**	11,270
	Prior year (Note 36.1)	**-**	(558)
		21,768	10,712
	Deferred (Note 18)	**(18,364)**	6,285
		3,404	16,997

36.1 Taxation for the year represents tax on taxable income and super tax under relevant provisions of Income Tax Ordinance, 2001.

37. EARNINGS PER SHARE - BASIC AND DILUTED

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

		2025	2024
Profit attributable to ordinary shareholders	(Rupees in thousand)	**56,392**	56,562
Weighted average number of ordinary shares	(Numbers)	**22 660 126**	22 660 126
Earnings per share	(Rupees)	**2.49**	2.50
Continuing operations			
Profit attributable to ordinary shareholders of the Holding Company	(Rupees in thousand)	**2,171**	82,525
Weighted average number of ordinary shares of the Holding Company	(Numbers)	**22 660 126**	22 660 126
Earnings per share	(Rupees)	**0.10**	3.64
Discontinued operation			
Loss for the year after taxation	(Rupees in thousand)	**54,221**	(25,963)
Weighted average number of ordinary shares	(Numbers)	**22 660 126**	22 660 126
Loss per share	(Rupees)	**2.39**	(1.14)

38. CASH GENERATED FROM OPERATIONS

	2025	2024
	(RUPEES IN THOUSAND)	
Profit before taxation from continuing operations	**74,956**	152,710
Profit / (loss) before taxation from discontinued operations	**54,221**	(5,367)
	129,177	147,343
Adjustments for non cash charges and other items:		
Depreciation (Note 14.1.4)	**35,378**	75,483
Provision for staff retirement gratuity (Note 9.3)	**50,554**	42,898
Gain on sale of property, plant and equipment (Note 33)	**(275)**	(3,291)
Dividend income (Note 33)	**(950)**	(5,420)
Workers' profit participation fund (Note 10.4)	**6,743**	6,866
Workers' welfare fund (Note 10.5)	**2,672**	2,882
Unrealized gain on investments at FVTPL (Note 33)	**(596)**	-
Gain on remeasurement of fair value of investment properties (Note 33)	**(24,624)**	-
Profit on PLS account and TDRs (Note 33)	**(16,115)**	(23,179)
Gain on sale of investment at fair value through profit or loss (Note 33)	**(22,003)**	(479)
Gain on sale of assets held for sale	**(58,056)**	-
Share of net profit from equity accounted associates (Note 16.1)	**(414)**	(656)
Unrealized exchange (gain) / loss - net	**(2,931)**	4,018
Gain on sale of investment in equity accounted associate	**-**	(5,627)
Reversal of allowance for expected credit losses - net	**(629)**	(1,884)
Provision / (reversal of provision) for doubtful loans and advances	**393**	(672)
Impairment loss on non-current assets classified as held for sale (Note 27.1 and Note 27.2)	**326**	-
Trade debts written off (Note 32)	**-**	20
Credit balances added back (Note 33)	**(2,841)**	(54)
Finance cost (Note 34)	**86,489**	127,913
Working capital changes (Note 38.1)	**(189,311)**	(263,882)
	(7,013)	102,279

38.1 Working capital changes

	2025	2024
Decrease / (increase) in current assets		
Stores, spare parts and loose tools	**27,672**	(20,979)
Stock-in-trade	**(160,760)**	98,941
Trade debts	**29,035**	(14,340)
Loans, advances and prepayments	**23,217**	(14,261)
Short term deposits and other receivables	**(55,504)**	(286,518)
	(136,340)	(237,157)
Increase in trade and other payables	**(52,971)**	(26,725)
	(189,311)	(263,882)

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

	2025		
	Long term Financing	Short term borrowings	Unclaimed dividend
	(RUPEES IN THOUSAND)		
Balance as at 01 July	**58,764**	**698,287**	**4,177**
Short term borrowings - net	**-**	**204,255**	**-**
Repayment of financing	**(39,573)**	**-**	**-**
Dividend Paid	**-**	**-**	**(1,268)**
Balance as at 30 June	**19,191**	**902,542**	**2,909**

	2024		
	Long term Financing	Short term borrowings	Unclaimed dividend
	(RUPEES IN THOUSAND)		
Balance as at 01 July	115,261	560,605	4,177
Short term borrowings - net	-	137,682	-
Repayment of financing	(56,497)	-	-
Balance as at 30 June	58,764	698,287	4,177

