

Tomorrow's Denim Today

AZGARD

AZGARD NINE LIMITED
Interim Financial Report
for the nine months ended
March 31, 2025 (Un-audited)

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COMPANY INFORMATION

BOARD OF DIRECTORS

Mr. Zahid Mahmood
Chairman
Mr. Ahmed H. Shaikh
Chief Executive
Mr. Abid Hussain
Mr. Ihsan Ahmad
Ms. Maliha Sarda Azam
Mr. Nasir Ali Khan Bhatti
Syed Hasan Akbar Kazmi
Mr. Usman Rasheed

COMPANY SECRETARY

Mr. Muhammad Awais

CHIEF FINANCIAL OFFICER

Mr. Muhammad Zahid Rafiq, FCA

AUDIT COMMITTEE

Mr. Ihsan Ahmad
Chairman
Mr. Nasir Ali Khan Bhatti
Mr. Usman Rasheed

HR & REMUNERATION COMMITTEE

Mr. Ihsan Ahmad
Chairman
Mr. Ahmed H. Shaikh
Ms. Maliha Sarda Azam

AUDITORS

Rahman Sarfaraz Rahim Iqbal Rafiq
Chartered Accountants

SHARES REGISTRAR

M/s. Hameed Majeed Associates (Pvt.) Ltd.
H. M. House, 7-Bank Square, Lahore.
Ph: +92(0)42 37235081-82
Fax: +92(0)42 37358817

REGISTERED OFFICE

Ismail Aiwan-i-Science
Off: Shahrah-i-Roomi, Lahore-54600.
Ph: +92(0)42 35761794-5

BANKERS

Relationship with conventional side

JS Bank Limited
MCB Bank Limited
Habib Bank Limited
United Bank Limited
National Bank of Pakistan
Silkbank Limited
Bank Makramah Limited
Askari Bank Limited
Bank Al Habib Limited
Bank of Khyber

Relationship with Islamic window operations

Al Baraka Bank Pakistan Limited
Faysal Bank Limited

PROJECT LOCATIONS

Textile & Apparel

Unit I

2.5 KM Off: Manga Raiwind Road,
District Kasur, Pakistan.
Ph: +92(0)42 35384081

Unit II

Atta Buksh Road, 18-KM, Off: Ferozepur Road,
Mouza Atari Saroba, Tehseel Cantt,
Lahore, Pakistan.
Ph: +92(0)333 0427020-1

E-MAIL

info@azgard9.com

WEB PRESENCE

www.azgard9.com

Directors' Review

The Directors of Azgard Nine Limited ("the Company") hereby present the Company's Condensed Interim Financial Report for the nine months ended March 31, 2025.

Principal Activities

The main business of your Company is the production and marketing of denim-focused textile and apparel products, ranging from yarn to retail-ready goods.

Following are the operating financial results of Azgard Nine Limited:

	Nine Months Ended March 31, 2025 (Rupees)	Nine Months Ended March 31, 2024 (Rupees)
Sales – net	31,240,116,601	26,166,297,756
Operating profit	1,665,233,394	1,371,293,155
Finance cost	(871,765,736)	(764,881,588)
Profit before taxes	888,730,045	761,759,983
Profit after taxes	414,040,726	368,720,476
Earnings per share	0.84	0.75

Review of business during this period and future outlook

During the period under review, the Company delivered strong financial results. Net sales grew by 19.4%, reaching Rs. 31,240.12 million, compared to Rs. 26,166.30 million in the same period last year.

Operating profit increased by 21.4%, amounting to Rs. 1,665.23 million, up from Rs. 1,371.29 million in the previous period. Net profit after tax also recorded an improvement, standing at Rs. 414.04 million, as compared to Rs. 368.72 million in the same period last year.

On the one side up until Jan 2025 or so there were some signs of recovery following successful efforts to control inflation in the global economy. Textile exports of Pakistan have shown some encouraging signs during July to March of the fiscal year 2024–25, exports increased by 9.38%. Pakistani Rupee remained fairly stable against the US Dollar during this period. The reduction in the policy rates from 20.50% on July 1, 2024, to 12 % by March 31, 2025 provided some relief to the industry.

On the other side, textile exporters in Pakistan continue to face several challenges. The high cost of raw materials and energy remains a major concern both of which are above the world prices. Labor costs increased following the rise in the minimum wage from Rs. 32,000 to Rs. 37,000 and are now one of the highest in the region. In addition, sea freights remained high amid geopolitical tensions in the Middle East.

The government of Pakistan shifted exporters from the Final Tax Regime to the Normal Tax Regime. This change introduced an additional 1% advance minimum tax on export proceeds, alongside the existing 1% tax. Combined with the super tax, this change has further impacted the industry's competitiveness, more than doubling the cash tax burden on the company.

