

Steering the voyage of **excellence** and **commitment**

Condensed Interim Financial Statements for the
Nine Months Ended March 31, 2025



FEROZE1888 MILLS LTD

Manufacturers and Exporters of Specialized Yarn & Textile Products

Weaving a Better World®

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Company Information

Board of Directors

Mr. Abdul Rehman Yaqub
Mr. Shabbir Ahmed
Mr. Khaleequr Rahman
Mr. Perwez Ahmed
Mr. Zain Ashraf Mukaty
Mr. Anas Rahman
Mr. Temoor Ashraf Mukaty
Mr. Moin M. Fudda
Ms. Huma Pasha
Ms. Aminah Zahid Zaheer
Mr. Rehan Rahman

Chairman
Non-Executive Director
Non-Executive Director
Non-Executive Director
Non-Executive Director
Non-Executive Director
Non-Executive Director
Independent Director
Independent Director
Independent Director
Chief Executive Officer

Board Audit Committee

Mr. Moin M. Fudda
Mr. Khaleequr Rahman
Mr. Temoor Ashraf Mukaty
Ms. Aminah Zahid Zaheer

Chairman
Member
Member
Member

Board HR & Remuneration Committee

Ms. Aminah Zahid Zaheer
Mr. Moin M. Fudda

Mr. Zain Ashraf Mukaty

Chairperson
Member

Member

Chief Financial Officer

Ms. Javeria Siddiqui

Company Secretary

Faizan Zafar

Bankers

Allied Bank Limited
Bank Al Habib Limited
Bank Alfalah Limited
BankIslami Pakistan Limited
Faysal Bank Limited
Habib Bank Limited
Habib Metropolitan Bank Limited
Meezan Bank Limited
Standard Chartered Bank (Pakistan) Limited

External Auditors

Grant Thornton Anjum Rahman, Chartered Accountants
Modern Motors House, Beaumont Road, Karachi.

Internal Auditors

A.F. Ferguson & Co. Chartered Accountants
State Life Building No. 1-C, I.I Chundrigar Road, City Railway Colony Karachi.

Registered Office

Plot # H-23/4-A, Scheme # 3, Landhi Industrial Area, Landhi, Karachi.

Office Building

K&N Centre, 2nd and 3rd Floors, 160 Banglore Town, Shahrah -e-Faisal, Karachi

Factory Addresses

Sindh:

- H-23/4-A, H-23/4-B, H-23/4-B1 and H-23/3-II, Scheme No. 3, Landhi, Industrial Area, Karachi
- Plot # B-4A, SITE, Karachi.
- Plot # A-5/D and A-5/D1, SITE, Karachi.
- Plot # C-3, SITE, Karachi.
- Plot # C-31 SITE, Karachi.
- Plot # F-89, SITE, Karachi.
- Plot # F-125, SITE, Karachi.
- Plot # F-342, SITE, Karachi.
- Plot # PL-15, North Karachi Industrial Area, Karachi.
- Plot # ST-03, North Karachi Industrial Area, Karachi.
- Plot # 342/A, Haroonabad, SITE, Karachi.
- Survey # 81, 242, 72 to 75, 165, 166, 171, 172, 176 to 181, 186 to 190, 156, 210, 211, 243, Deh Moachko, Tapo Gabopat, Keamari Town, Karachi.

Balochistan:

Plot# D-12 to D-17, K-1 to K-3, M-34, HITE, all in Mauza Pathra, Tehsil Hub, District Lasbela, Balochistan.

Legal Advisor

Mohsin Tayebaly & Co.
1st Floor, Dime Centre Khayaban-e- Iqbal,
Block 9, Clifton, Karachi.

Share Registrar / Transfer Agent

FAMCO Share Registration Services (Pvt.) Limited
8-F, Next to Hotel Faran Nursery, Block-6,
PECHS, Shahrah-e-Faisal, Karachi.

Website

<http://www.feroze1888.com>

DIRECTORS' REPORT

We are pleased to present the performance review and the un-audited Financial Statements for the nine months ended 31 March 2025.

ECONOMIC OVERVIEW

The global economy had remained resilient this year, despite differences in the strength of activity across countries and sectors. Inflation continued to moderate and headline inflation back to central bank targets in most economies. However, the geopolitical risks which had implications for global economies started to translate. The new tariff measures by US and global trade policy uncertainty has disrupted world trade. World Trade Organization (WTO) is projecting a 0.2% contraction in global trade from its earlier expectation of 2.7% growth for 2025.

