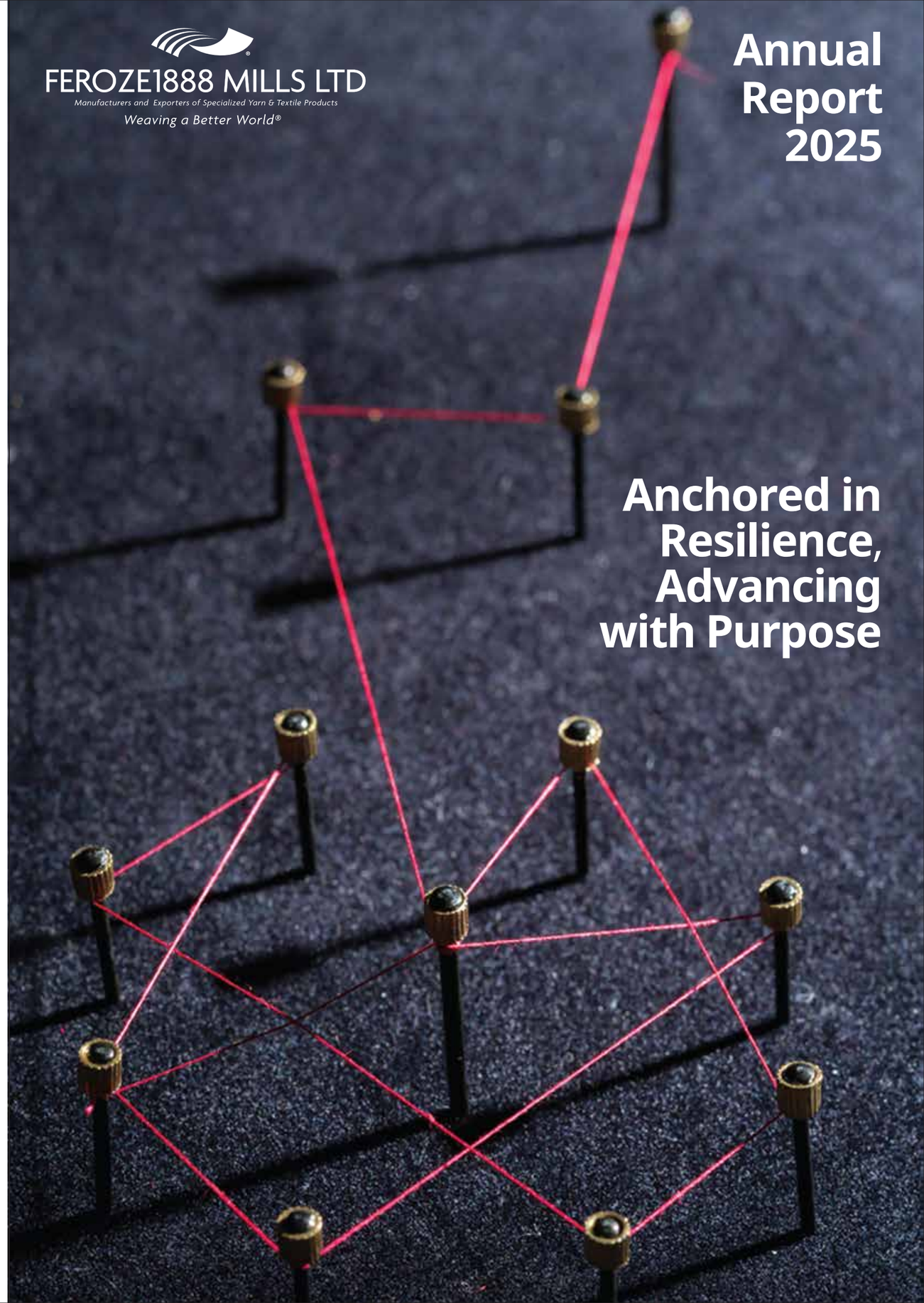
FEROZE1888 MILLS LTD

Manufacturers and Exporters of Specialized Yarn & Textile Products

Weaving a Better World®

Annual Report 2025



Anchored in Resilience, Advancing with Purpose

Together Towards a Better Tomorrow

FEROZE1888 MILLS LTD

Manufacturers and Exporters of Specialized Yarn & Textile Products

Weaving a Better World®

Anchored in Resilience, Advancing with Purpose

Our journey is defined by a clear vision and an unwavering commitment to progress.

Focus directs our strategies, ensuring alignment with long-term objectives, while resilience empowers us to navigate challenges with strength and adaptability. Together, they form the foundation of our pursuit of sustainable growth, operational excellence, and enduring value for all stakeholders.

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Our Vision

Our aim is to be a market leader in textile manufacturing with our strong commitment to 3Ps (People-Planet-Prosperity).

We will prosper by creating unmatchable value for our global customers & stakeholders through our exceptional quality products & services.

Our Mission

We are a leading vertically integrated textile industry known for its state of the art machinery, infrastructure, standardized systems, production processes and adopting the ideology of 3Ps (People-Planet-Prosperity).

We are committed to the ongoing learning, development & growth of our valued employees. Our focus is on building an environment of prosperity & gratification for all our customers & stakeholders through our operational excellence & solution based innovations.

Ethics

Integrity and upholding our commitments are at the heart of Feroze1888 Mills business values. Our standards for doing business are based on transparency, impartiality and exhibiting thorough professionalism in our dealings with internal and external stakeholders.

The management of Feroze1888 condemns fraudulent practices and focuses on developing teams and systems to work as per the established business ethics. The organization is known for its reputation for doing business as per defined ethical boundaries and for not tolerating any kind of misconduct that can hamper the repute. These principles are embedded in organization's code of conduct and further reinforced by policies and standard operating procedures.

Culture

The cultural framework of any organization defines the Company's vision and the guidelines it has established to achieve that vision. Our core values PROSPER® drive our energies and focus in building a value driven work culture.

We believe in developing our valuable employees, enabling them to deliver their optimal best; helping them collaborate with each other for reliable results and instigating a never give up attitude with a onsistent reinforcement of being proactive in dealing with all situations. We promote dynamic and creative lateral thinking and have complete trust in our employees' skills to achieve the goals. Diversity is our strength and we take pride in our culture of meeting high standards of professionalism and excellence and deliver nothing less but the best.

Code of Conduct – Our Ethical Framework

The Code of Conduct serves as the ethical compass for all employees and directors. It emphasizes respect, responsibility, and the protection of company resources while prohibiting misuse of authority, facilitation payments, conflicts of interest, and any form of unethical behavior. This framework reinforces our zero-tolerance policy against corruption, ensuring that every decision reflects honesty, fairness, and respect for stakeholders.

Key principles of the Code include:

- Protection of Assets & Confidentiality – Responsible use of Company property, secure handling of confidential and personal information, and respect for third-party intellectual property.
- Compliance & Integrity – Adherence to legal, regulatory, and Company requirements; prohibition of insider trading; and commitment to accurate and transparent financial reporting.
- Ethical Transactions – Strict prohibition of unethical financial and non-financial dealings. Employees must not accept or offer gifts, favors, or entertainment of any kind from vendors, suppliers, or other stakeholders, regardless of value.
- Safeguarding Interests – Avoidance of conflicts of interest, political or sectarian activities in the workplace, and behaviors that may compromise Company values.
- Respect & Inclusion – Promotion of a safe, inclusive, and harassment-free workplace built on mutual respect, non-discriminatory, equal employment opportunity, and professional conduct.
- Health, Safety & Environment – Commitment to a secure work environment, responsible use of resources, and adherence to health and safety protocols.
- Accountability & Reporting – Encouragement of reporting unethical or unlawful conduct through established channels, with zero tolerance for retaliation.
  Employees are required to abide by the Code themselves and remain vigilant for others. They must report all malpractices to their supervisors / head of the departments / Head of Human Resource and where needed make use of Whistle Blow platform.

The Code is periodically reviewed and revised to ensure alignment with evolving best practices, laws, and regulatory requirements.

We ensure strict compliance with the Code of Conduct through continuous training and refresher sessions. During the year ended June 30, 2025, over 150 sessions were conducted across the Company covering 100% of our workforce to reinforce awareness among employees about the policy, their responsibilities, and the potential consequences of non-compliance. These initiatives reflect our commitment to fostering an ethical, responsible, and transparent workplace culture.

Anti-Corruption Programs at Feroze1888

Integrity at Feroze1888 is not an obligation, it is the foundation of our reputation and long-term success. We are committed to conducting business ethically, transparently, and in full compliance with laws and regulations. Guided by our Code of Conduct, Whistle-Blowing, gift & entertainment and anti-harassment policy, we foster a culture where corruption and misconduct have no place, and where every employee, partner, and stakeholder are empowered to uphold the highest standards of fairness and accountability.

Whistle-Blowing Policy

The Company recognizes that safeguarding integrity requires secure and transparent reporting mechanisms. The Policy empowers employees, directors, and stakeholders to report unethical or illegal practices confidentially and without fear of any repercussions.

Whistleblowers are empowered to raise concerns directly through a dedicated email channel, which is accessible only to the following designated authorities to ensure strict confidentiality:

- Chairman of the Board of Directors
- Chairman of the Board Audit Committee
- Chairperson of the Board Human Resource &Remuneration Committee

For Feroze1888, an “Unethical Practice” covers a broad range of misconduct, including but not limited to:

- Fraud or fraudulent financial reporting
- Manipulation of company records or forgery of documents
- Exploitation or misuse of authority
- Unauthorized disclosure of confidential information
- Knowingly violating applicable laws and regulations
- Misappropriation or abuse of company assets
- Harassment in any form
- Misrepresentation of facts for personal advantage
- Economically wasteful acts or concealment of misconduct

During the year ended June 30, 2025, no whistleblowing cases were reported. This indicates a positive work environment, however, the Company recognizes the importance of maintaining and continuously enhancing the effectiveness of its whistleblowing policy. Efforts are ongoing to promote awareness, ensure confidentiality, and encourage employees to report any concerns in a secure and non-retaliatory environment. The Company remains committed to fostering a culture of transparency and accountability, and regularly reviews its whistleblowing mechanisms to ensure they are accessible, trusted, and effective.

Core Values - PROSPER®

01
PEOPLE DEVELOPMENT

We are committed to invest in employees personal and professional development and creating an environment that instigate the ownership for self - learning

02
RESPECT

We believe in crafting a culture of respect and dignity for all our customers, stakeholders, vendors, employees and community.

03
OWNERSHIP & ACCOUNTABILITY

Our work is our pride: we take full ownership of it and hold ourselves accountable for all our actions, interactions within and between teams.

04
SUCCESS WILL

We possess a strong will to succeed under all circumstances.

05
PROACTIVE

We believe in being proactive while facing challenges, adopting technology, systems and procedures.

06
EXCELLENCE IN WORK

Our commitment is to enhance customer satisfaction by fostering an environment of self-reliance, efficiency and integrity in all that we do.

07
RELIABILITY

We demonstrate reliability through our team work and consistent quality in products and services.