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In April 2025, the U.S. dropped a bombshell by imposing large tariffs on nearly every country, potentially triggering a global trade war. A 90-day tariff pause window is currently in place to allow time for negotiation, but the outcome remains uncertain. One possibility is If Pakistan fails to respond with a clear tariff strategy, it risks losing 20–25% of its textile exports to the U.S.—a devastating hit of \$1.1–\$1.4 billion. On the other hand, there is a possibility if Pakistan could step up and improve in US market assets then it would be beneficial.

The Company is focused on reducing energy costs, improving process efficiency, and maintaining financial stability. We are driving growth by strengthening our product offerings, expanding our product range, and enhancing sustainability to meet customer expectations.

The Board is confident in the Company's ability to navigate challenges and remain strong. With strategic planning and sound financial management, we are ready to adapt to market changes and deliver long-term value for shareholders.

On behalf of the Board of Directors



Chief Executive Officer



Director

Date: April 29, 2025

ڈائریکٹرز کا جائزہ

ایزگارڈ نائن لمیٹڈ (کمپنی) کے ڈائریکٹرز کمپنی کی کثیف عبوری مالیاتی رپورٹ برائے نو ماہی ختمہ 31 مارچ 2025 پیش کرتے ہیں۔

اہم سرگرمیاں

آپ کی کمپنی کا بنیادی کاروبار دھاکہ سے لے کر خوردہ تیار سامان، ڈیٹیم کپڑا اور تیار ڈیٹیم ملبوسات کی مصنوعات کی پیداوار اور مارکیٹنگ پر مرکوز ہے۔ ایزگارڈ نائن لمیٹڈ کے عملی مالیاتی نتائج درج ذیل ہیں۔

نوماہی ختمہ 31 مارچ 2024 (روپے)	نوماہی ختمہ 31 مارچ 2025 (روپے)	
26,166,297,756	31,240,116,601	فروختگی (Net)
1,371,293,155	1,665,233,394	آپریٹنگ منافع
(764,881,588)	(871,765,736)	مالیاتی اخراجات
761,759,983	888,730,045	منافع قبل از ٹیکس
368,720,476	414,040,726	منافع بعد از ٹیکس
0.75	0.84	منافع فی شیئر

اس معیار کے دوران کاروبار کا جائزہ اور مستقبل پر نظر

زیر جائزہ مدت کے دوران، کمپنی نے بہتر نتائج پیش کیے، کمپنی کی سیلز 19.4 فیصد اضافے کے ساتھ پچھلے سال اسی مدت کے 26,166.30 ملین روپے سے بڑھ کر 31,240.12 ملین روپے رہے۔

پچھلے عرصہ کے آپریٹنگ منافع 1,371.29 ملین روپے کے مقابلے میں اس نوماہی کا آپریٹنگ منافع 1,665.23 ملین روپے ہے جو کہ 21.4 فیصد زیادہ ہے۔ کمپنی کا بعد از ٹیکس خالص منافع میں بھی بہتری ریکارڈ کی گئی جو کہ 414.04 ملین روپے رہا، جو کہ پچھلے سال اسی مدت کے دوران 368.72 ملین روپے تھا۔

ایک طرف جنوری 2025 تک یا اس کے بعد عالمی معیشت میں مہنگائی کو کنٹرول کرنے کی کامیاب کوششوں کے بعد بحالی کے کچھ آثار نظر آئے۔ مالی سال 2024-25 کے جولائی تا مارچ کے دوران پاکستان کی ٹیکسٹائل کی برآمدات میں کچھ حوصلہ افزا آثار نظر آئے۔ برآمدات میں 9.38 فیصد اضافہ ہوا۔ اس عرصے کے دوران پاکستانی روپیہ امریکی ڈالر کے مقابلے میں کافی مستحکم رہا۔ پالیسی ریٹ 01 جولائی 2024 تا 31 مارچ 2025 کے درمیان 20.50 فیصد سے کم ہو کر 12 فیصد تک ہونے سے صنعت کو کچھ ریلیف فراہم ہوا ہے۔

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دوسری جانب پاکستان میں ٹیکسٹائل ایکسپورٹرز کو کئی چیلنجز کا سامنا ہے۔ خام مال اور توانائی کی بلند قیمت ایک بڑی تشویش ہے جو عالمی قیمتوں سے زیادہ ہے۔ کم از کم اجرت 32,000 روپے سے 37,000 روپے تک بڑھنے کے بعد مزدوری کی لاگت میں اضافہ ہوا جو خطہ میں سب سے زیادہ ہے۔ مشرق وسطیٰ میں جغرافیائی سیاسی تناؤ کی وجہ سے جہاز رانی کے اخراجات میں اضافہ ہوا۔