The Country's economic growth resumed in FY2024 with modest growth of 2.5%. Average CPI inflation declined to 5.25% in July-Mar vs 27.06% in the corresponding period last year. Fiscal consolidation measures yielded positive results, leading to primary surplus and narrowed fiscal deficit. Exports during July – March 2025 totaled US\$ 24,719 million against US\$ 22,926 million during the corresponding period of last year showing an increase of 7.8%. However, as the economic stabilization continues, macroeconomic risks remain reflecting high financing needs, modest foreign exchange reserves, high debt and debt servicing costs, and a loss-making power sector that continues to weigh on public finances. Coupled with the new global tariff measures including spillover impacts of China-US trade war is where an in-depth and swift response from Government is pivotal.

INDUSTRY OVERVIEW

The textile industry witnessed overall growth during July – March 2025 with textile sector exports rose by 9.4% reaching US\$13,613 million compared to US\$12,445 million in the same period last year. During the period, textile sector was hit by further rise in energy costs with natural gas rate hiked to RLNG rates and an additional gas levy bringing gas prices to US\$15.38/MMBTU. Delays in payment of refunds and increase in advance income tax rate for exporters has further strained the cash flows and has kept Pakistan's textile sector at a disadvantage with regional competitors.

The recent tariffs by the US are invariably going to impact the exports and textiles being the largest export sector will witness upheaval until the dust settles down.

REVIEW OF OPERATING RESULTS

A brief overview of the performance of your Company for the nine months ended March 31st 2025 is stated below:

Statement of Profit or Loss for the nine months ended:

	31 March 2025	31 March 2024
	----- (Rupees in '000) -----	
Sales- net	47,329,493	52,875,373
Gross profit	6,545,346	9,390,225
Profit before levies	516,537	1,210,401
Net Profit for the period	13,685	465,418
EPS (Rs/Share)	0.03	1.17

The Company's net sales have reduced by Rs. 5.5 billion i.e. by 10.5% in comparison with the corresponding period of last year. The bottom-line is resultantly coming to Rs. 13.7 million.

FUTURE OUTLOOK

The Asian Development Bank has projected Country's growth to continue with growth forecast at 2.5% in FY2025 and 3.0% in FY2026. Pakistan's macroeconomic numbers have improved however, still it faces substantial vulnerabilities and structural challenges. Central Bank commenced monetary policy normalization from June 2024 till January 2025 and brought the policy rate from 22% to 12% as inflationary pressures started to ease.

Country's high public debt, high interest-to revenue ratios, and low interest reserve coverage leave the economy vulnerable to increases in global interest rates and high global energy prices. Such shocks could lead to capital outflows, currency depreciation, and a credit crunch that threatens the Government's ability to refinance maturing government debt. Moreover, the trade outlook faces several risks, including weaker global demand as a result of recent tariffs and geopolitical tensions - trade policy uncertainty and the possibility of more protectionist measures, which would further impact trade and economic activity.

The situation is expected to remain challenging for the textile industry at large and for the Company as well - the Management and the Board strive to navigate the Company successfully in these turbulent times. The focus is on high service delivery with maintaining close coordination with the customers along with efforts to remain cost competitive - to protect the current levels of business whilst to capitalize on the arising opportunities.

ACKNOWLEDGEMENT

We would like to place on record our profound gratitude to the shareholders, customers and business partners, whose continued cooperation and support have enabled the Company to strive to do better each day. We also like to acknowledge and thank all the employees of the Company for their dedicated efforts and persistence.

For and on behalf of the Board of Directors

Chief Executive Officer

Director

Karachi

Date: April 29, 2025

ڈائریکٹرز رپورٹ

31 مارچ 2025 کو ختم ہونے والی سہ ماہی اور نو ماہ کے لیے کارکردگی کا جائزہ اور غیر آڈٹ شدہ مالیاتی کواشورے پیش کرتے ہوئے ہم بے حد مسرور ہیں۔

اقتصادی جائزہ

عالمی معیشت اس سال مضبوط رہی ہے، اگرچہ مختلف ممالک اور شعبوں میں سرگرمی کی شدت میں فرق موجود رہا۔ مہنگائی میں کمی کا رجحان رہا اور بیشتر معیشتوں میں مجموعی طور پر مہنگائی دوبارہ مرکزی بینک کے اہداف کے قریب آگئی ہے۔ تاہم جغرافیائی سیاسی مسائل کے ممکنہ اثرات اب عالمی معیشتوں پر ظاہر ہونا شروع ہو گئے ہیں۔ امریکہ کے نئے ٹیرف اقدامات اور عالمی تجارتی پالیسی میں غیر یقینی صورتحال نے عالمی تجارت کو متاثر کیا ہے۔ ورلڈ ٹریڈ آرگنائزیشن (ڈبلیو ٹی او) نے 2025ء کے لیے 2.7 فیصد نمو کی توقع کے مقابلے میں عالمی تجارت میں 0.2 فیصد کمی کا تخمینہ لگایا ہے۔