Company Information

Board of Directors

Mr. Abdul Rehman Yaqub	Chairman
Mr. Shabbir Ahmed	Non-Executive Director
Mr. Khaleequr Rahman	Non-Executive Director
Mr. Perwez Ahmed	Non-Executive Director
Mr. Zain Ashraf Mukaty	Non-Executive Director
Mr. Anas Rahman	Non-Executive Director
Mr. Temoor Ashraf Mukaty	Non-Executive Director
Mr. Moin M. Fudda	Independent Director
Ms. Huma Pasha	Independent Director
Ms. Aminah Zahid Zaheer	Independent Director
Mr. Rehan Rahman	Chief Executive Officer

Board Audit Committee

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

Board HR & Remuneration Committee

Ms. Aminah Zahid Zaheer	Chairperson
Mr. Moin M. Fudda	Member
Mr. Zain Ashraf Mukaty	Member

Chief Financial Officer
Ms. Javeria Siddiqui

Company Secretary
Mr. 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
1st and 3rd Floor, Modern Motor House, Beaumount 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.

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

Factory Addresses
Sindh:

- Plot # H-23/4-A, H-23-/4-B & H- 23/3-II, Scheme # 3, Landhi Industrial Area, Landhi, Karachi.
- Plot # B-4/A, SITE, Karachi.
- Plot # A-5/D and A-5/D1, SITE,Karachi.
- Plot # C-3, SITE, Karachi.
- Plot # C-31 SITE, Karachi.
- Plot # 342/A, Haroonabad, SITE, Karachi.
- Plot # PL-15, North Karachi Industrial Area, Karachi.
- Plot # ST-03, North Karachi Industrial Area, 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-20, K-1 to K-3, M-30 (Survey # 564) and M34 (Survey # 564, 84/1, 85, 86 & 89/1, 94/1), HITE, Hub Lasbela, Balochistan.

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

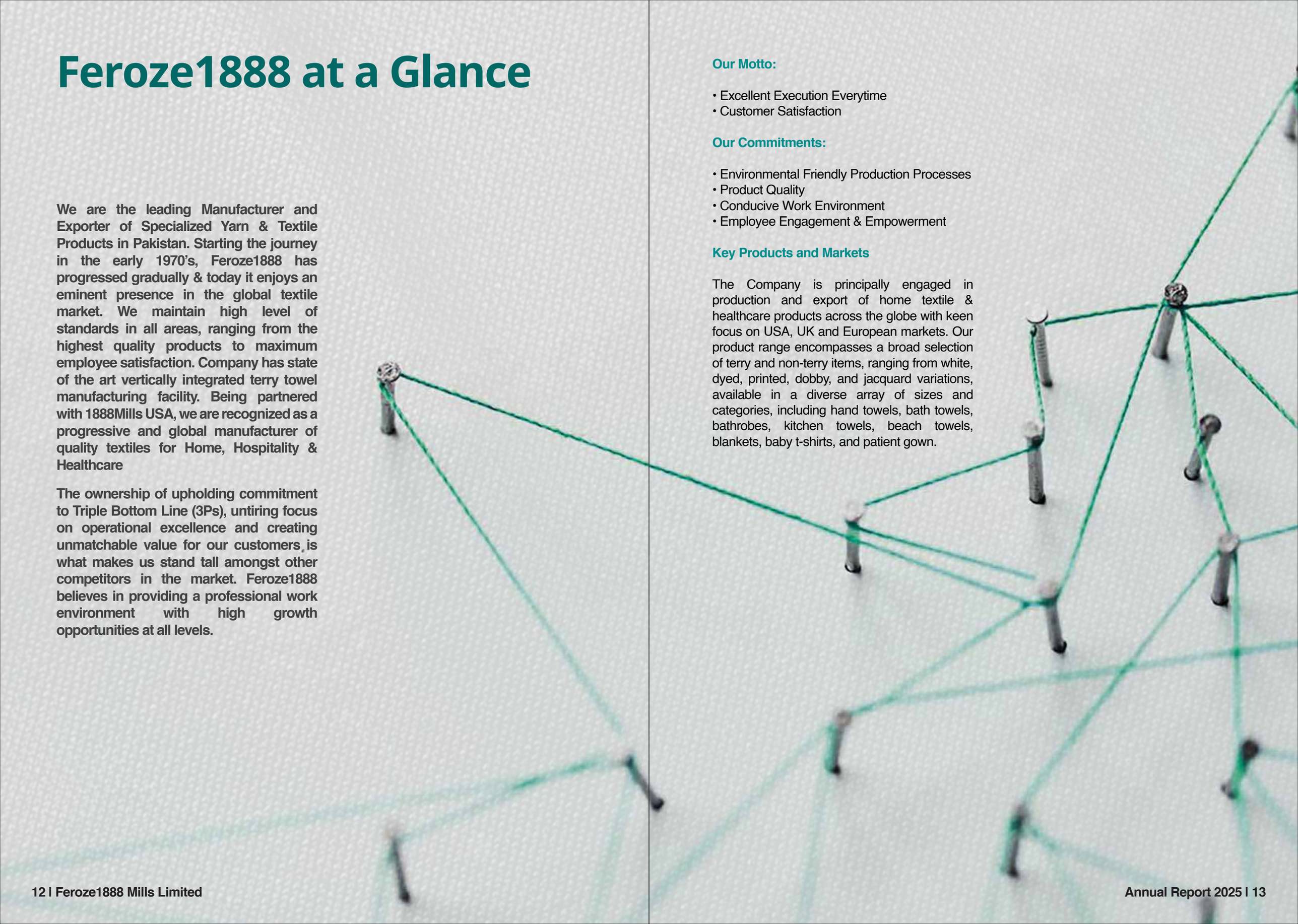
Share Registrar/Transfer Agent
FAMCO Share Registration Services (PVT) Ltd
8-F, Next to Hotel Faran Nursery, Block-6,
PECHS, Shahrah-e-Faisal, Karachi.

Website
http://www.feroze1888.com

Feroze1888 at a Glance

We are the leading Manufacturer and Exporter of Specialized Yarn & Textile Products in Pakistan. Starting the journey in the early 1970's, Feroze1888 has progressed gradually & today it enjoys an eminent presence in the global textile market. We maintain high level of standards in all areas, ranging from the highest quality products to maximum employee satisfaction. Company has state of the art vertically integrated terry towel manufacturing facility. Being partnered with 1888Mills USA, we are recognized as a progressive and global manufacturer of quality textiles for Home, Hospitality & Healthcare

The ownership of upholding commitment to Triple Bottom Line (3Ps), untiring focus on operational excellence and creating unmatchable value for our customers is what makes us stand tall amongst other competitors in the market. Feroze1888 believes in providing a professional work environment with high growth opportunities at all levels.



Our Motto:

- Excellent Execution Everytime
- Customer Satisfaction

Our Commitments:

- Environmental Friendly Production Processes
- Product Quality
- Conducive Work Environment
- Employee Engagement & Empowerment

Key Products and Markets

The Company is principally engaged in production and export of home textile & healthcare products across the globe with keen focus on USA, UK and European markets. Our product range encompasses a broad selection of terry and non-terry items, ranging from white, dyed, printed, dobby, and jacquard variations, available in a diverse array of sizes and categories, including hand towels, bath towels, bathrobes, kitchen towels, beach towels, blankets, baby t-shirts, and patient gown.

Business Model

MANUFACTURED CAPITAL

Vertically integrated manufacturing facilities

HUMAN CAPITAL

A workforce of over 12,000+ individuals, known for their diversity, dedication, and empowerment, is complemented by experienced and capable leadership.

NATURAL CAPITAL

Water, energy and environment conservation initiatives
Active contribution towards UN SDGs

Strategy & Resource Allocation

Risk & Opportunity

Governance

INPUT

BUSINESS ACTIVITIES

- FINISHING
- LOGISTICS & TRANSPORTATION
- PRODUCT DEVELOPMENT
- CUTTING & SEWING
- PRODUCTION PLANNING
- PROCESSING
- WEAVING
- SPINNING

OUTPUT

EXPORT

OUTCOME & VALUE DISTRIBUTION

Return to shareholders
Payment of government taxes & duties
Wages & salaries to employees
Payment to provider of finance
Contribution towards society

Performance

Sustainability

Future Outlook

FINANCIAL CAPITAL

Equity: PKR 33,756 million
Total Assets: PKR 83,817 million

SOCIAL & RELATIONSHIP CAPITAL

Long & trusted relationship with customer
Strong Goodwill

INTELLECTUAL CAPITAL

Highly skilled and experienced professionals
Management Information System(MIS)
Robust operational & business processes

Our Journey Continues...

1970

Weaving Unit

Laying the foundation with the inauguration of Weaving Unit

1980

Stitching Unit

A Stitch in time saves nine- Inauguration of Stitching Unit

1985

Spinning Unit

Whirling the fabulous quality of yarn with the inauguration of spinning unit at Hub Location

1996

Dyeing & Processing Unit

Inducing the Colors of Life to the Fabric- Opening of Dyeing & Processing Unit

2006

Warehouse

Preserving the Eminence of Cotton - Laying the foundation of large warehousing facility

2007

Merger of Feroze Textile & Friendship Textile

Sky is the limit - Merger of Feroze Textile Industries & Friendship Textile Mills to expand & create excellence

2008

Waste Water Treatment Plant

Reflecting our strong belief in playing our role to save Environment

2008

Fiber Dyeing Facility

Setting an example in Terry Textile Sector with the inauguration of Fiber Dyeing Facility

2009

Acquisition of Nakshbandi Industries Limited

Expanding the business- acquired Nakshbandi Industries

2010

Nakshbandi's Name Changed to Feroze1888

Expanding the Horizons- Conversion of Nakshbandi into Feroze1888

2012

Merger of Feroze Textile Industries & Feroze1888

Unification of business acumen- Merger of Feroze Textile Industries & Feroze1888

2014

Printing Facility

Adding Value, Creativity & Vivacity in our products- Set up of Printing Facility

2016

Water Reclaim Plant

A Promise to Sustainability & Better Environment- Waste Water is recycled & reused in our processes

2017

Embroidery

To augment product range installed embroidery setup

2018

Packaging

Inauguration of fully automated Corrugated Carton manufacturing plant & other packaging accessories

2019-25

New Product Line & Production Capacity Enhancement

New Product Line (Woven & Knitted fabric) added in our portfolio. Spinning & Weaving manufacturing capacity enhanced