حکومت پاکستان نے ایکسپورٹرز کو فائل ٹیکس رجیم سے نارل ٹیکس رجیم میں منتقل کر دیا۔ اس تبدیلی نے موجودہ 1 فیصد ٹیکس کے ساتھ برآمدی آمدنی پر اضافی 1 فیصد کم از کم ایڈوائس ٹیکس متعارف کرا دیا۔ سپر ٹیکس کے ساتھ مل کر، اس تبدیلی نے صنعت کی مسابقت کو مزید متاثر کیا ہے۔ کمپنی پرنفڈ ٹیکس کے بوجھ کو دگنا کیا ہے۔

اپریل 2025 میں، امریکہ نے تقریباً ہر ملک پر بڑا ٹریف لگا کر بمب پھینکا، جس سے ممکنہ طور پر عالمی تجارتی جنگ شروع ہو گئی ہے۔ بات جیت کے لئے وقت دینے کے لئے فی الحال 90 دن کا ٹریف توقف و بند موجود ہے، لیکن نتیجہ غیر یقینی ہے اگر پاکستان واضح حکمت عملی کے ساتھ جواب دینے میں ناکام رہتا ہے، تو اسے امریکہ کو اپنی ٹیکسٹائل کی برآمدات کا 20 سے 25 فیصد تک کھونے کا خطرہ ہے۔ جو کہ 1.1 بلین ڈالر سے لے کر 1.4 بلین ڈالر تک کا تباہ کن نقصان ہے۔ دوسری جانب اس بات کا امکان ہے کہ اگر پاکستان امریکی مارکیٹ کے اثاثوں میں قدم بڑھا کر بہتری لاتا ہے تو یہ فائدہ مند ہوگا۔

کمپنی کی توجہ توانائی کے اخراجات کو کم کرنے، عمل کی کارکردگی کو بہتر بنانے اور مالی استحکام کو برقرار رکھنے پر مرکوز ہے۔ ہم اپنی مصنوعات کی پینکشن کو مضبوط بنا کر، اپنی مصنوعات کی رینج کو بڑھا کر اور صارفین کی توقعات پر پورا اترنے کے لئے پائیداری کو بڑھا کر ترقی کو آگے بڑھا رہے ہیں۔

بورڈ کو چیلنجز کو نیویگیٹ کرنے اور مضبوط رہنے کی کمپنی کی صلاحیت پر یقین ہے۔ اسٹریٹجک منصوبہ بندی اور مضبوط مالیاتی انتظام کے ساتھ، ہم مارکیٹ میں ہونے والی تبدیلیوں سے ہم آہنگ ہونے اور حصص یافتگان کے لئے طویل مدتی قدر فراہم کرنے کے لئے تیار ہے۔

بورڈ آف ڈائریکٹرز کی جانب سے


ڈائریکٹر


چیف ایگزیکٹو آفیسر

تاریخ: 29 اپریل 2025ء

Condensed Interim Statement of Financial Position (Un-audited)
As at March 31, 2025

		(Un-audited) March 31 2025 Rupees	(Audited) June 30 2024 Rupees
EQUITY AND LIABILITIES			
Authorized share capital		15,000,000,000	15,000,000,000
Issued, subscribed and paid up capital		4,913,753,370	4,913,753,370
Reserves		3,854,571,023	3,321,940,307
Surplus on revaluation of fixed assets		2,596,918,393	2,685,789,742
Unappropriated profit		2,771,021,259	2,779,565,258
		14,136,264,045	13,701,048,677
Non-current liabilities			
Redeemable capital - secured		705,525,350	1,030,263,477
New Zero Coupon PPTFCs		3,092,296,717	2,914,312,783
Preference Shares Liability		179,907,996	216,848,846
Deferred liability		1,654,625,943	1,499,899,473
		5,632,356,006	5,661,324,579
Current liabilities			
Current portion of non-current liabilities		1,576,684,608	1,577,458,577
Short term borrowing		2,359,325,880	2,205,419,916
Trade and other payables		2,931,664,056	4,313,920,816
Contract Liabilities (advances from customers)		90,499,842	113,353,052
Interest / mark-up accrued on borrowings		199,244,500	201,801,459
Unclaimed dividend on ordinary shares		3,753,252	3,753,252
Provision for income tax - net		-	6,874,376
Levies payable - net		242,422,945	242,422,945
		7,403,595,083	8,665,004,393
Contingencies and commitments	4	27,172,215,134	28,027,377,649
ASSETS			
Non-current assets			
Property, plant and equipment	5	11,172,895,521	10,969,445,216
Long term investments		13,410,515	13,410,515
Long term deposits and receivables		183,160,208	73,380,372
		11,369,466,244	11,056,236,103
Current assets			
Store, spares and loose tools		261,348,159	218,355,085
Stock-in-trade		6,365,067,201	7,566,679,744
Trade receivables		3,221,699,418	4,229,804,959
Receivable against non-current assets held for sale		706,412,075	713,716,646
Advances, deposits, prepayments and other receivables		3,047,346,398	2,334,705,054
Short term investments		138,418,830	154,643,646
Income tax recoverable		202,527,062	-
Funds for restructuring scheme		908,020,916	842,684,023
Cash and bank balances	8	951,908,831	910,552,389
		15,802,748,890	16,971,141,546
		27,172,215,134	28,027,377,649

The annexed notes from 1 to 12 form an integral part of these interim financial statements.