ملک کی معاشی ترقی مالی سال 2024 میں دوبارہ شروع ہوئی، جس کی شرح 2.5% رہی۔ اوسط سی پی آئی افراط زر جولائی تا مارچ میں کم ہو کر 5.25% رہا، جو کہ گزشتہ سال اسی مدت میں 27.06% تھا۔ مالیاتی استحکام کے اقدامات کے مثبت نتائج سامنے آئے، جس کے نتیجے میں بنیادی فاضل آمدنی حاصل ہوئی اور مالی خسارہ کم ہوا۔ جولائی تا مارچ 2025 کے دوران برآمدات کا حجم 24,719 ملین امریکی ڈالر رہا، جو گزشتہ سال اسی مدت کے 22,926 ملین امریکی ڈالر کے مقابلے میں 7.8% اضافہ ظاہر کرتا ہے۔ تاہم، معاشی استحکام کے جاری رہنے کے باوجود، میکرو اقتصادی خطرات بدستور موجود ہیں، جو کہ زیادہ مالیاتی ضروریات، محدود زرمبادلہ کے ذخائر، بھاری قرض اور قرضوں کی ادائیگی کے اخراجات، اور نقصان دہ بجلی کے شعبے کی وجہ سے عوامی مالیات پر پڑنے والے دباؤ کی عکاسی کرتے ہیں۔ نئے عالمی ٹیرف اقدامات اور چین-امریکہ تجارتی جنگ کے اثرات کے بعد، حکومت کی جانب سے فوری اور جامع ردعمل ناگزیر ہے۔

صنعتی جائزہ

ٹیکسٹائل انڈسٹری نے جولائی تا مارچ 2025 کے دوران مجموعی طور پر ترقی کی۔ ٹیکسٹائل سیکٹر کی برآمدات میں 9.4% اضافہ ہوا، جو پچھلے سال کے اسی عرصے میں 12,445 ملین امریکی ڈالر کی بجائے 13,613 ملین امریکی ڈالر تک پہنچ گئیں۔ اس دوران، ٹیکسٹائل سیکٹر پر توانائی کی قیمتوں میں مزید اضافے کا اثر پڑا، جس میں قدرتی گیس کی قیمت RLNG نرخوں تک بڑھادی گئی اور اضافی گیس لیوی کے باعث گیس کی قیمت 15.38 امریکی ڈالر فی MMBTU تک پہنچ گئی برآمد کنندگان کو ریفرنڈز کی ادائیگی میں تاخیر اور پیٹنگی انکم ٹیکس کی شرح میں اضافے نے کیش فلو پر مزید دباؤ ڈالا ہے، جس کی وجہ سے پاکستان کے ٹیکسٹائل سیکٹر کو علاقائی مقابلے میں کمزور پوزیشن کا سامنا ہے۔

امریکہ کی حالیہ ٹیرفز کا برآمدات پر اثر پڑنا یقینی ہے اور ٹیکسٹائل سب سے بڑا برآمداتی شعبہ ہونے کے ناطے، جب تک حالات معمول پر نہیں آجاتے، اسے کافی جھٹکے لگیں گے۔

عملیاتی نتائج کا جائزہ

31 مارچ 2025 کو ختم ہونے والے نو ماہ کے لئے آپ کی کمپنی کی کارکردگی کا ایک مختصر جائزہ ذیل میں بیان کیا گیا ہے:

ختم ہونے والے نو ماہ کے لئے منافع یا نقصان کا بیان		
۳۱ مارچ ۲۰۲۳	۳۱ مارچ ۲۰۲۵	
..... (۰۰۰ روپے میں)		
52,875,373	47,329,493	خالص فروخت
9,390,225	6,545,346	مجموعی منافع
1,210,401	516,537	محصولات سے پہلے منافع
465,418	13,685	خالص منافع
1.17	0.03	فی حصص منافع (روپے/شیر)

کمپنی کی خالص فروخت میں گزشتہ سال کی اسی مدت کے مقابلے میں 5.5 ارب روپے یعنی 10.5 فیصد کمی واقع ہوئی ہے۔ نتیجتاً، خالص منافع 13.7 ملین روپے پر آ گیا ہے۔

مستقبل کا نقطہ نظر

ایشیائی ترقیاتی بینک نے مالی سال 2025 میں 2.5 فیصد اور مالی سال 2026 میں 3.0 فیصد شرح نمو کی پیش گوئی کرتے ہوئے ملک کی ترقی کے جاری رہنے کی توقع ظاہر کی ہے۔ پاکستان کے میکرو اقتصادی اعداد و شمار میں بہتری آئی ہے، تاہم اسے اب بھی نمایاں کمزوریوں اور بنیادی مسائل کا سامنا ہے۔ مرکزی بینک نے جون 2024 سے جنوری 2025 تک مانیٹری پالیسی کو معمول پر لانے کا آغاز کیا اور افراط زر کے دباؤ میں کمی آنے پر پالیسی ریٹ کو 22 فیصد سے 12 فیصد تک لے آیا ہے۔