39. TRANSACTIONS WITH RELATED PARTIES

The related parties of the Group comprise associated companies, other related parties and key management personnel. The Group in the normal course of business carries out transactions with various related parties. Detail of transactions with related parties along with basis of relationship, other than those which have been specifically disclosed elsewhere in these consolidated financial statements is as follows:

Name of Company	Basis of relationship	Nature of transaction	2025 (RUPEES IN THOUSAND)	2024 (RUPEES IN THOUSAND)
Associated companies				
Premier Insurance Limited	Common directorship	Insurance premium	**3,590**	15,289
Riaz and Company (1962, Private) Limited	Common directorship	Expenses paid on behalf of associated company	**132**	448
Bridgeline Global Logistics (Private) Limited	Common directorship	Transportation services received	**-**	2,846
Shams Textile Mills Limited	Common directorship	Sale of goods	**23,335**	22,088
Other related parties				
Directors and executives	Members of Board of Directors, their relatives and key management personnel	Loan received / (paid) - net	**17,061**	9,581
		Dividend paid	**-**	-
Chief Executive Officer of the Subsidiary Company	Members of Board of Directors of Subsidiary Company	Advance adjusted	**-**	2,950

39.1 Detail of compensation to key management personnel comprising of Chief Executive Officer, directors and executives is given in Note 40.

39.2 The Group had entered into transactions or have arrangements in place with following directors:

I) Mr. Abid Mehmood
ii) Mr. Naveed Gulzar
iii) Mr. Adnan Amjad
iv) Ms. Nazish Arshad
v) Mr. Taimur Amjad
vi) Ms. Shameen Azfar

40. REMUNERATION OF CHIEF EXECUTIVE OFFICER, DIRECTORS AND EXECUTIVES

The aggregate amount charged in the financial statements for remuneration including all benefits to Chief Executive Officer, directors and executives of the Holding Company is as follows:

	Chief Executive Officer		Directors		Executives	
	2025	2024	2025	2024	2025	2024
	(RUPEES IN THOUSAND)					
Managerial remuneration	**9,018**	9,018	**6,002**	6,002	**41,375**	38,230
Allowances:						
Housing	**4,058**	4,058	**2,701**	2,701	**18,198**	15,069
Utilities	**902**	902	**600**	600	**4,138**	4,061
Group insurance	**-**	-	**6**	6	**33**	33
Reimbursable expenses	**902**	902	**600**	600	**4,006**	3,452
	14,880	14,880	**9,909**	9,909	**67,750**	60,845
Number of persons	**1**	1	**1**	1	**14**	10

40.1 Aggregate amount charged in the consolidated financial statements for meeting fee to four directors (2024: five directors) was Rupees 460,000 (2024: Rupees 580,000).

40.2 The Chief Executive Officer, director and executives of the Holding Company are provided with Holding Company maintained vehicles.

40.3 Apart from the meeting fee as disclosed in Note 40.1, no remuneration was paid to non-executive directors of the Holding Company.

41. NUMBER OF EMPLOYEES

	2025	2024
Number of employees as on 30 June	**780**	672
Average number of employees during the year	**800**	1198

42. ENTITY - WIDE INFORMATION

The Group constitutes a single reportable segment. All non-current assets of the Group as at reporting dates are located and operating in Pakistan. The Group's is earned from six major customers (2024: four) of the Company representing revenue of Rupees 2,179.351 million (2024: Rupees 2,959.188 million).

43. INTERESTS IN OTHER ENTITIES

Non-Controlling Interest (NCI)

Set out below is summarized financial information for Crescot Mills Limited - Subsidiary Company that has non-controlling interest which is material to the Group. The amount disclosed for Subsidiary Company is before inter-company eliminations.