Product Glimpses















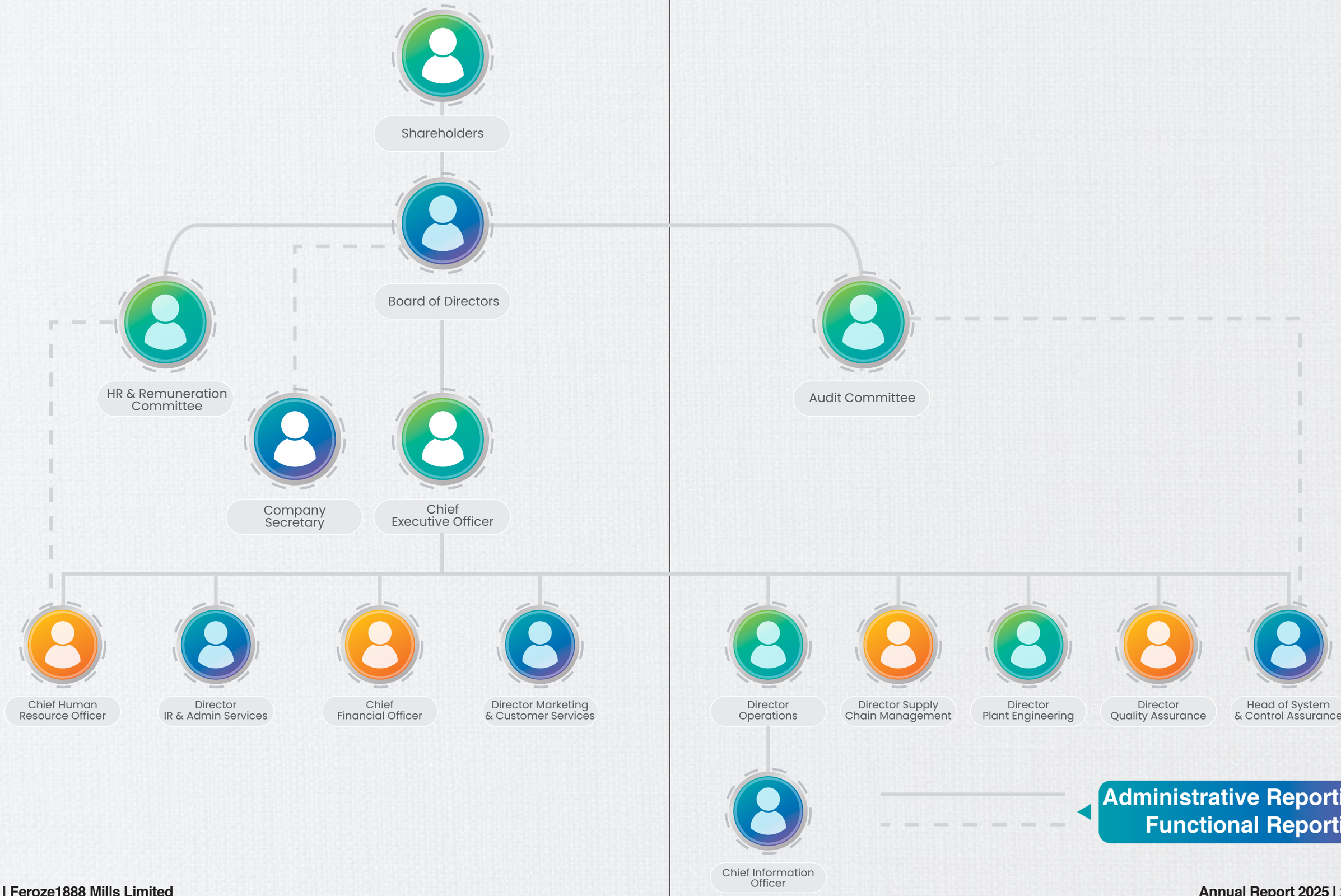








Organizational Chart



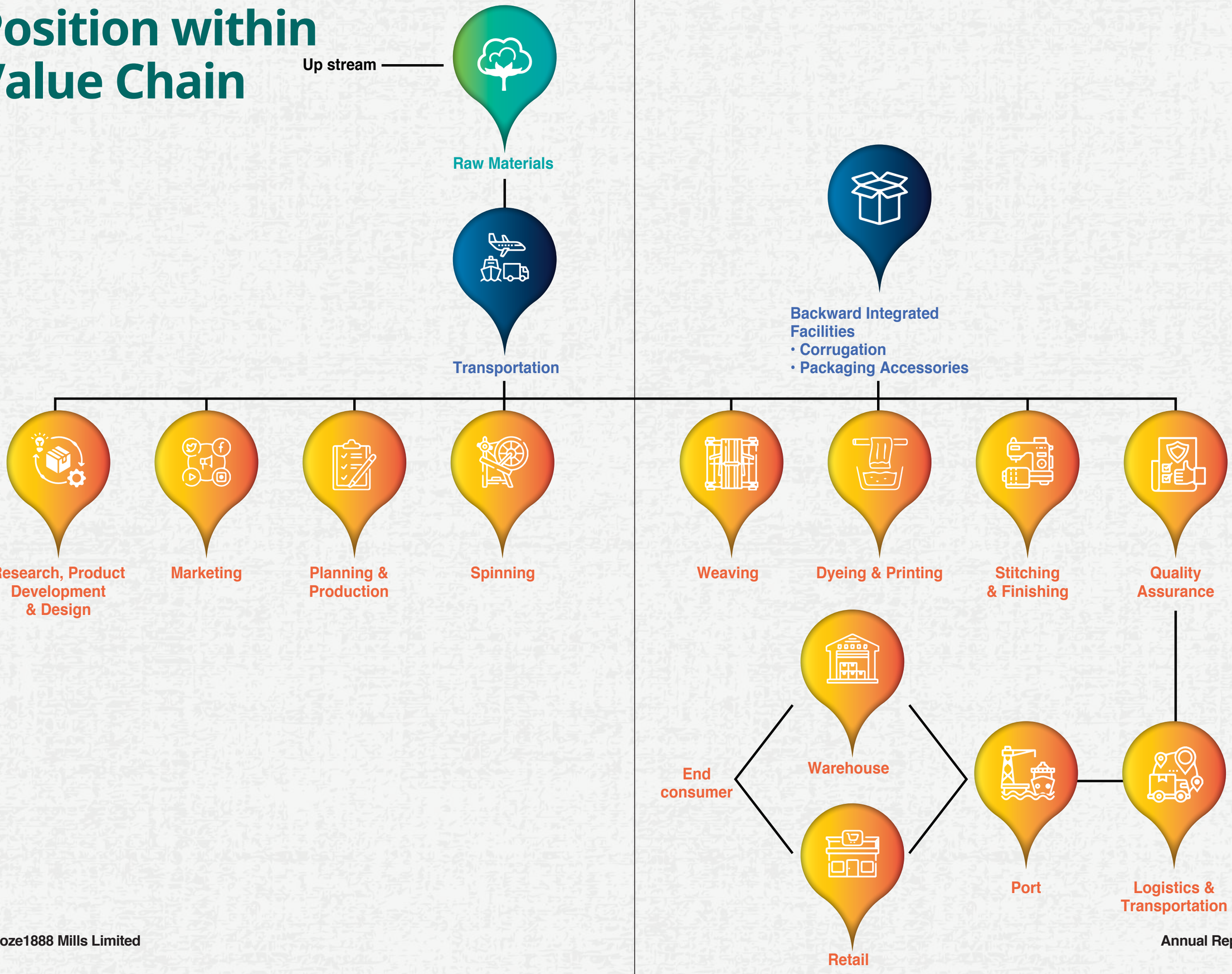
Geographical Spread

Australia
United States
South Africa
Poland
Japan
Germany
Netherlands
Canada
Saudi Arabia
Portugal
Spain
United Kingdom
France
Denmark

Manufacturing Plant
• Sindh • Balochistan



Position within Value Chain



Awards & Achievements

Women Empowerment and Gender Equality Recognition Awards 2025

Feroze1888 has been awarded with Women Empowerment and Gender Equality Recognition Award 2025 & 2024 by Employers Federation of Pakistan. This milestone underscores our drive to continue building spaces where women can lead, influence, and reimagine what's possible.





Manufacturing Excellence Award 2024

We have been awarded Manufacturing Excellence Award in Textile Composite Sector by Management Association of Pakistan (MAP) in the 39th Corporate Excellence Award event.

Our dedication to quality, traceability, transparency, innovation, excellence, and business sustainability is demonstrated by Feroze1888's 39th Corporate Excellence Award, which the Management of Pakistan has given to the Textile Sector Category for the sixth consecutive year.

Best Corporate and Sustainability Report Award 2023

Feroze1888 achieved Best Corporate Report 2023 Award- Textile category & Certificate of Merit in Best Sustainability Report 2023 by Institute of Chartered Accountants of Pakistan (ICAP) and Institute of Cost and Management Accountants of Pakistan (ICMAP) recognizing the report's transparency and its clarity for stakeholders.







Pakistan Disability Inclusion Excellence Award 2024

We have been awarded with 2nd Pakistan Disability Inclusion Diamond Award for our dedication in fostering disability inclusion at the workplace.

Annual Environmental Excellence Award 2024

Feroze1888 Mills Ltd. received an award for its Environmental Initiatives from the National Forum for Environment and Health (NFEH) at the 21st Annual Environmental Excellence Awards (AEEA).





Best Dashboard Prepared Award

Feroze1888 Mills Ltd. has won Viewer's choice award for Best Dashboard Prepared Award at The Digital Technology Awards 2024 presented by Institute of Charted Accountants of Pakistan (ICAP). This award recognizes the company's transparency, creativity, and forward-thinking approach to digitization in order to improve data-driven decision-making.

Employer & CEO of the Year Award 2024

Feroze1888 has been awarded the Employer of the Year Award 2024, a testament to our dedication to the well-being of our employees, innovation, and our CEO has been recognized with the CEO of the Year award by the Employer Federation of Pakistan.



Steeple Analysis

Social, Technological, Environmental, Economic, Political, Legal and Ethical factors that can impact Feroze1888's business environment.