ملک کے بھاری سرکاری قرضے، آمدنی کے تناسب سے زیادہ سود اور غیر ملکی کرنسی کے کم ذخائر معیشت کو عالمی شرح سود میں اضافے اور توانائی کی بلند عالمی قیمتوں کے خطرے سے دوچار کرتے ہیں۔ اس طرح کے جھکے سرمائے کے اخراج، کرنسی کی قدر میں کمی، اور کریڈٹ کی کمی کا باعث بن سکتے ہیں جس کی وجہ سے پورے ہو جانے والے سرکاری قرضوں کے دوبارہ اجراء ہونے کے امکانات کو خطرہ لاحق ہو سکتا ہے۔ اس کے علاوہ تجارتی نقطہ نظر سے بھی کئی مشکلات کا سامنا ہے جن میں حالیہ ٹریف اور جغرافیائی سیاسی کشیدگی کے باعث عالمی طلب میں کمی سرفہرست ہے۔ تجارتی پالیسی میں غیر یقینی صورتحال اور مزید تحفظ پسندانہ اقدامات کا امکان بھی شامل ہے، جو تجارت اور معاشی سرگرمیوں کو مزید متاثر کر سکتے ہیں۔

مجموعی طور پر صورتحال ٹیکسٹائل انڈسٹری کے لیے، کمپنی کے لیے بھی مشکل رہنے کی توقع ہے۔ انتظامیہ اور بورڈ کوشش کر رہے ہیں کہ ان مشکل حالات میں کمپنی کو کامیابی سے چلا سکیں۔ صارفین کے ساتھ قریبی ہم آہنگی کو برقرار رکھنے کے ساتھ ساتھ اعلیٰ خدمات کی فراہمی پر توجہ مرکوز کی گئی ہے مسابقتی لاگت اور موجودہ کاروباری سطح کو برقرار رکھنے کے ساتھ ساتھ ہر ممکن اور موجودہ مواقع سے فائدہ اٹھانے کی کوشش جاری رہی ہے۔

اظہار تشکر

ہم شیئر ہولڈرز، صارفین اور کاروباری شراکت داروں کا تہ دل سے شکریہ ادا کرنا چاہتے ہیں، جن کے مسلسل تعاون اور حمایت نے کمپنی کو ہر روز بہتر سے بہتر کرنے کی کوشش پر کاربند رکھا ہے۔ ہم کمپنی کے تمام ملازمین کو ان کی مخلصانہ کوششوں اور مستقل مزاجی کے لیے بھی از حد مشکور ہیں۔

بورڈ آف ڈائریکٹرز کے لئے اور ان کی طرف سے

ڈائریکٹر

چیف ایگزیکٹو آفیسر

کراچی

تاریخ ۲۹ اپریل ۲۰۲۵

FEROZE1888 MILLS LIMITED
CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION (UN-AUDITED)
AS AT 31 MARCH 2025

		Un-audited 31 March 2025	Audited 30 June 2024
	Note	----- (Rupees in '000) -----	
ASSETS			
Non-current assets			
Property, plant and equipment	4	36,181,767	36,480,872
Intangible assets		119,131	67,320
Long term deposits		185,346	234,075
		36,486,244	36,782,267
Current assets			
Store and spares		2,896,068	2,953,568
Stock-in-trade	5	24,525,102	16,698,257
Trade debts	6	15,839,017	15,967,407
Advances, deposits, prepayments and other receivables		6,521,921	4,520,245
Taxation - net		768,528	218,463
Short-term investments	7	-	2,688,956
Cash and bank balances		653,133	1,054,766
		51,203,769	44,101,662
Total assets		87,690,013	80,883,929
EQUITY AND LIABILITIES			
Share capital and reserves			
Authorised share capital		4,000,000	4,000,000
Issued, subscribed and paid-up capital		3,994,090	3,994,090
Capital reserves		2,115,146	2,115,146
Revenue reserve		24,551,418	24,537,732
Revaluation surplus on property, plant and equipment		3,010,172	3,010,172
		33,670,826	33,657,140
Non-current liabilities			
Long term financing	8	5,306,140	6,573,385
Lease liabilities		31,282	143,596
Deferred liabilities		1,714,411	1,621,440
		7,051,833	8,338,421
Current liabilities			
Trade and other payables		12,253,810	10,910,875
Provisions		4,937,809	4,402,049
Short term borrowings	9	27,196,289	20,735,654
Current portion of long term financing	8	1,854,959	1,827,050
Current portion of lease liabilities		191,108	308,336
Current portion of deferred liabilities		105,406	113,326
Accrued mark-up		425,581	588,661
Unclaimed dividend		2,391	2,417
		46,967,353	38,888,368
CONTINGENCIES AND COMMITMENTS	10		
Total equity and liabilities		87,690,013	80,883,929

The annexed notes 1 to 17 form an integral part of these condensed interim financial statements.