Summarized statement of financial position	2025	2024
	(RUPEES IN THOUSAND)	
Current assets	**232,438**	165,134
Current liabilities	**(93,226)**	(11,347)
Net current assets	**139,212**	153,787
Non-current assets	**396,118**	387,933
Non-current liabilities	**(7,076)**	(6,795)
Net non-current assets	**389,042**	381,138
Net assets	**528,254**	534,925
Accumulated non-controlling interest	**178,814**	181,072
Summarized statement of comprehensive income		
Revenue	**486,158**	441,459
(Loss) / profit for the year	**(6,893)**	35
Other comprehensive income / (loss)	**222**	(247)
Total comprehensive loss	**(6,671)**	(212)
(Loss) / profit allocated to non-controlling interest	**(2,333)**	12
Total comprehensive loss allocated to non-controlling interest	**(2,258)**	(72)
Summarized cash flows		
Cash flows used in operating activities	**(30,154)**	(2,464)
Cash flows from investing activities	**17,620**	14,150
Cash flows from financing activities	**-**	-
Net (decrease) / increase in cash and cash equivalents	**(12,534)**	11,686

44. PLANT CAPACITY AND ACTUAL PRODUCTION

Holding Company - Crescent Cotton Mills Limited		2025	2024
Spinning:			
100% plant capacity converted to 20s count	Kgs.	**11 002 649**	11 002 649
Actual production converted to 20s count	Kgs.	**9 658 301**	9 586 874

Hosiery and Home Textiles:

Capacity of such units cannot be determined due to nature of their operations.

44.1 Reason For Low Production

The variation in planned production of yarn counts changed the capacity. The reasons for low production include normal repair and maintenance and power shut down / jerks.

45. FINANCIAL RISK MANAGEMENT

45.1 Financial risk factors

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

Risk management is carried out by the Holding Company's finance department under policies approved by the Board of Directors. The Board of each Group company 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 Group's exposure to currency risk was as follows:

	2025	2024
Trade debts - USD	**567,742**	350,486
Trade debts - GBP	**13,080**	574,439
Trade debts - EURO	**157,964**	-

Following significant exchange rates were applied during the year:

Rupees per US Dollar		
Average rate	**279.47**	284.67
Reporting date rate	**283.60**	278.30
Rupees per GBP		
Average rate	**360.49**	356.23
Reporting date rate	**388.97**	351.22
Rupees per EURO		
Average rate	**313.71**	-
Reporting date rate	**332.25**	-

Sensitivity analysis

If the functional currency, at reporting date, had weakened / strengthened by 5% against the USD, GBP and EURO with all other variables held constant, the impact on profit after taxation for the year would have been Rupees 9.654 million (2024: Rupees 13.917 million) higher / lower, mainly as a result of exchange gains / losses on translation of foreign exchange denominated financial instruments. Currency risk sensitivity to foreign exchange movements has been calculated on a symmetric basis. In management's opinion, the sensitivity analysis is unrepresentative of inherent currency risk as the year end exposure does not reflect the exposure during the year.

(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 (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market. The Group is not exposed to commodity price risk since it does not hold any financial instrument based on commodity prices.

Sensitivity analysis

The table below summarizes the impact of increase / decrease in the Pakistan Stock Exchange Limited (PSX) index on the Group's other comprehensive income (fair value reserve) for the year. The analysis is based on the assumption that the equity index had increased / decreased by 5% with all other variables held constant and all the Group's equity instruments moved according to the historical correlation with the index:

Index	Impact on statement of other comprehensive income (fair value reserve)	
	2025	**2024**
	(RUPEES IN THOUSANDS)	
PSX 100 (5% increase)	**7,089**	7,156
PSX 100 (5% decrease)	**(7,089)**	(7,156)

Equity (fair value reserve) would increase / (decrease) as a result of gain / losses on equity instruments classified as fair value through other comprehensive income.

Index	Impact on profit after taxation	
MUFAP (5% increase)	**17,900**	66
MUFAP (5% decrease)	**(17,900)**	(66)

Profit after taxation would increase / decrease as a result of gains / losses on equity investments classified as FVTPL.

(iii) Interest rate risk

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

The Group's interest rate risk mainly arises from long term financing, short term borrowings, PLS account in bank and TDRs. Financial instruments at variable rates expose the Group to cash flow interest rate risk. Financial instruments at fixed rate expose the Group to fair value interest rate risk.

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

	2025	2024
	(RUPEES IN THOUSAND)	
Fixed rate instruments		
Financial assets		
Term deposit receipts	**102,000**	102,000
Financial liabilities		
Long term financing	**19,191**	31,417
Floating rate instruments		
Financial assets		
Bank balance - PLS deposit account	**230**	349
Financial liabilities		
Long term financing	**-**	27,347
Short term borrowings	**575,083**	387,889

Fair value sensitivity analysis for fixed rate instruments

The Group 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 Group.