Lahore

Chief Executive Officer

Director

Chief Financial Officer

Condensed Interim Statement of Profit or Loss (Un-audited)
For The Nine Months Period Ended March 31, 2025

	Nine-months period ended		Three-months period ended	
	31-Mar-25	31-Mar-24	31-Mar-25	31-Mar-24
	Rupees	Rupees	Rupees	Rupees
Note				
Sales - net	31,240,116,601	26,166,297,756	9,260,754,940	9,240,911,504
Cost of sales	(27,346,215,309)	(22,824,461,987)	(8,024,571,293)	(8,058,742,425)
Gross profit	3,893,901,292	3,341,835,769	1,236,183,647	1,182,169,079
Selling and distribution expenses	(1,492,745,417)	(1,305,777,530)	(384,248,827)	(559,784,618)
Administrative expenses	(735,922,481)	(664,765,084)	(241,496,052)	(217,338,036)
Profit from operations	1,665,233,394	1,371,293,155	610,438,768	405,046,425
Other income	351,261,310	397,262,288	109,935,233	144,153,681
Other expenses	(48,377,116)	(40,092,631)	(21,471,816)	(11,057,080)
Finance cost	7 (871,765,736)	(764,881,588)	(252,874,337)	(260,784,753)
Amortization of notional income	(207,621,807)	(201,821,241)	(69,207,269)	(67,273,747)
Profit before taxation	888,730,045	761,759,983	376,820,580	210,084,526
Taxation	(474,689,319)	(393,039,507)	(162,600,648)	(138,007,437)
Profit after taxation	414,040,726	368,720,476	214,219,932	72,077,089
Earnings per share - basic and diluted	0.84	0.75	0.44	0.15

The annexed notes from 1 to 12 form an integral part of these interim financial statements.

Lahore

Chief Executive Officer

Director

Chief Financial Officer

**Condensed Interim Statement of Comprehensive Income (Un-audited)
For The Nine Months Period Ended March 31, 2025**


	Nine-month period ended		Three-month period ended	
	31-Mar-25	31-Mar-24	31-Mar-25	31-Mar-24
	Rupees	Rupees	Rupees	Rupees
Profit after taxation	414,040,726	368,720,476	214,219,932	72,077,089
<i>Items that may not be subsequently reclassified to statement of profit or loss</i>				
Re-measurement of post retirement benefits obligations	-	-	-	-
Total comprehensive income for the period	414,040,726	368,720,476	214,219,932	72,077,089

The annexed notes from 1 to 12 form an integral part of these interim financial statements.

Lahore


Chief Executive Officer


Director


Chief Financial Officer

Condensed Interim Statement of Cash Flows (Un-audited)
For The Nine Months Period Ended March 31, 2025

	July 2024 to March 2025	July 2023 to March 2024
<i>Note</i>	Rupees	Rupees
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	888,730,046	761,759,983
Adjustments	1,534,953,861	1,433,865,459
Operating profit before working capital changes	2,423,683,907	2,195,625,442
Changes in working capital	15,567,827	(989,824,399)
Cash generated from operations	2,439,251,734	1,205,801,043
Payments for:		
Interest/markup/return paid	(348,574,077)	(296,658,590)
Taxes paid	(684,090,756)	(335,025,117)
Long term deposits	(109,223,236)	(12,000,000)
WPPF	(56,111,006)	(100,759,318)
Post retirement benefits	(116,547,376)	(66,134,103)
	(1,314,546,451)	(810,577,128)
Net cash generated from operating activities	1,124,705,283	395,223,915
CASH FLOWS FROM INVESTING ACTIVITIES		
Capital expenditure incurred during the period	(832,771,819)	(680,111,248)
Proceeds against receivable from sale of Muzaffargarh unit	7,304,571	1,935,000
Proceeds from disposal of fixed assets	4,700,000	-
Short term investment	16,224,816	(29,672,419)
Net cash used in investing activities	(804,542,432)	(707,848,667)
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayment of redeemable capital	(330,217,290)	(323,863,171)
Preference Shares	(36,940,852)	-
Repayment of lease liabilities	(217,338)	(398,681)
Dividend paid on preference shares	-	(9,591,632)
Short term borrowings-net	161,712,640	465,071,488
Net cash generated from/(used in) financing activities	(205,662,840)	131,218,004
NET DECREASE IN CASH AND CASH EQUIVALENTS	114,500,011	(181,406,748)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF PERIOD	1,745,142,828	1,704,098,690
CASH AND CASH EQUIVALENTS AT THE END OF PERIOD	1,859,642,839	1,522,691,943

The annexed notes from 1 to 12 form an integral part of these interim financial statements.