Chief Financial Officer

Chief Executive Officer

Director

FEROZE1888 MILLS LIMITED
CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS (UN-AUDITED)
FOR THE NINE MONTHS ENDED 31 MARCH 2025

		Nine Months ended		Quarter ended	
		31 March 2025	31 March 2024	31 March 2025	31 March 2024
Note		(Rupees in '000)			
Sales - net		47,329,493	52,875,373	19,080,702	18,037,244
Cost of sales	11	(40,784,147)	(43,485,148)	(16,011,647)	(14,864,612)
Gross profit		6,545,346	9,390,225	3,069,055	3,172,632
Administrative cost		(1,091,874)	(1,005,846)	(360,530)	(329,380)
Distribution cost		(3,227,562)	(3,893,323)	(1,318,803)	(1,444,941)
Other expenses		(62,223)	(653,748)	(22,912)	(130,352)
		(4,381,659)	(5,552,917)	(1,702,245)	(1,904,673)
		2,163,687	3,837,308	1,366,810	1,267,959
Other income	12	723,323	197,417	(49,790)	6,664
Operating profit		2,887,010	4,034,725	1,317,020	1,274,623
Finance cost		(2,370,473)	(2,824,324)	(681,650)	(1,035,457)
(Loss) / Profit before levies		516,537	1,210,401	635,370	239,166
Levies		(502,852)	(744,983)	(247,184)	(238,924)
Net (loss) / profit for the period		13,685	465,418	388,186	242
(Loss) / earning per share basic and diluted (Rupees)		0.03	1.17	0.97	0.00

The annexed notes 1 to 17 form an integral part of these condensed interim financial statements.

Chief Financial Officer

Chief Executive Officer

Director

FEROZE1888 MILLS LIMITED
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE NINE MONTHS ENDED 31 MARCH 2025

	Nine Months ended		Quarter ended	
	31 March 2025	31 March 2024	31 March 2025	31 March 2024
	(Rupees in '000)			
Net (loss) / profit for the period	13,685	465,418	388,186	242
Other comprehensive income	-	-	-	-
Total comprehensive (loss) / income for the period	13,685	465,418	388,186	242

The annexed notes 1 to 17 form an integral part of these condensed interim financial statements.

Chief Financial Officer

Chief Executive Officer

Director

FEROZE1888 MILLS LIMITED
CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)
FOR THE NINE MONTHS ENDED 31 MARCH 2025

Share capital	Capital reserves		Revenue reserve	Revaluation surplus on property, plant and equipment	Total
	Amalgamation reserve	Share premium	Accumulated profit		

(Rupees '000)

Balance as at 30 June 2023 (Audited)	3,994,090	543,413	1,571,733	27,566,474	3,010,172	36,685,882
Final cash dividend for the year ended 30 June 2023 @ Rs. 8.88 per share	-	-	-	(3,546,752)	-	(3,546,752)
Net profit for the period	-	-	-	465,415	-	465,415
Other comprehensive income	-	-	-	-	-	-
Total comprehensive income for the period	-	-	-	465,415	-	465,415
Balance as at 31 March 2024 (Un-audited)	3,994,090	543,413	1,571,733	24,485,137	3,010,172	33,604,545
Balance as at 30 June 2024 (Audited)	3,994,090	543,413	1,571,733	24,537,732	3,010,172	33,657,140
Net Profit for the period	-	-	-	13,685	-	13,685
Other comprehensive income	-	-	-	-	-	-
Total comprehensive income for the period	-	-	-	13,685	-	13,685
Balance as at 31 March 2025 (Un-audited)	3,994,090	543,413	1,571,733	24,551,418	3,010,172	33,670,826

The annexed notes 1 to 17 form an integral part of these condensed interim financial statements.