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, profit after taxation for the year would have been Rupees 3.865 million (2024: Rupees 3.865 million) lower / higher, mainly as a result of higher / lower interest expense on floating rate financial instruments. This analysis is prepared assuming that amounts of financial instruments outstanding at reporting dates 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:

	2025	2024
	(RUPEES IN THOUSAND)	
Investments	**684,141**	145,874
Loans and advances	**1,149**	851
Deposits	**7,456**	6,912
Trade debts	**464,836**	490,311
Other receivables	**56,122**	57,254
Bank balances	**125,928**	143,019
	1,339,632	844,221

To manage exposure to credit risk in respect of trade debts, management performs credit reviews taking into account the customer's financial position, past experience and other relevant factors. Where considered necessary, advance payments are obtained from certain parties. The management has set a maximum credit period limit for each type of customers in order to reduce the credit risk.

The Group 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.

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			2025	2024
	Short Term	Long Term	Agency	(RUPEES IN THOUSAND)	
Banks					
Conventional accounts					
National Bank of Pakistan	A1+	AAA	PACRA	**10,041**	2,090
Allied Bank Limited	A1+	AAA	PACRA	**288**	154
Bank Alfalah Limited	A1+	AAA	PACRA	**499**	636
Habib Bank Limited	A-1+	AAA	VIS	**250**	6,356
Habib Metropolitan Bank Limited	A1+	AA+	PACRA	**1,375**	1,411
Faysal Bank Limited	A1+	AA	PACRA	**-**	20
MCB Bank Limited	A1+	AAA	PACRA	**66**	66
United Bank Limited	A-1+	AAA	VIS	**1,268**	2,728
Askari Bank Limited	A1+	AA+	PACRA	**31**	31
Bank AL Habib Limited	A1+	AAA	PACRA	**553**	442
The Bank of Punjab	A1+	AA+	PACRA	**253**	1,302
Sindh Bank Limited	A-1+	AA-	VIS	**53**	91
JS Bank Limited	A1+	AA-	PACRA	**102,709**	111,826
				117,386	127,153
Shariah compliant accounts					
Meezan Bank Limited	A-1+	AAA	VIS	**7,578**	11,970
Faysal Bank Limited	A1+	AA	PACRA	**672**	1,095
MCB Islamic Bank Limited	A1	A+	PACRA	**-**	35
Bank AL Habib Limited	A1+	AAA	PACRA	**25**	25
Askari Bank Limited	A1+	AA+	PACRA	**121**	2,213
Bank Islami Pakistan Limited	A1	AA-	PACRA	**25**	-
Bank Alfalah Limited	A1+	AAA	PACRA	**121**	528
				8,542	15,866
				125,928	143,019

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

The Group 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.

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

	GROSS AMOUNT 2025	GROSS AMOUNT 2024	EXPECTED CREDIT LOSSES 2025	EXPECTED CREDIT LOSSES 2024
	(RUPEES IN THOUSAND)		(RUPEES IN THOUSAND)	
Not past due	**259,720**	99,101	**-**	-
Upto 1 month	**188,096**	162,951	**-**	-
1 to 6 months	**16,809**	108,579	**-**	-
6 months to 1 year	**211**	119,680	**-**	-
More than 1 year	**2,103**	2,732	**2,103**	2,732
	466,939	493,043	**2,103**	2,732

c) Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The Group manages liquidity risk by maintaining sufficient cash and the availability of funding through an adequate amount of committed credit facilities. At 30 June 2025, the Company had Rupees 274.917 million (2024: Rupees 562.111 million) available borrowing limits from financial institutions and Rupees 126.570 million (2024: Rupees 144.052 million) cash and bank balances. Management believes the liquidity risk to be low. Following are the contractual maturities of financial liabilities, including interest payments. The amounts disclosed in the tables are undiscounted cash flows.