Lahore


 Chief Executive Officer


 Director


 Chief Financial Officer

Condensed Interim Statement of Changes in Equity (Un-audited)
For The Nine Months Period Ended March 31, 2025

	Issued, subscribed and paid-up capital	Share premium	Reserve on merger	Capital Reserves	New Zero Coupon PPTFCs Redemption Reserve	Total reserves	Surplus on revaluation of fixed assets	Unappropriated profit	Total equity
As at 01 Jul, 2023 - Audited	4,913,753,370	2,358,246,761	105,152,005	661,250,830	-	3,124,649,596	2,959,427,045	2,326,999,464	13,324,825,475
Total comprehensive income for the period	-	-	-	-	-	-	-	-	-
Income for the period ended Mar 31, 2024	-	-	-	-	-	-	-	-	-
Other comprehensive income for the period ended Mar 31, 2024	-	-	-	-	-	-	-	-	-
Total comprehensive income for the year Mar 31, 2024	-	-	-	-	-	-	-	-	-
Transfer of incremental depreciation from surplus on revaluation of operating fixed assets	-	-	-	(512,883,575)	-	(512,883,575)	(73,523,688)	586,407,263	-
Transfer of reserve from accumulated profits to new zero coupon PPTFCs redemption reserve	-	-	-	-	532,630,716	532,630,716	-	(532,630,716)	-
As at Mar 31, 2024 - Unaudited	4,913,753,370	2,358,246,761	105,152,005	148,367,255	532,630,716	3,144,396,737	2,885,903,357	2,749,486,487	13,693,549,951
As at Jul 01, 2024 - Audited	4,913,753,370	2,358,246,761	105,152,005	148,367,255	710,174,286	3,321,940,307	2,685,789,742	2,779,565,258	13,701,048,677
Total comprehensive income for the period	-	-	-	-	-	-	-	-	-
Profit for the period ended Mar 31, 2025	-	-	-	-	-	-	-	-	-
Other comprehensive income for the period ended Mar 31, 2025	-	-	-	-	-	-	-	-	-
Total comprehensive income for the period ended Mar 31, 2025	-	-	-	-	-	-	-	-	-
Transfer of incremental depreciation from surplus on revaluation of fixed assets	-	-	-	-	-	-	-	-	-
Deferred tax liability on incremental depreciation	-	-	-	-	-	-	(109,509,936)	109,509,936	-
Transfer of reserve from accumulated profits to new zero coupon PPTFCs redemption reserve	-	-	-	-	532,630,716	532,630,716	21,174,642	-	21,174,642
Transfer of incremental depreciation from surplus on disposal of fixed assets	-	-	-	-	-	(536,055)	-	(532,630,716)	-
As at Mar 31, 2025 - Unaudited	4,913,753,370	2,358,246,761	105,152,005	148,367,255	1,242,805,002	3,854,571,023	2,596,918,393	2,771,021,259	14,136,264,045

The annexed notes from 1 to 12 form an integral part of these interim financial statements.



Lahore

Chief Executive Officer



Director



Chief Financial Officer

12 | Azgard Nine Limited

Notes to the Condensed Financial Statements (Un-audited) For the nine months ended March 31, 2025

1 LEGAL STATUS AND NATURE OF BUSINESS

Azgard Nine Limited ("the Company") was incorporated in Pakistan as a Public Limited Company on April 7, 2004 and listed on Pakistan Stock Exchange Limited. The Company is a composite spinning, weaving, dyeing and stitching unit engaged in the manufacturing of yarn, denim and denim products. The registered office of the Company is situated at Ismail Aiwan-e-Science, off Shahrah-e-Roomi, Lahore. The Company has two production units with Unit I located at 2.5 km off Manga, Raiwind Road, District Kasur and Unit II (rented facility) located at Atta Buksh Road, 18-km, off Ferozepur road, Mouza Atari Saroba, Tehseel Cantt, Lahore.

2 BASIS OF PREPARATION

2.1 Statement of compliance

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

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

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

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

These condensed interim financial statements do not include all the information required for annual financial statements including financial risk management information and therefore should be read in conjunction with the annual audited financial statements for the year ended June 30, 2024.

Comparative statement of financial position is extracted from annual audited financial statements for the year ended June 30, 2024 whereas comparative statement of profit or loss, statement of changes in equity and statement of cash flows are extracted from unaudited condensed interim financial statements for the quarter ended on March 31, 2024.