	S SOCIAL	T TECHNOLOGICAL	E ENVIRONMENTAL	E ECONOMIC	P POLITICAL	L LEGAL	E ETHICAL
Description and Possible Impact	Socio-cultural factors, such as demographics, norms, and traditions of the local community, play an important role in shaping the operational environment. They provide marketers with valuable understanding of customer needs and preferences, while also emphasizing the significance of building sustainable and supportive working conditions for the local workforce. An organization that neglects to actively promote the well-being and progress of society may negatively impact it's customers, employees, and other stakeholders.	Since the beginning of the industrial revolution, technology has played a vital role in driving the success of businesses. Technological advancements can greatly impact industry operations and market trends, at times yielding positive outcomes and at other times negative effects. Hence, careful evaluation and continuous observation of these technological aspects are crucial. They strongly shape important decision-making processes, such as entering new markets, introducing specialized products, or relocating production to foreign countries. The lack of technological progress can potentially hinder the growth of an organization.	With the rising consciousness around the environmental issues, businesses cannot ignore related factors. The shortage of raw materials, along with the increasing need to control carbon emissions and achieve pollution reduction goals, has made these aspects even more significant for an organization's operations. This transformation has encouraged many companies to participate more actively in corporate social responsibility (CSR) programs and sustainability initiatives. Ignoring environmental regulations can damage a company's image and may result in legal consequences.	Economic factors shape the financial health of an organization or an industry. These factors play a critical role in influencing supply-demand patterns within the economy, creating both direct and indirect long-term effects on businesses. They impact consumers' buying power and can shift demand and supply conditions, which in turn determines how companies decide the pricing of their products and services. Negative fluctuations in exchange rates, interest rates, inflation levels, and similar economic conditions can have an adverse impact on the company's overall operations.	Political factors pertain to the extent and manner in which a government intervenes in the operations of an organization or industry. These factors are linked to the influence of government policies on businesses and are especially important when evaluating the attractiveness of a market. Political instability has the potential to slow down economic growth, while frequent shifts in government regulations can weaken investor confidence.	In current business landscape, it is crucial for companies to thoroughly understand the legal framework in which they operate. Although certain aspects may overlap with political factors, legal factors are usually tied to more defined laws and regulations. Businesses must be aware of what practices are permissible and what are not in order to maintain ethical and compliant operations. This becomes even more complex in international trade, as each country enforces its own distinct regulatory system. Moreover, keeping track of legislative changes and their potential effects on business activities is essential. Non-compliance with legal requirements may result in penalties and legal proceedings from authorities, increasing the likelihood of situations that could damage the company.	Ethics refers to a set of principles that individuals within a particular religious belief system generally follow. In the same way, ethical considerations guide a company in determining what is morally right or wrong in its business conduct. They serve to define what behavior is considered acceptable or unacceptable within the organization. More specifically, they help identify actions that may bring benefit or cause harm to the company, its employees, and the wider society.
Organizational Response	As a company dedicated to social responsibility, we strive to build a secure and supportive society. We take pride in our participation in various social initiatives, such as healthcare, education, and environmental sustainability. In addition to this, we have earned multiple certifications to guarantee the well-being and safety of our employees, thereby promoting a healthy workplace. Our dedication to continuously enhancing our corporate social responsibility (CSR) efforts remains unwavering.	Management recognizes that technological advancement is a crucial factor in an organization's success in today's world. To succeed in an increasingly competitive technological environment, we continually look for ways to adopt and utilize the latest innovations, strengthening our operations and securing a competitive advantage. Our company has consistently dedicated substantial resources to upgrading, modernizing, and replacing facilities and equipment. This approach also extends to investing in the training and development of employees' technological expertise.	The company complies with ISO 14001:2015 for its Environmental Management System and ISO 45001:2018 for Occupational Health and Safety. We strictly follow all relevant standards and regulations, while actively engaging in environmentally responsible practices. These initiatives aim to deliver long-term benefits to society by making efficient use of natural resources and minimizing our carbon footprint. To support this, we have implemented water treatment facilities that allow for the recovery and reuse of a substantial portion of wastewater. In addition, we hold certifications in GOTS, STEP, GRS, and RCS.	With a robust financial base, the company prioritizes maintaining an optimal Debt-to-Equity ratio, ensuring this balance is effectively managed. Our dedicated treasury team actively tracks exchange rate movements and formulates forward-looking risk management strategies. In addition, we enforce strict cost control practices throughout all business operations. Management is also engaged in tax planning efforts to secure the prompt recovery of tax refunds.	The entity continually evaluates and monitors the political landscape of the country, including stability and changes in duty structures and taxes, to proactively adjust strategies and mitigate potential risks. Management remains fully compliant with applicable regulations, ensuring seamless operations while fostering sustainable business growth.	The company places high priority on adhering with all relevant laws and regulations. It remains vigilant in monitoring new legal developments and ensures that all departments consistently adhere to these standards. Furthermore, the company has established a dedicated team of professionals focused on ensuring full compliance with all enacted or substantially enacted statutes, acts, and ordinances.	Fair and ethical business principles are crucial to Feroze1888's values. We strive to consistently uphold the highest standards of integrity, ensuring that all our actions reflect honesty and accountability. We are dedicated to maintaining exceptional professionalism and ethical conduct, positioning ourselves as impartial and independent in all matters. Management strongly opposes any corrupt or fraudulent practices and remains firmly committed to fostering transparency, trust, and integrity across the organization.

Risks & Opportunities

WHAT IS RISK?

Risk is described as “the effect of uncertainty on objectives”. Risk is the probability of an internal or external situation having the potential to impact upon Company; preventing Company from successfully achieving its objectives, delivering its services or capitalizing on its opportunities.

RISK MANAGEMENT

Risk management is defined as the coordinated activities to direct and control an organization with regard to risk. Risk management is the sum of culture, processes and structures that are directed towards realizing potential opportunities whilst managing an adverse effect. The main objective of the risk management is to assure uncertainty does not deflect the endeavor from the business goals.

RISK MANAGEMENT FRAMEWORK

The Company’s risk management system is designed to identify the risks it faces and has measures in place to keep those risks to an acceptable minimum level. The existence of risk presents both threats and opportunities to the Company. Company’s Risk management process is aligned with ISO 31000.

The Risk Management Framework describes the following:

CATEGORIZATION OF RISK

Risk management framework starts with the understanding of the business objectives in ensuring that key risks are identified.

IDENTIFY AND MANAGE POTENTIAL EVENTS THAT MAY AFFECT THE COMPANY

Risk management framework provides a structured and consistent approach to identifying, rating, mitigating, managing and monitoring risks. It also assists decision makers to make good management decisions within an environment of tolerable strategic and business risk limits, including identifying and leveraging opportunities.

ACCOUNTABILITY FOR RISK MANAGEMENT

Risk Management Framework provides:

- An environment where staff understand and assume responsibility for managing the risks for which they are responsible and the controls to mitigate those risks;
- Independent assurance and audit activities to provide feedback to management that quality processes and controls are in place and are effective.
- Relevant, timely information across clear reporting structures.

GOVERNANCE AND OVERSIGHT OF RISK MANAGEMENT ACTIVITIES

The Board is responsible for the Risk Management Framework. The Executive Leadership Team under the leadership of the Chief Executive is responsible for implementing the strategy, culture, people, processes, technology and structures which constitute the Risk Management Framework. The Company is effectively equipped to face any challenges and uncertainties that are likely to arise. Through combined experience, skill and effective business reporting, Management remains aware of internal and external developments.

CAPITAL STRUCTURE'S ADEQUACY

Management believes that there is no inadequacy in capital structure.

Risks & Opportunities Report

Type of Risk	Risk	Sensitivity	Source	Nature	Likelihood	Consequences	Mitigating Strategy / Organizational Response	Related Opportunities / Value creation	Risk Ranking
Strategic Risk	High competition in global market	High	External	Ongoing	Likely	Potential of profit margin reduction due to pricing pressure Possibility impact on sales growth through customer base sharing.	• Senior management regularly conducts market analyses to assess evolving needs. • Continuous enhancement of product quality through research and development efforts. • Leveraging advanced technology to achieve cost competitiveness. • Strong focus on driving innovation across operations. • Growing the customer base by targeting new export markets. • Implementing aggressive marketing strategies and strengthening customer relationships.	Expand market share and reinforce presence by focusing on innovation, efficient cost management, and consistent product quality.	1
Strategic Risk	Technological obsolescence of production facilities and IT infrastructure	Medium	External / Internal	Long term / Ongoing	Likely	Lagging behind with technological advancements can result in process inefficiencies, driving up both production costs and sales volume.	• Considerable capital investment is being directed toward new expansion projects and the implementation of BMR initiatives for our existing manufacturing facility. These efforts utilize advanced technology to improve cost competitiveness and optimize production efficiency • Continuous upgrades to our information technology infrastructure and the development of advanced Management Information Systems (MIS) software, alongside the implementation of an ERP system, aim to address the evolving demands for timely and accurate reporting in our dynamic business environment.	Timely investments in advanced production facilities drive operational synergies and process efficiency, enhancing cost competitiveness and product quality. This enables us to meet growing customer demand while sustaining a strong competitive edge in the market	7
Financial / Commercial Risks	Credit risk stemming from customer defaults.	Low	External	Medium Term / Ongoing	Remote	Payment defaults can strain the Company's cash flow, potentially affecting its overall profitability and working capital needs.	• Regularly monitoring receivable aging to ensure timely recoveries. • Implementation of reconciliation and confirmation processes. • Exploring diverse export markets to expand the customer base. • The credit committee routinely evaluates and reviews customer credit limits and terms following a thorough assessment of creditworthiness and associated risks.	Effective management and oversight of cash flows generate financial benefits by minimizing expenses and uncovering attractive investment opportunities.	6
Financial Risk	Fluctuations in currency exchange rates	- High	External	Medium Term	Very likely	Certain operational and capital expenses are permeable to fluctuations in foreign exchange rates. Furthemore, the adverse exchange rate movement between the PKR and USD has weakened export competitiveness and created difficulties for the business in managing costs under currency volatility, complicating decision-making.	• A dedicated team of treasury experts actively monitors the forex market to identify and capitalize any opportunities arising from currency movements. • The company benefits from a natural hedge for USD exposure. • The risk of foreign exchange fluctuations are managed by using financial derivatives, such as forward contracts, in line with the policy approved by the Board.	Managing currency fluctuations effectively helps the Company mitigate risks while creating opportunities to sustain and enhance profitability across diverse area.	5
Operational Risk	Increase in the cost of raw materials Insufficient supply of raw materials	High	External	Medium Term /	Very likely	Raw materials account for a significant portion of the cost of goods sold, so any increase in their prices directly affect profitability and pricing competitiveness.	• The Company regularly observes raw material prices to take a proactive approach to unforeseen circumstances. • Storage capacity have been upgraded to promote the efficient and timely procurement of goods. • Management is determined to implement strategies that enhance the operational efficiency and enforce effective cost control measures.	For certain direct materials, bulk purchasing at discounted rates and expanded storage capacity reduce the Company's reliance on vendors	4
Operational Risk	Fluctuations in the supply and costs of energy, fuel, and water.	High	External	Medium Term	Very likely	Fuel, electricity, and water are essential to the manufacturing industry, and any interruption in their supply or increase in costs can significantly affect the business's success and operational efficiency.	• The Company follows a diversified energy source strategy to avoid over-reliance on any single source, ensuring an optimal blend to minimize costs. • Expanding our capacity for solar and captive power generation has substantially improved operational efficiency, productivity, and cost reduction. • The Company effectively operates a wastewater treatment plant to meet its needs and manage compliance.	Pursuing a diversified energy mix to reduce reliance on any single source, while enhancing efficiency and lowering cost	3

Risks & Opportunities Report

Type of Risk	Risk	Sensitivity	Source	Nature	Likelihood	Consequences	Mitigating Strategy / Organizational Response	Related Opportunities / Value creation	Risk Ranking
Operational Risk	Turnover of skilled staff	Low	Internal	Short Term	likely	High turnover rates among skilled employees can disrupt operations and make it challenging to find suitable, qualified replacements. This often results to increased salary costs and additional expenses related to recruitment and training.	The Company implements the following measures to mitigate risk, create value, and maintain employee motivation and loyalty: * Supportive and congenial working environment * Ample growth opportunities * Market based remuneration package * Career planning and development through mentoring and trainings * Succession planning with the aim at building future leaders	Focused initiatives in personnel development and training can enable the Company to strengthen its market position while fostering innovation and valuable contributions to long-term success. This approach also supports the attraction of a large pool of qualified young talent, nurturing the next generation of highly skilled specialists and future leader.	9
Commercial Risk	The imposition of tariffs in export markets due to trade protectionism could have an affect on the company's sales.	Medium - High	External	Medium Term	Very likely	Decline in export sales and overall business activity.	Ensuring that export prices and volumes remain competitive to sustain product demand. Additionally, maintaining diversity of export markets to limit dependence on one single destination.	Market diversifiction with better customer satisfaction.	2
Commercial Risk	Economic downturn	Medium	External	Medium Term / Ongoing	Likely	Product demand may be altered.	Premium quality product and strong export footprint allows the Company to counter economic cycle of boom and depression.	Management must guarantee the optimal utilization of production and sales capacity during challenging periods.	10
Natural Risk	Suspension of operations due to natural disaster	Medium	External	Long term / Ongoing	Likely	A natural disaster can lead to production halts and unforseen financial obligations for reconstruction.	In this context, the company has adopted extensive precautionary and safety measures, including security planning, disaster recovery planning, business continuity strategies, and insurance coverage, all designed to mitigate risks and ensure swift resumption of operations.	Not applicable	8
Compliance Risk	Non-compliance of applicable laws and regulations	Medium	Internal	Short term	Remote	Exposure to penalties, legal actions, and consequences arising from non-compliance with laws and regulations, along with potential damage to the company's reputation.	The company has formed a proficient legal team of experts and advisors to remain updated and ensure full compliance with all legal and regulatory requirements. This covers adherence to employment and labor laws, tax obligations, corporate governance frameworks, and the Companies Act of 2017, with the goal of preventing any legal repercussions.	To operate in a stable market with least volatility and low occurrence of unforeseen variables.	11