	Carrying Amount	Contractual cash flows	6 months or less	6-12 months	1-2 Years	More than 2 Years
	RUPEES IN THOUSAND					
Contractual maturities of financial liabilities as at 30 June 2025:						
Non-derivative financial liabilities:						
Long term financing	**19,191**	**20,002**	**5,857**	**5,857**	**8,288**	**-**
Trade and other payables	**757,465**	**757,465**	**757,465**	**-**	**-**	**-**
Accrued mark-up	**12,930**	**12,930**	**12,930**	**-**	**-**	**-**
Short term borrowings	**902,542**	**935,122**	**935,122**	**-**	**-**	**-**
Unclaimed dividend	**2,909**	**2,909**	**2,909**	**-**	**-**	**-**
	1,695,037	**1,728,428**	**1,714,283**	**5,857**	**8,288**	**-**

	Carrying Amount	Contractual cash flows	6 months or less	6-12 months	1-2 Years	More than 2 Years
	RUPEES IN THOUSAND					
Contractual maturities of financial liabilities as at 30 June 2024:						
Non-derivative financial liabilities:						
Long term financing	58,764	62,711	15,172	14,998	24,531	8,010
Trade and other payables	914,957	914,957	914,957	-	-	-
Accrued mark-up	24,391	24,391	24,391	-	-	-
Short term borrowings	698,287	735,440	735,440	-	-	-
Unclaimed dividend	4,177	4,177	4,177	-	-	-
	1,700,576	1,741,676	1,694,137	14,998	24,531	8,010

The contractual cash flows relating to the above financial liabilities have been determined on the basis of interest rates / mark-up rates effective at the year end. The rates of interest / mark-up have been disclosed in Note 8 and Note 12 to these consolidated financial statements.

46.2 Financial instruments by categories

Assets as per consolidated statement of financial position

	2025				2024			
	At amortized cost	At FVTPL	At FVTOCI	Total	At amortized cost	At FVTPL	At FVTOCI	Total
	RUPEES IN THOUSAND							
Investments	**-**	**542,171**	**141,970**	**684,141**	-	1,882	143,992	145,874
Loans and advances	**1,149**	**-**	**-**	**1,149**	851	-	-	851
Deposits	**7,456**	**-**	**-**	**7,456**	6,912	-	-	6,912
Trade debts	**464,836**	**-**	**-**	**464,836**	490,311	-	-	490,311
Other receivables	**56,122**	**-**	**-**	**56,122**	57,254	-	-	57,254
Cash and bank balances	**126,570**	**-**	**-**	**126,570**	144,052	-	-	144,052
	656,133	**542,171**	**141,970**	**1,340,274**	699,380	1,882	143,992	845,254

Liabilities as per consolidated statement of financial position

	2025	2024
	Financial liabilities at amortized cost	
	(RUPEES IN THOUSAND)	
Long term financing	**19,191**	58,764
Accrued mark-up	**12,930**	24,391
Short term borrowings	**902,542**	698,287
Trade and other payables	**757,465**	914,957
Unclaimed dividend	**2,909**	4,177
	1,695,037	1,700,576

45.3 Reconciliation of financial assets and financial liabilities to the line items presented in the consolidated statement of financial position is as follows:

	2025			2024		
	Financial assets	Other than financial assets	Total as per consolidated statement of financial position	Financial assets	Other than financial assets	Total as per consolidated statement of financial position
	RUPEES IN THOUSAND					
Assets as per consolidated statement of financial position						
Long term deposits	**3,614**	**-**	**3,614**	3,905	-	3,905
Long term investments	**3,881**	**2,062**	**5,943**	5,181	552	5,733
Loans, advances and prepayments	**1,149**	**47,771**	**48,920**	851	71,679	72,530
Trade debts	**464,836**	**-**	**464,836**	490,311	-	490,311
Short term deposits and other receivables	**56,122**	**865,579**	**921,701**	57,254	813,602	870,856
Short term investments	**680,260**	**-**	**680,260**	140,693	-	140,693
Cash and bank balances	**126,570**	**-**	**126,570**	144,052	-	144,052
	1,336,432	**915,412**	**2,251,844**	842,247	885,833	1,728,080