These condensed interim financial statements are being submitted to the shareholders as required by Section 237 of the Companies Act, 2017.

3 ACCOUNTING POLICIES AND ESTIMATES

3.1 The accounting policies and methods of computation adopted in the preparation of this condensed interim unaudited financial information are the same as those applied in the preparation of the financial statements for the year ended June 30, 2024.

3.2 Judgements and estimates made by the management in the preparation of the condensed interim financial information are the same as those applied in preparation of annual published financial statements of the Company for the year ended June 30, 2024.

4 CONTINGENCIES AND COMMITMENTS

4.1 Contingencies

- 4.1.1** There is no material change in the status of contingencies as disclosed in the financial statements for the year ended Jun 30, 2024 except that during the period, hearing of Court of Venice was held and the judge granted the parties time to submit statements and replies that have been filed.

	(Un-audited) March 31, 2025	(Audited) June 30, 2024
4.2 Commitments		
4.2.1 Commitments under irrevocable letters of credit for:	Rupees	Rupees
- purchase of plant, machinery and loose tools	179,272,887	182,475,526
- purchase of raw material	73,159,267	52,774,586
	<u>252,432,154</u>	<u>235,250,112</u>
4.2.2 Commitments for capital expenditure	611,305,694	158,676,099

- 4.2.3** Counter Guarantees given by the Company to its bankers as at the reporting date amount to Rs. 285.79 million (June 30, 2024: Rs. 285.79 million).

- 4.2.4** Bills discounted as at reporting date aggregated to Rs. 2,278.63 million (June 30, 2024: Rs. 2,767.17 million).

5 Property, plant and equipment

Operating fixed assets	10,383,482,620	10,277,401,479
Right of use assets	-	968,929
Capital work in progress	789,412,901	691,074,808
	<u>11,172,895,521</u>	<u>10,969,445,216</u>

Note

5.1 Operating fixed assets

Net book value as at the beginning of the period / year	10,277,401,479	10,462,403,915
Additions during the period / year	734,433,707	619,118,759
Assets transfer from leased to own	920,483	-
Disposals during the period / year - Net book value	(3,891,463)	(16,894,878)
Depreciation charged during the period / year	(625,381,586)	(787,226,317)
Net book value as at the end of the period / year	10,383,482,620	10,277,401,479

5.1.1 Additions - Cost

Assets owned by the Company

Building on freehold land	-	63,371,599
Plant and Machinery	612,321,463	323,115,372
Others	122,112,244	232,631,788
	<u>734,433,707</u>	<u>619,118,759</u>

6 TRANSACTIONS AND BALANCES WITH RELATED PARTIES

Related parties from the Company's perspective comprise associated undertakings, key management personnel (including chief executive and directors), post employment benefit plan and other related parties. Other related parties are group companies of M/s. Jahangir Siddiqui & Co. (JSCL) which holds more than twenty (20%) shareholding in the Company. Further, there is no common directorship with JSCL or any of these other related parties. The Company in the normal course of business carries out transactions with various related parties and continues to have a policy whereby all such transactions are carried out on permissible basis with the exceptions as approved by the Board of Directors.

Details of transactions and balances with related parties are as follows:

	(Un-audited) July to March 2025	(Un-audited) July to March 2024
6.1 Transactions with related parties		
6.1.1 Other related parties	Rupees	Rupees
JS Bank Limited		
Markup expense	883,730	8,884,464
Fee paid to trustee	1,500,000	1,500,000
Markup Paid	-	12,665,628
Profit received on deposit accounts	12,873,417	31,112,448
Unit Trust of Pakistan		
Markup expense	894,058	1,076,046
JS Large Cap Fund		
Markup expense	2,380,704	2,869,784
Markup Paid	1,803,187	2,284,153
JS Global Capital Limited		
Markup expense	9,345,784	11,265,738
Markup Paid	7,078,661	8,966,762
JS Principal Secure Fund		
Markup expense	958,465	1,155,368
Markup Paid	725,958	919,594
JS Income Fund		
Markup expense	1,100,008	1,323,910
JS Growth Fund		
Markup expense	2,838,380	3,419,588
Markup Paid	1,392,071	1,763,379