Competitive Landscape and Market Positioning

The global textiles and apparel market remains large and fast-evolving. Production continues to grow, while buyers increasingly demand traceability, lower emissions, and certified materials. These twin forces — cost competition from major producers plus rising sustainability standards among brand customers — are reshaping sourcing decisions. Key competitors are well-established low-cost producers (China, Bangladesh, Vietnam, Turkey, India) that dominate volume and have been investing in faster lead times, automation and regional production footprints. Pakistan competes primarily on integrated cotton-based value chains and established supplier relationships in key markets.

There was an improved demand in certain overseas markets and Pakistan benefitted from rebound in global apparel & home textile demand. However, competition remains fierce, and buyers are demanding sustainability credentials, faster lead times, quality which again boils down to cost to an extent.

The industry grappled with rapidly evolving competitive dynamics, both domestically and internationally. Cotton arrivals dropped drastically (~33%) caused by extreme weather, poor input quality, pest damage, possibly seed issues as well. This has forced the industry to increasingly rely on cotton imports. Textile exporters have been long asked for clarity on rebate/refunds payments, consistent energy supply, and competitive input costs. Rising costs and infrastructure constraints are squeezing margins.

Guided by our brand promise, “Weaving a Better World®”, Feroze1888 remains dedicated to staying closely connected with our customers. Through meaningful engagement and attentive listening, we strengthen customer intimacy, create products that not only meet but surpass expectations, and develop innovative programs that establish us as the supplier of choice across global retail, hospitality, and healthcare segments.

Building on our global brand strength, technical expertise, long-standing customer partnerships, business insight, and state-of-the-art manufacturing, Feroze1888 remains committed to creating enduring value for its clientele. Our key focus areas include:

- Driving product innovation and development
- Expanding into new markets
- Broadening product categories
- Reinforcing backward integration
- Embedding the 3R philosophy—Reduce, Reuse, Recycle
- Advancing farm-to-shelf traceability
- Delivering excellence in execution consistently

SEASONALITY OF BUSINESS

We maintain a steady level of production and sales throughout the year, with occasional peaks driven by customer-led promotional campaigns. While these initiatives create temporary surges in demand, our overall business performance remains consistently stable across the year.

SWOT Analysis



STRENGTHS

- Strong customer base
- Consistency in quality and customer service
- State of the art vertically and backward integrated manufacturing facilities
- Economies of scale
- Environmentally and socially responsible organization
- Focus on Compliance & Sustainability
- Experienced and skilled work force
- Strong corporate culture

WEAKNESSES

- Relatively homogeneous product base
- Reliance on depleting natural resources
- High labor-intensive industry
- Dependence on particular region for sales

OPPORTUNITIES

- Value addition in product lines
- Product Diversification
- Diversification of distribution by region
- Implementation of energy efficient and environment friendly technologies
- Technological advancements for optimization of manufacturing processes and costs

THREATS

- US tariff situation and its impact of retailers and suppliers
- Regional competition in above situation and its business impacts on other geographies
- Increase in cost of doing business (fuel and labor costs)
- Economical and Un-interrupted supply of natural gas
- Inconsistent Government Policies for Textile Industry
- Global geopolitics and its fall outs

Strength that Endures

Our core values, ethics, and disciplined decisions form a foundation that empowers us to weather challenges, maintain momentum, and shape lasting success.

Strategy and Resource Allocation

Transforming vision into reality

Feroze1888 is dedicated to ensuring a better future by making sound choices today. The Company's management is focused on revolutionizing the organization by emphasizing strong leadership, fostering a unique organizational culture, promoting professional excellence, and maintaining financial stability, all with the aim of maximizing returns for stakeholders.

S. No	OBJECTIVES	NATURE	STRATEGIES	RESOURCE ALLOCATED	STRATEGIES DIRECTLY AFFECTED BY	KPI MONITORED	VALUE CREATION FOR
1	Sales growth & profitability	Medium to Long Term	Efforts to drive business growth and profitability emphasize ongoing optimization, expanding capacity, and enhancing efficiency.	Financial capital, human capital, social and relationship capital.	Social & Environmental changes.	- Profitability margins - Sales growth versus market growth - New export destinations - Improved customer satisfaction index.	Economy of the Country, Customers & Stakeholders.
2	Risk minimization through business diversification	Short to Medium Term	The company is committed to exploring and assessing new markets and opportunities, aligned with its brand vision of “Weave a Better World.	Financial capital and human capital.	Geographic change, Social & environmental challenges.	- Profitability ratios - New destinations & segments - Return on Capital Employed	Shareholders & employees.
3	Enhance operational efficiency & Cost optimization	Short to Medium Term	Maximize the effective use of Company resources and implement systems and processes that enhance collaboration and synergy across different functions.	Financial capital, human capital, social and relationship capital and intellectual capital.	Technological & Environmental changes.	- Profit margins - Return on Investment - Fostering & monitoring of a strong kaizen culture.	Customers & Shareholders.
4	Optimum product quality to achieve Customer satisfaction	Short to Medium Term	Ensure optimal utilization of company resources while adopting systems and processes that strengthen collaboration and foster synergy across functions.	Financial capital, human capital, manufactured capital and intellectual capital.	Social & Environmental changes.	- Customer satisfaction index - Product Quality Survey	Customers.
5	Environmental sustainability	Medium to Long Term	Our initiatives aim to cut carbon emissions and create a positive environmental footprint by prioritizing waste reduction, water conservation, and energy efficiency.	Financial capital, human capital, social and relationship capital.	Technological & Environmental changes.	CSR and Sustainability targets.	Environment & Planet.
6	Be an employer of choice	Medium to Long Term	Emphasize on employee motivation and carry out endeavors that foster trust and cultivate a pleasant, diverse, and educational work atmosphere. This includes: • Investing in talent acquisition, development, and recognition. • Developing succession plans. • Implementing transparent performance management mechanisms. • Sustaining a culture of diversity, equity, inclusiveness, and belonging. • Enhancing collaboration and communication across vertical and cross-functional teams	Financial capital, human capital, social and relationship capital.	Social & Environmental changes.	- Employee turnover rate - Feedback on employee engagement surveys.	Employees.

Significant Plans and Decisions

The legislative and regulatory environment in which the organization operates

Feroze1888 has consistently met the requirements outlined in various corporate and taxation laws. As a listed company, we strictly adhere to the laws and regulations set by the Securities & Exchange Commission of Pakistan and Pakistan Stock Exchange (PSX). Additionally, the Company has a proficient team of professionals dedicated to ensuring compliance with all relevant legislation, including the Customs Act and the SBP's Foreign Exchange Manual.

Key resources and capabilities of the company which provide sustainable competitive advantage

As a leading textile exporter in the country, the Company's sustained success amid ongoing external challenges is largely due to the exceptional efforts of our dedicated workforce. Our employees, our most valuable asset, have consistently shown their commitment and support, driving the Company's growth. It is clear that our strong purpose and deeply rooted values are the foundation of our sustainable competitive advantage. Additionally, other key resources and capabilities include the following:

- BMR - Continuous investment in state of the art manufacturing facilities and advanced technology.
- Experienced and professional team to handle each process.
- Providing a continuous learning environment that enhance creativity and teamwork.
- Innovation, product quality, diversity and backward integration

Strategic decision-making

Management, under guidance of the Board of Directors, continuously improves its capabilities to proactively identify risks and develop effective risk mitigation strategies while shaping the strategic roadmap. The Board regularly assesses the Company's strategic direction, business plans, and performance. Furthermore, the Board has established sub-committees, each with clearly defined roles and responsibilities detailed in their terms of reference. Strategic decisions are discussed by these committees, which also oversee the organizational culture, including approaches to risk management and mechanisms for addressing integrity and ethical issues. These topics are regularly reviewed and updated, with committee members conducting quarterly assessments.

Strategy to overcome any liquidity problems

The Company's ability to generate sufficient liquidity is a significant strength, providing management with the flexibility to finance business expansion and invest in cost-saving initiatives. The Company maintains a strong capital structure, bolstered by shareholders' equity. The Company has the legacy of timely payments and there have been no defaults against any payment due to financial institutions, vendors, Government agencies, etc. The management is confident to successfully manage the liquidity position in future as well.

Due to strong financial position, Feroze1888 enjoys good business relationship with all reputable banks and financial institutions of the Country. The Company regularly monitors the debt-equity to effectively manage the capital structure and other financing ratio.

Future relevance

The KPIs will continue to be relevant in the future.

Significant changes from prior years

There have been no significant changes to the organization's structure, objectives, or strategies compared to the previous year.

Significant plans and decisions

In the near future, there are no plans for any restructuring or discontinuance of operations.

Major capital expenditures

To remain competitive and address the growing demands of customers, particularly on a global scale, the Company consistently invests in improving production capacities and optimizing current operations. This year, the Company, primarily aimed at completion of civil infrastructure at Landhi location and routine capital expenditures.

The capacity and capability enhancement projects started in 2016-17 are undertaken in phases. Upon completion of phases, the capacities have went live over the course of last seven years.

Forward Looking Statement

Over the last few years, the world has navigated successive waves of disruption – from Pandemic and supply chain shocks to heightened geopolitical tensions and liquidity challenges in financial markets. These overlapping pressures have significantly raised risks to the global economy and forced policymakers into increasingly difficult trade-offs between growth, inflation control, and financial stability. The prolonged uncertainty has weighed heavily on businesses, households, and governments alike, shaping investment flows and dampening long-term confidence.

Despite these headwinds, cautious optimism is beginning to take hold. While global growth remains modest, early signs of stabilization are visible. Inflation is subsiding faster than expected, easing cost pressures for consumers and businesses, and labor markets remain resilient, with unemployment rates at or near historic lows. These dynamics suggest that, even in a period of heightened volatility, underlying economic adaptability has prevented a sharper downturn.

Looking ahead to 2025, the global economy is projected to expand by 2.7%, a modest but steady improvement supported by gradual recovery in trade and investment. Inflation is expected to average 3.2%, continuing its downward trajectory though still above pre-pandemic levels. Central banks are therefore likely to remain measured in their monetary easing, with policy interest rates set to stay nearly double the 2000 - 2019 average. While the external environment remains complex, these trends point to a cautiously improving global outlook.