	2025			2024		
	Financial liabilities	Other than financial liabilities	Total as per consolidated statement of financial position	Financial liabilities	Other than financial liabilities	Total as per consolidated statement of financial position
	RUPEES IN THOUSAND					
Liabilities as per statement of financial position						
Long term financing	**19,191**	**-**	**19,191**	58,764	-	58,764
Trade and other payables	**757,465**	**406,047**	**1,163,512**	914,957	301,486	1,216,443
Accrued mark-up	**12,930**	**-**	**12,930**	24,391	-	24,391
Unclaimed dividend	**4,177**	**-**	**4,177**	4,177	-	4,177
Short term borrowings	**902,542**	**-**	**902,542**	698,287	-	698,287
	1,696,305	**406,047**	**2,102,352**	1,700,576	301,486	2,002,062

45.4 Capital risk management

The Group's objectives when managing capital are to safeguard the Group'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 Group may adjust the amount of dividend 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 Group monitors the capital structure on the basis of gearing ratio. This ratio is calculated as borrowings divided by total capital employed. Borrowings represent long term financing and short term borrowings obtained by the Group as referred to in Note 8 and Note 12 respectively. Total capital employed includes 'total equity' as shown in the consolidated statement of financial position plus 'borrowings'.

		2025	2024
Borrowings	Rupees in thousand	**921,733**	757,051
Total equity	Rupees in thousand	**6,795,309**	6,685,780
Total capital employed	Rupees in thousand	**7,717,042**	7,442,831
Gearing ratio	Percentage	**11.94**	10.17

Increase in gearing ratio resulted primarily from increase in borrowings of the Group.

46. FAIR VALUE MEASUREMENTS - FINANCIAL INSTRUMENTS

(i) Fair value hierarchy

The judgements and estimates are made in determining the fair values of the financial instruments that are recognized and measured at fair value in these consolidated financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Group has classified its financial instruments into three levels. An explanation of each level follows underneath the table.

Recurring fair value measurements At 30 June 2025	Level 1	Level 2	Level 3	Total
	RUPEES IN THOUSAND			
Financial assets				
At fair value through other comprehensive income	**141,782**	**-**	**188**	**141,970**
At fair value through profit or loss	**542,171**	**-**	**-**	**542,171**
Total financial assets	**683,953**	**-**	**188**	**684,141**

Recurring fair value measurements At 30 June 2024	Level 1	Level 2	Level 3	Total
	RUPEES IN THOUSAND			
Financial assets				
At fair value through other comprehensive income	143,119	-	873	143,992
At fair value through profit or loss	1,882	-	-	1,882
Total financial assets	145,001	-	873	145,874

The above table does not include fair value information for financial assets and financial liabilities 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.

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

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

Level 1: The fair value of financial instruments traded in active markets (such as publicly traded derivatives and equity securities) is based on quoted market prices at the end of the reporting period. The quoted market price used for financial assets held by the Company is the current bid price. These instruments are included in level 1.

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: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities.

(ii) Valuation techniques used to determine fair values

Specific valuation technique used to value listed financial instruments was the use of quoted market prices.

47. FAIR VALUE MEASUREMENTS - NON-FINANCIAL ASSETS

(i) Fair value hierarchy

Judgments and estimates are 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 Group has classified its non-financial assets into the following three levels.

At 30 June 2025	Level 1	Level 2	Level 3	Total
	RUPEES IN THOUSAND			
Investment properties	**-**	**569,887**	**-**	**569,887**
Freehold land	**-**	**4,788,267**	**-**	**4,788,267**
Total non-financial assets	**-**	**5,358,154**	**-**	**5,358,154**

At 30 June 2024	Level 1	Level 2	Level 3	Total
	RUPEES IN THOUSAND			
Investment properties	-	253,000	-	253,000
Freehold land	-	286,360	-	286,360
Total non-financial assets	-	539,360	-	539,360

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

There were no transfers between levels 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 Group obtains independent valuations for its investment properties and freehold land (classified as property, plant and equipment) annually. 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 value of new construction / replacement value of the same building.

Valuation processes

The Group engages external, independent and qualified valuers to determine the fair value of the Group's assets. Changes in fair values are analyzed in discussion between the management and the valuer. As part of this discussion the team presents report which explains the reason for the fair value movements.