	(Un-audited) March 31, 2025 Rupees	(Audited) June 30, 2024 Rupees
6.2 Balances with related parties		
6.2.1 Other related parties		
JS Bank Limited		
Settlement Finance under restructuring Scheme	13,870,315	13,870,315
Short Term Borrowings	112,000,000	-
Balance at bank accounts	449,012,058	549,253,273
Mark-up payable	3,606,492	2,202,150
Unit Trust of Pakistan		
Sub PPTFCs	15,437,500	19,000,000
Settlement Finance under restructuring Scheme	6,822,073	6,822,073
New Zero Coupon PPTFCs	49,485,000	49,485,000
Mark-up payable	2,141,151	1,247,094
JS Large Cap Fund		
Redeemable capital - PPTFCs	41,494,283	51,069,886
Settlement Finance under restructuring Scheme	17,739,525	17,739,525
New Zero Coupon PPTFCs	59,745,000	59,745,000
Mark-up payable	3,834,710	3,257,193
JS Global Capital Limited		
Redeemable capital - PPTFCs	162,891,597	200,481,966
Settlement Finance under restructuring Scheme	69,638,980	69,638,980
New Zero Coupon PPTFCs	234,545,000	234,545,000
Mark-up payable	15,053,690	12,786,567
JS Principal Secure Fund		
Redeemable capital - PPTFCs	16,705,491	20,560,604
Settlement Finance under restructuring Scheme	7,141,887	7,141,887
New Zero Coupon PPTFCs	24,050,000	24,050,000
Mark-up payable	1,543,844	1,311,338
JS Pension Savings Fund		
New Zero Coupon PPTFCs	3,850,000	3,850,000
JS Income Fund		
Sub PPTFCs	18,993,000	23,376,000
Settlement Finance under restructuring Scheme	8,394,214	8,394,214
New Zero Coupon PPTFCs	62,040,000	62,040,000
Mark-up payable	2,634,471	1,534,463
JS Growth Fund		
Redeemable capital - PPTFCs	32,033,826	39,426,247
Sub PPTFCs	17,273,750	21,260,000
Settlement Finance under restructuring Scheme	21,330,137	21,330,137
New Zero Coupon PPTFCs	107,080,000	107,080,000
Mark-up payable	5,356,565	3,910,255

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	(Un-audited) July to March 2025 Rupees	(Un-audited) July to March 2024 Rupees
7 FINANCE COST		
Interest / mark-up on:		
- Redeemable capital & Long term finances	96,661,175	117,715,216
- Lease liabilities	11,780	116,859
- Short term borrowings	249,344,161	301,343,761
	346,017,116	419,175,836
Amortization of transaction costs	24,995,036	14,623,230
Bank discounting and other charges	500,753,583	331,082,521
	871,765,736	764,881,588
	(Un-audited) March 31, 2025 Rupees	(Audited) June 30, 2024 Rupees
8 CASH AND CASH EQUIVALENTS AT THE PERIOD END		
Short term borrowings - running finance	(286,908)	(8,093,584)
Cash and bank balances	951,908,831	910,552,389
Funds for restructuring	908,020,916	842,684,023
	1,859,642,839	1,745,142,828

9 Segment information

9.1 Information about reportable segments

9.1.1 Segment revenue and results

Revenues

External
Inter-segment

	Spinning segment		Weaving segment		Garment segment		Elimination		Total	
	March-25 Rupees	March-24 Rupees	March-25 Rupees	March-24 Rupees	March-25 Rupees	March-24 Rupees	March-25 Rupees	March-24 Rupees	March-25 Rupees	March-24 Rupees
	2,061,774,654	2,146,424,300	9,236,015,145	8,952,861,699	19,942,236,802	15,067,011,757	-	-	31,240,116,601	26,166,297,756
	583,921,633	415,970,941	6,310,556,985	5,376,388,585	37,232,883	944,536	(6,931,711,501)	(5,793,304,061)	-	-
	2,645,696,287	2,562,395,241	15,546,572,130	14,329,250,284	19,979,559,685	15,067,956,293	(6,931,711,501)	(5,793,304,061)	31,240,116,601	26,166,297,756

Cost of sales

External
Inter-segment

	Spinning segment		Weaving segment		Garment segment		Elimination		Total	
	March-25 Rupees	March-24 Rupees	March-25 Rupees	March-24 Rupees	March-25 Rupees	March-24 Rupees	March-25 Rupees	March-24 Rupees	March-25 Rupees	March-24 Rupees
	(1,986,210,262)	(2,035,623,927)	(7,214,584,344)	(7,075,809,762)	(18,145,430,702)	(13,713,028,297)	6,931,711,501	-	(27,346,215,309)	(22,824,461,987)
	(583,921,633)	(415,970,941)	(6,310,556,985)	(5,376,388,585)	(37,232,883)	(944,536)	-	5,793,304,061	-	-
	(2,570,131,895)	(2,451,594,868)	(13,525,141,329)	(12,452,198,346)	(18,182,663,585)	(13,713,972,833)	6,931,711,501	5,793,304,061	(27,346,215,309)	(22,824,461,987)