For our Country, today's economic challenges are the result of long-standing structural weaknesses that have been compounded by global headwinds. Decades of inconsistent policy design and weak implementation have left the economy vulnerable to shocks, while external pressures - ranging from volatile commodity prices to tighter global financial conditions - have added to existing fragilities. Resolving these challenges requires a sustained commitment to macro-fiscal discipline and structural reforms. Stabilizing the external sector, broadening the tax base, improving governance, and creating an enabling environment for private investment are essential steps toward building resilience and unlocking long-term potential. If pursued consistently, such reforms can restore confidence, attract capital, and lay the foundation for stronger medium-term growth.

Although risks remain—from political uncertainty to external financing pressures—the outlook also offers opportunities. Reforms that enhance transparency, improve productivity, and mobilize private capital will be key to creating a more sustainable and investor-friendly environment

The textile export sector of Pakistan continues to face a difficult operating environment, with persistent structural and external challenges weighing on competitiveness. Elevated energy tariffs, high financial charges, and exchange rate volatility have significantly increased the cost of doing business. Policy uncertainty — including shifts in the tax regime and the withdrawal of zero-rating under the Export Facilitation Scheme (EFS) — has added further strain, while global headwinds such as subdued demand in key markets, geopolitical tensions, and rising competition from regional peers continue to test resilience.

At the same time, opportunities are emerging that could support a stronger medium-term outlook. The global shift toward diversified sourcing under the China plus 1 strategy, rising demand for sustainable and traceable textiles, and closer integration into regional value chains present avenues for growth. Emphasis on adapting through cost efficiency, investment in renewable energy and technology, and a sharper focus on compliance with international sustainability standards will support in protecting market share and capture new demand.

This Annual Report contains, or may contain, forward-looking statements that reflect management's current expectations and are subject to risks and uncertainties that could cause actual results to differ materially from those expressed or implied. Such statements can be identified by words including "anticipates," "expects," "plans," "will," "estimates," "forecasts," "projects," "intends," "may," and similar expressions, or their negative variations. They may also be recognized by the fact that they do not strictly relate to historical or present facts. Typically, these statements address the Company's growth strategy, financial performance, product pipeline, approvals, potential developments, and investment programs.

Stakeholders are advised to carefully consider these forward-looking statements, understanding that numerous factors—both known and unknown—may cause actual outcomes to differ materially. These factors include reliance on assumptions that may prove inaccurate as well as a wide range of risks and uncertainties. No forward-looking statement is a guarantee of future performance, and actual results may vary significantly. The Company undertakes no obligation to update or revise forward-looking statements and cautions stakeholders against placing undue reliance on them.

COMPANY PERFORMANCE AGAINST LAST YEAR'S PROJECTIONS

The fiscal year 2024–25 was expected to be challenging, with key variables influencing the business already factored into the Company's projections. Export revenues came under pressure during the first two quarters; however, a recovery in the latter half of the year, supported by proactive cost management, enabled the Company to deliver a resilient overall performance.

As outlined in the forward-looking statement of the previous year, the planned BMR investments were executed as envisaged.

SOURCES OF INFORMATION:

Management draws on data and statistics from various published economic research reports, complemented by insights from market surveys, industry discussions, and in-house professional deliberations. Estimates and forecasts are developed to support annual budgets and to enable more effective business management. These projections are anchored in past performance, prevailing conditions, and future expectations, with corrective measures incorporated to align operational and financial plans with the Company's approved strategies.

In preparing forecasts, the Company also considers a range of factors, including macro- and microeconomic indicators, market trends, international and domestic material price outlooks, regulatory and taxation data, seasonal variations, and competitor actions. Internal capacities are continuously assessed against this information to ensure alignment and to drive the achievement of desired outcomes.

Commitment to Excellence

Excellence is embedded in everything we do. Through quality, efficiency, and consistency, we set the standards that distinguish us as a trusted name in the textile industry.

Chairman's Review



Abdul Rehman Yaqub

Chairman and Director

Dear Shareholders

It is my privilege to present the Chairman's Review for the financial year 2024-25. This year has been one of resilience, adaptability and measured growth in the face of a dynamic and often unpredictable operating environment.

During the year, the global economy grappled with a notable slowdown amid trade tensions, tighter monetary policies and weaker consumer demand in key markets. US retail consumption was dampened by inflationary pressures, particularly in the first half of the year, while international competition from regional exporters intensified. In this challenging environment, Pakistan's economy showed signs of stabilization yet remained fragile. GDP growth reached ~2.7%, inflation came down sharply - from hyperinflation in prior years to a multi-decade low of 4.7% - aided by tight monetary policy, stable exchange rate and improved commodity supplies.

The textile sector, however, continued to face significant challenges. High energy tariffs, rising labor costs and disruptions in raw material supply due to below average cotton output continued to create pressure. Although, inflation eased significantly and the exchange rate stabilized, tight liquidity conditions and elevated financing costs constrained working capital for exporters.

Against this backdrop, the Company's export revenues experienced downward pressure, particularly in the first two quarters. However, recovery in the latter part of the year, coupled with proactive cost management, enabled the Company to conclude the year with resilient performance. We focused on strengthening operational efficiencies, optimizing procurement and maintaining customer relationships to safeguard long term sustainability. At Feroze1888, we recognize the importance of stability and continuity as the Company's fundamentals continue to be enhanced with sustainable investments underpinning our cost competitiveness, while diligently delivering on UNSDGs as part of our sustainability commitments.

Our employees' resilience has been the backbone of our operations during these testing times. We continued to invest in skills development, workplace safety and community initiatives, while maintaining our compliance with international labor and ethical sourcing standards.

Looking ahead, the near-term outlook remains cautious. While US demand is expected to stabilize and global buyers are showing renewed interest in sustainable sourcing from Pakistan, headwinds such as competitive pricing pressures and volatile commodity markets will persist. The Company's strategy will remain centered on deepening customer relationships, diversifying markets, investing in innovation and pursuing operational excellence to restore growth momentum and unlock long term opportunities.

On behalf of the Board of Directors, I extend my sincere gratitude to our shareholders for their unwavering trust, to our dedicated employees for their commitment and to our valued customers and partners for their continued confidence in the Company. Together, we will continue to meet challenges with determination and build a stronger and more sustainable future.

Abdul Rehman Yaqub

CEO's Message

Rehan Rahman

Chief Executive Officer

Asalam-o-alaikum
The year 2024-25 was challenging, one that required careful navigation through shifting market dynamics and rising costs. While signs of economic stabilization at home brought some balance, the broader global environment remained challenging. We faced persistent pressures — including high energy costs, tighter liquidity, and subdued global demand. Rather than retreat, we adjusted. We refined processes, strengthened engagement with customers, and invested in people and systems. These actions did not remove the challenges however, gave us resilience and positioned us for sustained growth.

Our financial results reflect this environment. The Company recorded net sales of Rs. 66.1 billion and closed the year with a profit after tax of Rs. 99 million. Margins remained under pressure - progress was evident in efficiency, compliance readiness, and sustainability. Initiatives in renewable energy, water management, and safety advanced steadily, turning commitments into implementation.

For us, optimism is not based on assumptions; it comes from clarity of purpose and consistency of values. With global buyers rightly demanding transparency and responsibility in supply chains, our long-standing principles give us both credibility and preparedness for the future. The path ahead is complex, but with it comes opportunity - to strengthen our competitiveness and deliver value responsibly.

As we move into FY26, we remain realistic about the challenges, yet confident in our strategy, capabilities, and partnerships. With the continued support of our stakeholders, we are determined to pursue disciplined, sustainable, and lasting growth.

It is my privilege to present the Annual Report 2024 - 25, which reflects the key milestones of the year and our continued progress in Governance, Risk Management, Sustainability, and Corporate Social Responsibility.

I wish to extend my sincere appreciation to our shareholders, Board of Directors, business partners, and colleagues at Feroze1888. Your trust and collaboration continue to be the cornerstone of our resilience in these dynamic times. Together towards a better tomorrow is not just our credo—it is the guiding spirit and will continue to shape our path forward.

Allah Hafiz.

Rehan Rahman



Directors' Profile



Mr. Abdul Rehman Yaqub

Chairman / Non-Executive Director

Mr. Abdul Rehman Yaqub after completing his education in the US entered into textile industry almost 35 years back. Starting out as a young businessman with a strong work ethic, he started sales and distribution textile Company named as Eastern Imports Ltd. Within few years, he expanded the operation by acquiring manufacturing facilities in Bangladesh and Sri Lanka. While his company was growing internationally, he worked on expanding his US operations by merging with another niche textile company to become Eastern-Shelnor, Inc. (ESN).

From the success and growth of ESN another merger came into play with him leading the way. ESN merged with a textile manufacturer and became 1888 Mills, LLC with manufacturing capabilities in the US.

Over the years, he has utilized his many years of knowledge and understanding of the global textile market to be the visionary of the Company. His unique ability to bring together people of diverse cultures and backgrounds has enabled 1888 Mills US to be one of the pioneers of global textile production, with mills in Pakistan, Bangladesh, Ghana and the United States. Today Mr. Yaqub is seen as a predominant global business leader.

Other Directorships
1888 Mills, LLC
GMI Funds, LLC
Grangeford USA Inc



Mr. Shabbir Ahmed

Non-Executive Director

Mr. Shabbir Ahmed belongs to a family who has diversified stake in industries, trade and commerce for many decades in Pakistan. He himself is engaged in the business for almost 45 years both independently and in joint ventures / partnership with other family members as well as other business houses and individuals. In addition to trading / commercial activities he has a substantial stake in textile sector.

He has contributed extensively on advancement in textile sector including exploration of export market, contract negotiation and customer retention. Mr. Shabbir is highly respected in the business community as a man of commitment.

Other Directorships
UTI Industries (Pvt.) Ltd



Mr. Khaleequr Rahman

Non-Executive Director

Mr. Khaleequr Rahman is with the textile industry for more than four decades. Belonging to a family in business for generations, he was made part of business during his education days and started to learn and understand the textile and other family businesses.

With the broadening of experience and exposure, his role was enhanced over time and ultimately assigned the responsibility to lead the business. After assuming the role, he strongly emphasized on change in culture, adopting and practicing the more proven technological advancements and made all his efforts to adopt good practices and introduced the culture of high performance with maximum economization. With his vision and leadership capabilities and foresightedness, he not only enhanced the volume and profit by many folds but also built on principles of Sustainability to rank as largest terry manufacturing concern in the Country.

Other Directorships
The ILM Foundation
Jamiyat Taleem ul Quran
Nigehban (Pvt.) Ltd



Mr. Perwez Ahmed

Non-Executive Director

Mr. Perwez Ahmed's career began nearly five decades ago and his association with Feroze1888 is from the beginning as he was among the founding members of the Company. With his business acumen & cross industry experience he has ventured into pharmaceutical industry as well and is a director on the board for one of the leading pharmaceutical companies in Pakistan.