48. **DISCLOSURE REQUIREMENT FOR GROUP NOT ENGAGED IN SHARIAH NON-PERMISSIBLE BUSINESS ACTIVITIES AS ITS CORE BUSINESS ACTIVITIES**

Description	Note	2025	2024
		(RUPEES IN THOUSAND)	
Short term borrowings obtained as per Islamic mode	12	**327,459**	310,398
Interest or mark-up accrued on any conventional loan or advance			
Long term financing	11	**310**	2,369
Short term borrowings	11	**12,620**	22,022
Long-term and short-term Shariah compliant investments		**686,203**	146,426
Shariah-compliant bank deposits and bank balances	45.1 (b)	**8,542**	15,866
Revenue earned from shariah compliant business segment		**5,988,665**	7,978,517
Gain or loss or dividend earned on Shariah compliant investments			
Unrealized gain on remeasurement of equity investments at FVTOCI - net	5	**50,054**	8,732
Gain realized on disposal of equity investments at FVTOCI	5	**11,475**	-
Gain on sale of investment in equity accounted associate	33	**-**	5,627
Unrealized gain on remeasurement of equity investments at FVTPL	33	**596**	-
Gain on sale of investment at FVTPL - net	33	**22,003**	479
Dividend income	33	**950**	5,420
Source and detailed breakup of other income, including breakup of other or miscellaneous portions of other income into Shariah-compliant and non-compliant income			
Shariah-compliant			
Dividend income	33	**950**	5,420
Reversal of allowance for expected credit losses	33	**685**	4,473
Reversal of provision for doubtful loans and advances	33	**-**	672
Rental income	33	**44,272**	40,250
Scrap sales	33	**3,078**	1,954
Gain on sale of property, plant and equipment	33	**275**	3,291
Credit balances written back	33	**2,841**	54
Gain on remeasurement of fair value of investment properties	33	**24,624**	-
Unrealized gain on remeasurement of equity investments at FVTPL	33	**596**	-
Gain on sale of investment in equity accounted associate	33	**-**	5,627
Gain on sale of investment at FVTPL - net	33	**22,003**	479
Non-compliant			
Profit on PLS account and TDRs	33	**16,115**	23,179

There were no late payments or liquidity damages during the year. Moreover there is no profit earned on Shariah compliant bank balances as all the bank balances are in current accounts. The relationship with all shariah compliant banks for the current year is related to bank accounts as given in Note 45.1 (b).

49. **DATE OF AUTHORIZATION**

These consolidated financial statements were authorized for issue on September 29, 2025 by the Board of Directors of the Holding Company.

50. **CORRESPONDING FIGURES**

Corresponding figures have been re-arranged and reclassified for better presentation, wherever necessary for the purpose of comparison. However, no significant reclassifications have been made.

51. **GENERAL**

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

CHIEF EXECUTIVE OFFICER	DIRECTOR	CHIEF FINANCIAL OFFICER

FORM OF PROXY
Annual General Meeting

I/We______________________________________of _____________ a member/members of **Crescent Cotton Mills Limited** andholder of ___________ shares as per Folio #__________ /CDC Participant's ID #________and Sub Account # __________ /CDC Invester Account ID #___________ do hereby appoint ____ of _____________ or failing him ____ of _______________ who is also member of the Company vide Folio No. ___________ /CDC Participant's ID #________ and Sub Account # __________ /CDC Invester Account ID #___________ as my/our Proxy to attend, speak and vote for me/us and on my/our behalf at the Annual General Meeting of the Company to be held at 10:00 a.m. on Tuesday the October 28, 2025 at the Registered Office of the Company New Lahore Road, Nishatabad, Faisalabad and at any adjournment thereof.

As witness my hand this ______________________ day of ________________2025.

______________________ **Member's Signature**	**Affix revenue stamps of Rs. 50/-**

Witnesses:

Signature: __________________	Signature: __________________
Name: ____________________	Name: ____________________
CNIC: _____________________	CNIC: _____________________
Address: ___________________	Address: ___________________
___________________________	___________________________

Notes:

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

کریسنٹ کاٹن ملز لمیٹڈ

پراکسی فارم (مختارنامہ) برائے سالانہ اجلاسِ عام

میں/ہم ______________________________

بحیثیت رکن کریسنٹ کاٹن ملز لمیٹڈ اور حامل __________ حصص بمطابق فولیو نمبر __________