Chief Financial Officer

Chief Executive Officer

Director

FEROZE1888 MILLS LIMITED
CONDENSED INTERIM STATEMENT OF CASH FLOWS (UN-AUDITED)
FOR THE NINE MONTHS ENDED 31 MARCH 2025

	31 March 2025	31 March 2024
	----- (Rupees in '000) -----	
CASH FLOW FROM OPERATING ACTIVITIES		
(Loss) / profit before levies	516,537	1,210,401
Adjustment for:		
Depreciation	2,310,626	2,165,476
Amortization	4,409	4,467
Write-off of property, plant and equipment	-	18,047
Finance cost	2,370,473	2,824,322
Provision for gratuity	414,306	289,901
Allowance for ECL	(459)	(910)
Provision for slow moving, obsolete stores and spares - net	1,261	11,146
Profit on bank balances	(22,052)	(39,097)
Dividend income	(39,636)	(157,099)
Loss / (gain) on disposal of operating fixed assets	(2,836)	(311)
	5,036,092	5,115,942
Working capital changes		
Stores and spares	56,239	(1,334,734)
Stock in trade	(7,826,845)	(1,756,781)
Trade debts	128,849	(2,035,302)
Advances, deposits, prepayments and other receivables	(2,001,676)	1,539,352
Trade and other payables & Provisions	1,878,695	198,216
	(2,212,109)	2,937,094
Finance cost paid	(2,493,334)	(2,804,703)
Income tax paid	(1,052,916)	(542,026)
Gratuity paid	(243,035)	(69,979)
Long-term deposits - net	48,729	(92,012)
Net cash used in operating activities	(5,952,665)	(571,626)
CASH FLOW FROM INVESTING ACTIVITIES		
Capital expenditure	(2,111,094)	(3,779,403)
Proceeds from disposal of operating fixed assets	46,189	14,214
Short-term investments redeemed	2,728,592	4,519,686
Profit received on bank balances	22,052	39,097
Net cash generated from investing activities	685,739	793,594
CASH FLOW FROM FINANCING ACTIVITIES		
Dividend paid	(27)	(3,546,513)
Lease rentals paid	(269,761)	(245,301)
Short term borrowings - net	6,460,635	3,879,000
Long term financing - net	(1,325,554)	(1,043,374)
Net cash generated from / (used in) financing activities	4,865,293	(956,188)
Net decrease in cash and cash equivalent	(401,633)	(734,220)
Cash and cash equivalent at beginning of the period	1,054,766	1,336,630
Cash and cash equivalent at end of the period	653,133	602,410

The annexed notes 1 to 17 form an integral part of these condensed interim financial statements.

Chief Financial Officer

Chief Executive Officer

Director

FEROZE1888 MILLS LIMITED
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE NINE MONTHS ENDED 31 MARCH 2025

1 THE COMPANY AND ITS OPERATIONS

Feroze1888 Mills Limited (the Company) was incorporated in Pakistan as a Public Limited Company in October 1972 under the Companies Act, VII of 1913 (repealed with the enactment of the Companies Act, 2017). The shares of the Company are quoted on Pakistan Stock Exchange Limited. The Company is principally engaged in production and export of towels. The registered office of the Company is situated at H-23/4-A Scheme # 3, Landhi Industrial Area, Karachi.

2 BASIS OF PREPARATION

2.1 Statement of compliance

These condensed interim financial statements of the Company for the nine months ended 31 March 2025 have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan. The accounting and reporting standards as applicable in Pakistan comprise of:

- International Accounting Standard (IAS) 34, Interim Financial Reporting, issued by International Accounting Standard Board (IASB) as notified under the Act;
- Provisions of and directives issued under the Act.

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

2.2 These condensed interim financial statements do not include all the information and disclosures required in annual financial statements and should be read in conjunction with the annual audited financial statements of the Company for the year ended 30 June 2024.

3 ACCOUNTING POLICIES, ESTIMATES, JUDGEMENTS AND FINANCIAL RISK POLICIES

The accounting policies, estimates, judgements and financial risk policies used in these condensed interim financial statements are the same as those applied in the preparation of annual financial statements for the year ended 30 June 2024.

		(Un-audited)	(Audited)
		31 March	30 June
		2025	2024
4	PROPERTY, PLANT AND EQUIPMENT	Note	----- (Rupees in '000) -----
	Operating fixed assets	4.1	30,812,010
	Capital work-in-progress	4.2	5,202,151
	Right of use asset		167,606
			36,181,767
			29,460,698
			6,666,574
			353,600
			36,480,872

4.1 Operating fixed assets

Balance at the beginning of the period / year		29,460,698	26,600,371
Addition during the period / year	4.1.1	<u>3,519,416</u>	<u>5,400,766</u>
		32,980,114	32,001,137
Disposals / write-offs during the period / year - NBV	4.1.1	(43,741)	(36,314)
Depreciation charged during the period / year		<u>(2,124,363)</u>	<u>(2,504,125)</u>
		(2,168,104)	(2,540,439)
Balance at the end of the period / year		<u>30,812,010</u>	<u>29,460,698</u>

4.1.1 Details of addition and disposal are as follows:

	Additions (Cost)		Disposal / write-offs (NBV)	
	(Un-audited)	(Audited)	(Un-audited)	(Audited)
	31 March 2025	30 June 2024	31 March 2025	30 June 2024
----- Rupees in '000 -----				
Land - Leasehold	75,965	-	-	-
Building on leasehold land	1,058,144	1,157,001	-	-
Plant and machinery	2,229,815	3,920,861	(40,841)	(30,612)
Electric fittings / equipments	77,915	211,523	-	(393)
Office equipments	21,479	39,446	(317)	(2,117)
Computers	19,417	42,127	-	(355)
Furniture and fixtures	4,160	15,413	-	(705)
Vehicles	32,521	14,395	(2,583)	(2,132)
	<u>3,519,416</u>	<u>5,400,766</u>	<u>(43,741)</u>	<u>(36,314)</u>