Mr. Perwez is very active in the textile community to date and had represented the Company in various associations & forums over the years. Over the span of his professional service, he has proven his expertise in strategically leading the business with a strong acumen in finance, sales, marketing, and general management. He has very strong interpersonal & communication skills and is actively involved in philanthropic activities too.

Other Directorships
The Patient's Behbud Society for AKUH
M&N Impex (Pvt.) Ltd
Friendship Dairies (Pvt.) Ltd
Macter International Limited



Mr. Zain Ashraf Mukaty

Non-Executive Director

Mr. Zain Ashraf Mukaty holds a dual degree in Economics and Engineering from the University of Pennsylvania's Jerome Fisher Program in Management and Technology. He began his career at Cornerstone Research in New York before returning to Pakistan.

He currently serves as Chief Executive Officer of Pakistan Aluminum Beverage Cans Limited (PABC), a publicly listed company, and is actively engaged in strategic leadership across Liberty Group's diversified portfolio. He has led the development and execution of Liberty Wind Power 1 & 2 (100 MW) and serves on the Steering Committees of Engro Powergen Thar Limited and National Resources Limited, a mining exploration company.

Previously, Mr. Mukaty served as Chief Executive Officer of Oncogen Pharma (Private) Limited, where he oversaw the development of Pakistan's first fully compliant oncology drugs manufacturing facility. His role encompassed project design, execution, technology transfer, and commercialization.

Mr. Mukaty is also a member of the Board of Advisors of NOWPDP (Network of Organizations Working with Persons with Disabilities, Pakistan).

Other Directorships

Liberty Mills Limited
Pakistan Aluminum Beverage Cans Limited
Oncogen Pharma (Pvt.) Limited
Liberty Thar Power (Pvt.) Limited
Liberty Solar Energy Limited
Infinity Metals (Pvt.) Limited
Liberty Cold Storage 1 (Pvt.) Limited
Liberty Cold Storage 2 (Pvt.) Limited
NOWPDP
Liberty Agriculture Storage (Private) Limited
Liberty Green Storage (Private) Limited
Classis Home Linen (Private) Limited
Liberty Power Holding (Private) Limited
Agrivault Storage (Pvt.) Limited
Coldharvest Storage (Pvt.) Limited



Mr. Anas Rahman

Non-Executive Director

Mr. Anas Rahman holds an MBA in Marketing from the Institute of Business Management (IoBM), Karachi. With over two decades of leadership experience in the textile sector, he has served in key executive roles, including Director Marketing, Chief Executive Officer, and Vice Chairman of Feroze1888 Mills Limited.

A visionary and strategic thinker, Mr. Rahman is recognized for his strong leadership capabilities and proven track record of guiding teams to achieve sustainable growth. Beyond textiles, he has successfully diversified into agriculture, pharmaceuticals, and other industries, demonstrating business acumen across multiple sectors.

He is also a Certified Director from the Pakistan Institute of Corporate Governance, further strengthening his expertise in corporate governance and strategic oversight.

Other Directorships

Frieden Management (Pvt.) Limited
Crafters Polypropylene Packages (Pvt) Limited
Premier1888 Mills Limited
Friendship Dairies (Pvt.) Limited
Dost-e-Zeest Foundation
Frieden Farms
Frieden Rice Mills
Pacific Rice Mills



Mr. Temoor Ashraf Mukaty

Non-Executive Director

Mr. Temoor Ashraf Mukaty is a passionate young professional, having graduated from Babson College, Boston, with a degree in Finance and Accounts in 2016, Since returning to Pakistan in the same year, he has been actively contributing to the growth and strategic direction of the Liberty Group.

At the helm of Liberty Group affairs, Mr. Temoor has demonstrated exceptional leadership, with a particular focus on Liberty Mills Limited and its associated companies. Within this pivotal role, he is spearheading initiatives to expand the product range and strategically enhance vertical integration. His forward-thinking approach and energetic drive are key drivers behind the ongoing success and evolution of Liberty Mills Limited and its associated companies.

Beyond operational responsibilities, Mr. Temoor is deeply engaged in the financial landscape of the Liberty Group. Actively managing investments in the Group's publicly listed equities, he employs his financial acumen to navigate the complexities of the market, ensuring optimal returns and portfolio performance. Furthermore, he plays a crucial role in identifying new areas for investment, aligning the group's portfolio with emerging opportunities in the ever-evolving business landscape.

Mr. Temoor Ashraf Mukaty commitment to excellence, combined with his innovative strategies in both operations and investments, showcases his integral role in shaping the success and sustained growth of the Liberty Mills Limited and its associated companies.

Other Directorships

Liberty Power Holding (Pvt.) Limited



Mr. Moin M. Fudda

Independent Director

Mr. Fudda, Chair of the Board Audit Committee & Member of the Human Resource Committee has more than 45 years of experience which encompasses working in the corporate sector as well as performing diplomatic duties. He holds B.S. in Insurance & Economics from the RCD College of Insurance, Tehran, and MBA in Insurance & Risk Management from St. Jones University New York. In his former role as Managing Director of Karachi Stock Exchange (now PSX), he was elected as Chairman of the Corporate Governance Task Force of Federation of European and Asian Stock Exchanges (FEAS). He has helped in creation of Pakistan Institute of Corporate Governance (PICG) and is a member of its faculty as well as a Certified Corporate Governance Trainer by the International Finance Corporation (IFC).

In Tehran he worked as a Client Executive, Stewart Wrightson, Lloyds Insurance Brokers. In New York he was Manager Reinsurance of American Internation Group and Adjust Assistant Professor at The College of Insurance. Prior to joining KSE, he was Country Chief of New Zealand Insurance and Commercial Union (CU now AVIVA) and Founder MD of CU Life (now Jubilee Life). He has also held positions such as Country Director, Center for International Private Enterprise, an affiliate of US Chamber of Commerce, Executive Director Pakistan Reinsurance Company.

He is the Country Representative of SCOR Reinsurance of France. Since 1989 he is the Honorary Consul General of New Zealand for Pakistan. In 1990, NZ Commemoration Medal was conferred on him by the Queen of New Zealand and in 2002, he was recognized as the Honorary Officer of the New Zealand Order of Merit (ONZM). In 2006, he was conferred the coveted Sitara-e-Imtiaz (S.I.) by the President of Pakistan. He and his wife have travelled to 130 countries in six continents. His other Directorship include:

Other Directorships

Gadoon Textile Mills Limited
Lucky Textile Mills Limited
Pak Suzuki Motor Company Limited
IT Minds Limited



Ms. Huma Pasha

Independent Director

Ms. Huma Pasha is the Senior Partner at Usmani & Co. and brings with her over 35 years of local and international experience with leading national and global institutions, including Citibank, Hub Power Company, and Dawood Hercules Group, where she has held several senior management positions.

Alongside her professional career, she is an accomplished trainer and thought leader. She has conducted workshops, seminars, and conferences at reputable institutions, with a strong focus on directors' training, board performance evaluation, risk-based internal audit, the role of internal audit in ethics and fraud, and sustainable business practices.

Ms. Pasha serves on multiple corporate boards. She is a Director on the Board of UBL Funds, where she chairs the Board Audit Committee and is a member of the Risk and Compliance Committee. She is also a Director on the Board of GHPL, where she chairs the Board Audit Committee and serves on the Human Resources and Nomination Committee.

Her previous governance roles include serving on the Audit Committee of the State Bank of Pakistan Banking Services Corporation, leading the quality assurance review of the Internal Audit and Compliance Department of the State Bank of Pakistan, and contributing to the Quality Assurance Board and various committees of ICAP. She has also been actively engaged with the Institute of Internal Auditors (IIA) Global and the IIA International Board, and was the founding Chairperson of the Chartered Accountants Women's Forum at ICAP.

A Chartered Accountant by profession, Ms. Pasha holds multiple professional certifications, including Certification in Risk Management Assurance (CRMA), Internal Controls, and Internal Audit.

Other Directorships

UBL Fund Manager Ltd
Government Holding (Pvt.) Limited



Ms. Aminah Zahid Zaheer

Independent Director

Aminah Zaheer is the Managing Director of Zahid Zaheer & Associates, a multi-disciplinary management consultancy firm based in Karachi. Prior to relocating to Pakistan, Ms. Zaheer was employed with The Body Shop International Pte Ltd as Regional Finance Director for Asia Pacific, based out of Singapore. Ms. Zaheer holds over 30 years of diverse working experience with some of the world's largest FMCG firms – namely Unilever, Johnson Wax, Johnson & Johnson, L'Oreal SA and The Body Shop. In addition to her vast working experience across a sector of Industry, she holds diverse geographic and cultural exposure having worked in several geographies within Asia Pacific, including Dubai, China, Australia and Singapore.

Ms. Zaheer completed Masters in Business Administration from The Institute of Business Administration (IBA) Karachi in 1990 with a major in Finance and have also completed innumerable training courses with INSEAD in France, CFA Institute in Singapore, The Johnson Learning Institute and Cornell University in USA. Certified by PICCG on Corporate Governance Leadership Skills, Ms. Zaheer completed the Directors Training Program on Corporate Governance from PICG as early as 2007, and followed this up with a refresher course in 2018. A passionate advocate of Corporate Governance, Ms. Zaheer is a specialist in the areas of Business Start Ups, Acquisitions, Mergers & Joint Ventures, Restructuring & Integration, Corporate Strategy and Brand Creation.

Over the last two decades she has served on diverse boards of renowned Private Limited and Public Listed companies in the capacity of an Executive Director as well as an Independent Director. She is an integral member of the Board Executive Committee, Board Audit Committee, Board IT & IS Committee, Board ESG Committee, Board Capital Increase Committee and chairs the Board Human Resource & Remuneration and Board Risk committees.

Ms. Zaheer is a certified Trainer and have conducted several training sessions on Corporate Governance at PICG & various modules on Directors Training at LUMS, Pakistan. She is committed to the cause of promoting Sustainability and Gender Equality in Pakistan. An integral member of the Patients Aid Society (JPMC Karachi) as well as the Behbood Association Pakistan, she is actively involved in philanthropy devoting a good part of her time to give back to the community.

Other Directorships
Packages Convertors Limited



Mr. Rehan Rahman

Chief Executive Officer

Mr. Rehan Rahman has served as the Chief Executive Officer of Feroze1888 Mills since April 2016. With over two decades of industry experience, he combines entrepreneurial foresight with professional management, having built deep cross-functional expertise across operations, leadership, and governance.

Raised in an entrepreneurial environment, he gained early exposure to leadership and operational responsibilities by leading multiple functions within family-owned businesses in his formative years. A keen learner with an adaptable and growth-oriented mindset, he developed a strong understanding of organizational dynamics and people management, complemented by a pragmatic and solutions-driven approach.

At Feroze1888 Mills, Mr. Rahman has led transformative growth while focusing on strengthening a culture of diversity, equity & inclusion, underpinned by mutual respect, and fostering an environment of accountability and empowerment where ownership and leadership are shared across teams.

Under his strategic leadership, Feroze1888 Mills has achieved significant milestones, including record-breaking revenues, expanded production capacity, impactful talent development, and global recognition for sustainability and customer excellence. His contributions have also been acknowledged externally, most notably with the honor of Top CEO of the Year (Multinational) from the Employers' Federation of Pakistan.