سی ڈی سی پارٹیسپنٹ آئی ڈی نمبر/ __________ اور سب اکاؤنٹ نمبر __________ /سی ڈی سی انویسٹر اکاؤنٹ آئی ڈی نمبر __________

محترم/محترمہ ______________________________

یا ان کی غیر موجودگی میں __________ جو فولیو نمبر __________

سی ڈی سی پارٹیسپنٹ آئی ڈی نمبر/ __________ اور سب اکاؤنٹ نمبر __________ /سی ڈی سی انویسٹر اکاؤنٹ آئی ڈی نمبر __________

کے تحت کمپنی کا ممبر ہے۔ کو اپنے/ ہمارے ایماء پر مورخہ 28 اکتوبر 2025ء بروز پیر 10:00 بجے بمقام رجسٹرڈ آفس نشاط آباد فیصل آباد پر منعقد ہونے والے کریسنٹ کاٹن ملز لمیٹڈ کے غیر معمولی اجلاس عام میں حق رائے دہی استعمال کرنے، خطاب اور شرکت کرنے یا کسی بھی التواء کی صورت میں اپنا/ ہمارا بطور مختار (پراکسی) مقرر کرتا ہوں/کرتے ہیں۔

آج بروز ______ بتاریخ __________ 2025ء کو میرے/ ہمارے دستخط سے گواہوں کی تصدیق سے جاری ہوا۔

50/- روپے کا رسیدی ٹکٹ یہاں چسپاں کریں۔

دستخط رکن
کمپنی کے نمونہ دستخط سے مماثل ہونے چاہئیں۔

گواہان

دستخط: __________
نام: __________
پتہ: __________
____
کمپیوٹرائزڈ قومی شناختی کارڈ نمبر: __________

دستخط: __________
نام: __________
پتہ: __________
____
کمپیوٹرائزڈ قومی شناختی کارڈ نمبر: __________

نوٹ:

1- اجلاس میں شرکت اور رائے دہی کا مستحق رکن، پراکسی مقرر کرسکتا ہے۔

2- پراکسی اور مختار نامہ یا دیگر اتھارٹی (اگر کوئی ہوں) تقرری کی دستاویز، جس کے تحت یہ دستخط شدہ ہو یا اس مختار نامہ کے نوٹریلی مصدقہ کاپی، کمپنی کے رجسٹرڈ آفس واقع نیولاہور روڈ نشاط آباد فیصل آباد میں اجلاس منعقد ہونے سے کم از کم 48 گھنٹے قبل جمع کروائے جانا چاہئیں۔

3- CDC اکاؤنٹ ہولڈرز کو مزید درج ذیل ہدایات پر عمل کرنا ہوگا، جو سیکیورٹیز اینڈ ایکسچینج کمیشن آف پاکستان کے سرکلر نمبر 1 مورخہ 26 جنوری 2000 میں پراکسی مقرر کرنے کے لیے دی گئی ہیں:

i- بصورت افراد، اکاؤنٹ ہولڈر اور/ یا سب اکاؤنٹ ہولڈر جن کے سیکیورٹیز انڈر رجسٹریشن تفصیلات قواعد وضوابط کے مطابق اپ لوڈ ہوں، انہیں درج بالا شرائط کے مطابق پراکسی فارم (مختار نامہ) جمع کرانا ہوں گے۔

ii- پراکسی فارم پر بطور گواہان دو افراد کے دستخط ہونا چاہئیں اور ان کے نام، پتے اور کمپیوٹرائزڈ قومی شناختی کارڈ نمبرز فارم پر درج ہوں۔

iii- بینیفشل اونرز اور پراکسی کے کمپیوٹرائزڈ قومی شناختی کارڈ یا پاسپورٹ کی مصدقہ نقول، پراکسی فارم (مختار نامہ) کے ہمراہ جمع کرانا ہوں گی۔

iv- پراکسی، اجلاس کے وقت اپنا اصل کمپیوٹرائزڈ شناختی کارڈ یا اصل پاسپورٹ مہیا کرے گا/گی۔

v- بصورت کارپوریٹ اینٹٹی، بورڈ کی قرارداد/مختار نامہ معہ پراکسی ہولڈر کے دستخط (اگر پہلے فراہم نہ کیے گئے ہوں) پراکسی فارم (مختار نامہ) کے ہمراہ کمپنی جمع کرانا ہوگا۔