	(Un-audited)	(Audited)
	31 March 2025	30 June 2024
----- (Rupees in '000) -----		
4.2		
Capital work-in-progress		
Balance at the beginning of the period / year	6,666,574	6,737,095
Additions during the period / year	<u>1,835,070</u>	<u>5,156,378</u>
	8,501,644	11,893,473
Transferred to operating fixed assets / expenses	<u>(3,299,493)</u>	<u>(5,226,899)</u>
Balance at the end of the period / year	<u>5,202,151</u>	<u>6,666,574</u>

5 STOCK-IN-TRADE

Raw material in:

- hand	10,223,811	4,407,269
- transit	2,461,065	2,482,302
	<u>12,684,876</u>	<u>6,889,571</u>

Work-in-progress

Finished goods

6,633,256	5,648,309
<u>5,206,970</u>	<u>4,160,377</u>
<u>24,525,102</u>	<u>16,698,257</u>

- 5.1** Includes items costing Rs. 37.61 million (30 June 2024: Rs.56.32 million) which have been valued at their net realizable value of Rs. 28.55 million (30 June 2024: Rs. 20.29 million).
- 5.2** Includes items costing Rs. 76.11 million (30 June 2024: Rs. 94.32 million) held at WIP stores which have been valued at their net realizable value of Rs. 51.42 million (30 June 2024: Rs.39.94 million).
- 5.3** Includes items costing Rs. 794.07 million (30 June 2024: Rs. 1,356.40 million) which have been valued at their net realizable value of Rs. 460.86 million (30 June 2024: Rs. 775.21 million).

		(Un-audited) 31 March 2025	(Audited) 30 June 2024
6	TRADE DEBTS		
		(Rupees in '000)	
	Considered good		
	Export	15,682,825	15,809,572
	Local	156,192	157,835
		<u>15,839,017</u>	<u>15,967,407</u>
	Considered doubtful	68,913	68,455
	Allowance for ECL	(68,913)	(68,455)
		<u>15,839,017</u>	<u>15,967,407</u>

- 6.1** Include Rs.1,260 million (30 June 2024: Rs.1,557 million) and Rs.77 million (30 June 2024: Rs.100 million) due from 1888 Mills LLC and Premier 1888 Limited (related parties) respectively.

7 SHORT TERM INVESTMENTS

The Company held investments in Open Ended Shariah Compliant mutual funds which were fully matured during the period.

		(Un-audited) 31 March 2025	(Audited) 30 June 2024
8	LONG TERM FINANCING		
		(Rupees in '000)	
	Conventional		
	Long Term Finance Facility	1,797,194	2,617,010
	Temporary Economic Refinance Facility	3,511,556	3,882,793
	Renewable Solar Financing Scheme	599,980	556,223
		<u>5,908,730</u>	<u>7,056,026</u>
	Islamic		
	Long Term Finance Facility	29,950	76,980
	Temporary Economic Refinance Facility	1,109,420	1,154,429
	Renewable Solar Financing Scheme	113,000	113,000
		<u>1,252,370</u>	<u>1,344,409</u>
	Less: Current portion	(1,854,959)	(1,827,050)
		<u>5,306,140</u>	<u>6,573,385</u>

			(Un-audited)	(Audited)
			31 March 2025	30 June 2024
9	SHORT TERM BORROWINGS	Note	———— (Rupees in '000) ————	
	Conventional			
	Export re-finance		11,680,000	14,729,000
	Foreign exchange loans against import facilities	9.1	5,597,015	840,654
			<u>17,277,015</u>	<u>15,569,654</u>
	Islamic			
	Export re-finance		5,450,000	5,166,000
	Foreign exchange loans against import facilities	9.1	4,030,000	-
	Foreign exchange loans against export bills	9.2	439,274	-
			<u>9,919,274</u>	<u>5,166,000</u>
			<u>27,196,289</u>	<u>20,735,654</u>

- 9.1** Represent foreign exchange loans from various conventional and Islamic banks carrying mark-up at the rates ranging from 5.50% to 8.50% (30 June 2024: 6% to 7%) per annum.
- 9.2** Represents foreign exchange loan from Islamic bank carrying mark-up rate of 6% per annum.