Gross profit

Selling and distribution expenses
Administrative expenses

	Spinning segment		Weaving segment		Garment segment		Elimination		Total	
	March-25 Rupees	March-24 Rupees	March-25 Rupees	March-24 Rupees	March-25 Rupees	March-24 Rupees	March-25 Rupees	March-24 Rupees	March-25 Rupees	March-24 Rupees
	75,564,392	110,800,373	2,021,430,801	1,877,051,938	1,796,906,100	1,353,983,460	-	-	3,893,901,292	3,341,835,769
	(35,739,468)	(48,450,274)	(373,554,338)	(370,873,294)	(1,083,451,611)	(886,453,963)	-	-	(1,492,745,417)	(1,305,777,530)
	(94,898,311)	(127,681,487)	(326,376,329)	(270,338,949)	(314,647,842)	(266,744,648)	-	-	(735,922,481)	(664,765,084)

Profit / (loss) from operations

Other income
Other expenses
Finance cost
Amortization of notional income
Taxation

	Spinning segment		Weaving segment		Garment segment		Elimination		Total	
	March-25 Rupees	March-24 Rupees	March-25 Rupees	March-24 Rupees	March-25 Rupees	March-24 Rupees	March-25 Rupees	March-24 Rupees	March-25 Rupees	March-24 Rupees
	(55,073,387)	(65,331,388)	1,321,500,134	1,235,839,694	398,806,647	200,784,849	-	-	1,665,233,394	1,371,293,155
									351,261,310	397,262,288
									(48,377,116)	(40,092,631)
									(871,765,736)	(764,881,588)
									(207,621,807)	(201,821,241)
									(474,689,319)	(393,039,507)
									414,040,726	368,720,476

9.1.2 Inter-segment sales and purchases

Inter-segment sales and purchases have been eliminated from total figures.

9.1.3 Basis of inter-segment pricing

All inter-segment transfers are made at negotiated rates.

9.1.4 Assets

Total assets for reportable segments
Property, plant and equipment - common
Long term investments
Short term investments
Funds for restructuring scheme

	Spinning segment		Weaving segment		Garment segment		Elimination		Total	
	March-25 Rupees	June-24 Rupees	March-25 Rupees	June-24 Rupees	March-25 Rupees	June-24 Rupees	March-25 Rupees	June-24 Rupees	March-25 Rupees	June-24 Rupees
	2,960,109,058	2,764,789,341	12,715,793,940	11,888,317,168	10,535,849,092	13,292,639,498	(1,721,935,790)	(2,257,330,066)	24,489,816,340	25,688,415,941
	-	-	-	-	-	-	-	-	1,622,548,533	1,328,223,524
	-	-	-	-	-	-	-	-	13,410,515	13,410,515
	-	-	-	-	-	-	-	-	138,418,830	154,643,646
	-	-	-	-	-	-	-	-	908,020,916	842,684,023
	2,960,109,058	2,764,789,341	12,715,793,940	11,888,317,168	10,535,849,092	13,292,639,498	(1,721,935,790)	(2,257,330,066)	27,172,215,134	28,027,377,609

9.1.5 Liabilities

Total liabilities for reportable segments
Corporate liabilities - common

	710,524,019	562,733,186	2,657,910,947	2,799,799,216	3,236,570,938	4,304,223,477	(1,721,935,790)	(2,257,330,066)	4,883,070,155	5,409,425,813
	-	-	-	-	-	-	-	-	8152,880,935	8,404,479,575
	710,524,019	562,733,186	2,657,910,947	2,799,799,216	3,236,570,938	4,304,223,477	(1,721,935,790)	(2,257,330,066)	13,035,951,089	13,813,905,388

9.1.6 Geographical Information

The segments of the Company are managed on a worldwide basis, but operate manufacturing facilities and sales offices in Pakistan. In presenting information on the basis of geography, segment revenue is based on the geographical location of customers and segment assets are based on the geographical location of the assets.

Revenue

Foreign revenue

	July to March 2025 Rupees	July to March 2024 Rupees
Asia	1,496,827,684	1,827,249,481
Europe	20,359,365,691	16,466,876,246
North America	377,022,056	945,946,783
South America	-	3,229,502
Africa	-	16,737,204
Other countries	7,559,192,792	5,790,346,705
	29,592,406,223	25,050,385,921

Local revenue

Pakistan	1,647,710,378	1,115,911,835
	31,240,116,601	26,166,297,756

(Un-audited) March-25 Rupees	(Audited) June-24 Rupees
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9.1.7 Non-current assets

11,369,466,244	10,969,445,216
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Pakistan

10 CORRESPONDING FIGURES

Corresponding figures have been rearranged, where necessary, for the purpose of comparison.

11 Date of authorization

This condensed interim unconsolidated financial information was authorized for issue by the Board of Directors of the Company on 29 April 2025.

12 General

Figures have been rounded off to the nearest rupee.

Lahore



Chief Executive Officer

Director

Chief Financial Officer

[illegible]

AZGARD9

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