10 CONTINGENCIES AND COMMITMENTS

There are no material changes in the status of contingencies and commitments as reported in the annual financial statements for the year ended June 30, 2024

FEROZE1888 MILLS LIMITED
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE NINE MONTHS ENDED 31 MARCH 2025

			(Un-audited)		(Un-audited)	
			Nine months ended		Quarter Ended	
			31 March 2025	31 March 2024	31 March 2025	31 March 2024
11	COST OF SALES	Note	----- Rupees in '000 -----			
	Opening stock of finished goods		4,160,377	3,087,914	5,813,821	3,506,808
	Cost of goods manufactured	11.1	41,830,740	44,514,351	15,404,796	15,474,920
			45,991,117	47,602,265	21,218,617	18,981,728
	Closing stock of finished goods		(5,206,970)	(4,117,117)	(5,206,970)	(4,117,117)
			40,784,147	43,485,148	16,011,647	14,864,611
11.1	Cost of goods manufactured					
	Raw material consumed	11.1.1	21,237,029	24,066,850	7,494,339	7,140,252
	Stores and spares consumed		5,025,649	5,780,165	1,887,113	1,935,501
	Salaries, wages and other benefits		7,898,963	7,165,525	2,725,707	2,500,297
	Fuel, power and water		5,857,263	5,366,547	2,151,483	2,176,957
	Repair and maintenance		235,115	194,197	102,598	69,838
	Communication and transportation		147,835	167,266	60,048	57,222
	Depreciation		2,222,288	2,078,955	774,439	709,859
	Amortization		4,409	4,467	1,469	1,478
	Others		187,136	201,811	73,077	71,903
			42,815,687	45,025,783	15,270,273	14,663,307
	Opening work-in-process		5,648,309	4,172,233	6,767,779	5,495,278
	Closing work-in-process		(6,633,256)	(4,683,665)	(6,633,256)	(4,683,665)
			41,830,740	44,514,351	15,404,796	15,474,920
11.1.1	Raw material consumed					
	Opening stock		6,889,572	8,189,437	14,436,804	11,226,892
	Purchases during the period		27,032,333	24,282,996	5,742,411	4,318,943
			33,921,905	32,472,433	20,179,215	15,545,835
	Closing stock		(12,684,876)	(8,405,583)	(12,684,876)	(8,405,583)
			21,237,029	24,066,850	7,494,339	7,140,252

12 OTHER INCOME

Includes exchange gain of Rs.659 million (31 March 2024: exchange loss of Rs.531 million).

Interest on conventional savings account	22,052	29,869	10,116	12,316
Dividend income on open ended shariah compliant mutual funds	39,636	157,099	-	290
Exchange gain on financial instruments -				
Replenishment Income	-	-	-	-
net	658,799	-	172,076	-
Allowance for expected credit loss	-	145	-	629
	723,323	190,753	185,028	12,966

13 TRANSACTIONS WITH RELATED PARTIES

Related parties of the Company comprise associated companies, directors, major shareholders of the Company, key management personnel and staff provident fund and gratuity fund. Details of transactions with related parties during the period, other than those which have been disclosed elsewhere in these condensed interim financial statements are as follows:

	(Un-audited) Nine months ended		(Un-audited) Quarter Ended	
	31 March 2025	31 March 2024	31 March 2025	31 March 2024
Associated companies	Rupees in '000			
Sales	4,130,945	4,909,291	1,346,209	1,466,125
Purchases	10,729	14,526	-	4,549
Marketing fee	1,541,682	2,008,231	539,423	751,546
Lease rentals	198,340	181,502	66,102	60,844
Rent expense	7,010	8,330	2,181	4,531
Donation	1,000	3,000	-	-
Directors				
Meeting fee	13,271	16,522	3,465	3,680
Key management personnel				
Remuneration paid	82,077	89,191	26,349	27,310
Post-employment benefits	4,658	4,704	1,552	1,577
Other related parties				
Contribution to staff provident fund	132,992	146,064	43,680	49,968
Contribution to staff gratuity fund	414,307	289,901	138,103	96,634

FEROZE1888 MILLS LIMITED
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE NINE MONTHS ENDED 31 MARCH 2025

14 FAIR VALUE OF ASSETS AND LIABILITIES

There were no transfers amongst level of fair value analysis of financial assets and liabilities during the period.

15 OPERATING SEGMENTS

These condensed interim financial statements have been prepared on the basis of a single reportable segment.

Revenue from export sales represents 98% (31 March 2024: 97%) of the total gross revenue of the Company.

All non-current assets of the Company as at 31 March 2025 are located in Pakistan.

Sales made by the Company to its two major customers during the period constituted 49% (31 March 2024: 51%) of total sales.

16 DATE OF AUTHORISATION

These condensed interim financial statements were authorised for issue on 29th April 2025 by the Board of Directors of the Company.

17 GENERAL

Figures have been rounded-off to the nearest thousand rupees, unless otherwise stated.

Chief Financial Officer

Chief Executive Officer

Director