Beyond business, Mr. Rahman actively champions community engagement and philanthropy, embedding social responsibility as a core value.

Other Directorships
1888 Mills, LLC
Premier1888 Mills Limited



Directors' Report

Directors' Report

The Board of Directors are pleased to present the Annual Report along with audited financial statements and Auditors' Report thereon for the year ended 30 June 2025.

Economic Overview

During the year under review, the global economy demonstrated moderate resilience, despite ongoing trade tensions, monetary tightening in advanced economies during the early part of the year, and geopolitical uncertainties. According to the International Monetary Fund (IMF), global GDP growth for the year 2025 is projected at around 3%, supported by steady consumption and investment in key emerging markets. The United Nations, however, estimates a slightly lower growth of 2.4%, citing headwinds from protectionist trade policies and subdued industrial activity. Global trade volumes increased by 0.9%, reversing the contraction recorded in the year 2024, though the recovery remained weaker than historical averages. Financial markets regained momentum in early 2025 on expectations of monetary easing by major central banks, especially the US Federal Reserve.

Country's economy in FY2024–25 entered a phase of macroeconomic stabilization following two years of severe stress. Real GDP grew by approximately 2.7%, slightly higher than the previous fiscal year however, below target. Inflation fell sharply, averaging 4% – 5%, down from over 20% in FY2023–24, supported by a stable exchange rate, improved agricultural supplies, and lower international commodity prices. Fiscal discipline improved considerably - the fiscal deficit narrowed to 2.6% of GDP, and the primary balance recorded a surplus of 3%. The external account improved significantly, recording a current account surplus of US$ 2.11 billion, the first annual surplus in 14 years. This was achieved through a combination of higher remittances (up ~31%), restrained imports, and stable exports. The exchange rate remained broadly stable throughout the year.

Industry Overview

The textile and apparel sector remains the backbone of Pakistan's economy, contributing approximately 55–60% of total export earnings and serving as the largest source of foreign exchange after remittances. In the current fiscal year, the sector generated US$17.88 billion in export revenues, underpinning external stability and supporting millions of livelihoods across the value chain - from cotton cultivation to garment manufacturing. As one of the Country's largest employers, it sustains over 40% of the industrial labor force and drives value-added manufacturing, rural industrialization and ancillary industries such as chemicals, packaging, and logistics.

In FY2024–25, Pakistan's textile exports recorded a 7.4% growth - this performance marked a notable rebound for the sector, driven primarily by value-added segments such as knitwear (+13.7%), readymade garments (+15.9%) and bedwear (+11.1%), while traditional segments like cotton yarn (–28.8%) and cotton cloth (–3.1%) declined. The first half of the year delivered strong momentum with a 9.7% increase in export earnings, supported by competitive pricing, improved supply chain stability and favorable demand shifts from regional competitors. However, a modest slowdown in the final quarter - culminating in a 1.7% year-on-year decline in May 2025 - underscored the sector's vulnerability to high energy costs, policy uncertainty and global demand fluctuations.

Review Of Operations & Financial Results

A brief overview of performance of your Company for the year ended 30th June 2025 is stated below:

	Rs. in '000	
	Jun-25	Jun-24
Sales- net	66,110,531	69,757,601
Gross profit	9,039,716	11,832,201
Profit before levies and income tax	631,497	1,547,720
Profit after levies and income tax	99,023	572,341
Earnings per Share (EPS) – Rs.	0.25	1.43

The Company's profit after tax declined to Rs. 99 million and the reason is double fold - the drop in sales revenue by Rs. 3.6 billion (~5%) and persistent cost pressures. Finance costs fell compared to the previous year however, it still remained elevated and rising production costs - stemming from increased energy prices – weighed heavily on profitability. Despite these challenges, the Company continued to prioritize operational efficiency and made strategic investments in core business drivers to secure long-term sustainability.

Evaluation Of Company's Performance

For the purpose of evaluating the performance of the Company, the Management uses various indicators like industry growth, positionof peer companies, prior years' performance, macroeconomic indicators and business environment impacting the Company. Budgets are formulated and actual performance is measured against the budget, at regular intervals during the year, enabling remedial actions on a timely basis.

Subsequent Events

No material changes or commitments affecting the financial position of the Company have taken place between the end of the year and the date of this report.

During the meeting held on August 29, 2025, the Company's Board of Directors decided not to recommend any dividend given the challenging economic conditions.

Default Of Repayments, Debt/loan Etc.

Adhering to the best business practices, the Company recognizes its responsibility of timely repayments of due amount. No default on payment of loan/debts was recorded during the year under review. Furthermore, no payment on account of taxes, duties and levies is overdue at financial year end.

Change In Nature Of Business

No change has occurred during the financial year concerning the nature of the business of the Company.

Adequacy Of Internal Control

The Board of Directors has established a system of sound internal control, which is effectively implemented and maintained at alllevels within the Company. The independent internal audit function of the Company is outsourced to a reputable professional service firm, A.F. Ferguson & Co (AFF) - member of PWC network who are suitably qualified and experienced for the purpose.

The internal audit is conducted as per the internal audit plan duly reviewed and approved by the Board Audit Committee (BAC). The internal audit plan is driven by the Company's organizational objectives and priorities, and the risks that may prevent the Company from meeting those objectives. The BAC reviews the effectiveness of the internal control framework whereas AFF regularly monitors and provides assurance on the effectiveness and adequacy of the internal controls.

Management's Responsibility Towards Preparation And Presentation Of Financial Statements

The Management is aware of its responsibility for the preparation and fair presentation of its 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.

Review Of Related Party Transactions

In compliance with the Companies Act, 2017, Code of Corporate Governance and other applicable laws and regulations, details of all related party transactions are placed periodically before the BAC and upon their recommendation, the same are placed before the Board of Directors (BoD) for review and approval. The details of transactions (if any) where majority of directors are interested are also placed annually before the members for approval.

Principal Risks And Uncertainties

The Company is equipped to handle any challenges and uncertainties that may come up. By virtue of their combined expertise, proficiency, and efficient business reporting, Management is informed about both internal and external advancements. In order to develop the most proactive strategy, the Company has established specialized cross-functional teams that meet frequently to discuss important topics and risks. Management ensures that the ability to produce and sell is used to its fullest in order to contest fierce competition.

The Board of Directors of the Company has taken proactive measures to reduce the risks it may encounter, having carefully and diligently evaluated all potential external and internal threats. The Company has encountered the following challenges during the given period:

- Dampened demand in key export markets
- Continued upward revisions in electricity and gas tariffs
- High finance costs
- Frequent change in export incentives, tax & custom regime for exporters
- Overall upsurge in cost of doing business
- Lack of long-term planning for the industry
- Political instability and a dearth of business-friendly policies

The Management continues to adopt risk management measures, including foreign exchange hedging, energy efficiency initiatives, investment in compliance certifications, diversification of export markets and upgrading production technology to maintain resilience against the above risks.

Auditors

The existing auditors, Messrs. Grant Thornton Anjum Rahman, Chartered Accountants, retire and being eligible, have offered themselves for re-appointment. The Board of Directors endorses recommendation of the BAC for their re-appointment as the Auditors of the Company for the financial year ending June 30, 2026, at a mutually agreed fee.

ENVIRONMENT, HEALTH AND SAFETY (EHS)

At Feroze1888, we believe that sustainable business growth must go hand in hand with environmental stewardship, employee well-being, and safe operations. In FY 2025, our EHS initiatives continued to focus on reducing environmental impact, ensuring workplace safety, and promoting a healthy work culture across all facilities. The Management remains committed to ensuring that EHS considerations remain embedded in all operational decisions, recognizing that responsible practices are vital for the well-being of our employees, the communities we serve and the long-term success of our business.

Sustainability, Corporate Social Responsibility and DE&I

At the heart of our business is a belief that growth is meaningful only when it benefits everyone it touches - our people, our partners, our communities, and the planet we share. Guided by our core values of PROSPER this year, we deepened our commitment to building a sustainable future by aligning our operations, values and community initiatives to build a sustainable and inclusive future.

Environmental Responsibility

During the year, the Company continued to take proactive measures to reduce energy consumption, water usage, and waste generation across its operations. Mitigation initiatives such as expanding renewable energy, improving resource efficiency, increasing water recycling, and promoting circularity are closely monitored through dashboards, controls, and audits. These measures not only lower our footprint but also strengthen resilience against climate-related risks.

Social Impact

The Company recognizes its role in fostering inclusive growth and improving quality of life. Major CSR initiatives undertaken during the year focused on Education, Healthcare and Community Development creating long-term positive impact. Internally, our diversity, equity, and inclusion (DE&I) initiatives promote equal opportunity, inclusive hiring and career advancement opportunities. Training, awareness, and secure reporting mechanisms reinforce a safe, respectful, and misconduct-free workplace.

Governance & Ethical Practices

We uphold high standards of governance, transparency, and ethical conduct in all business dealings. The Company's CSR, DE&I and sustainability programs are governed by the respective policies and progress is regularly monitored against approved

objectives and budgets. Stakeholder engagement is an integral part of our approach, ensuring that our initiatives remain relevant and impactful.

The Board remains committed to integrating sustainability, CSR and DE&I principles into the Company's strategy, ensuring responsible growth that benefits all stakeholder. The details regarding the activities during the year are given in the section Sustainability & Corporate social Responsibility section of the Annual Report.

Statement Of Management's Responsibility Towards The Preparation And Presentation Of The Financial Statements And Directors' Compliance Statement

Management is fully aware of its responsibility towards preparation and presentation of financial statements. The Directors of the Company confirm that:

- The financial statements, prepared by the Management of the Company, present fairly its state of affairs, the results of its operations, cash flows and changes in equity.
- Proper books of account of the Company have been maintained.
- Appropriate accounting policies have been consistently applied in preparation of financial statements. 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 departure therefrom (if any) has been adequately disclosed and explained.
- The Company maintains a sound internal control system which gives reasonable assurance against material misstatement or loss. The internal control system is regularly reviewed.
- We affirm the Company's ability to continue as a going concern.
- The Directors on the Board are fully conversant with their duties and responsibilities as directors of corporate bodies.
- There has been no departure from the best practices of Corporate Governance.

Composition Of The Board

In line with the requirements of the Regulations, the Company encourages representation of independent and non-executive directors, as well as gender diversity on its Board. The total number of directors as at June 30, 2025 are eleven including Chief Executive as a deemed director as per the following:

Male	9
Female	2

The current composition of the Board is as follows:

Executive Director	1
Non-Executive Directors	7
Independent Directors	3

Committees Of The Board

The Board of Directors has formed the following committees comprising of members given below:

Board Audit Committee	30 June 2025
Mr. Moin M. Fudda	Chairman
Mr. Khaleequr Rahman	Member
Mr. Temoor Ashraf Mukaty	Member
Ms. Aminah Zahid Zaheer	Member

Board HR & Remuneration Committee	30 June 2025
Ms. Aminah Zahid Zaheer	Chairperson
Mr. Moin M. Fudda	Member
Mr. Zain Ashraf Mukaty	Member

Directors' Remuneration

In line with the requirements of Listed Companies (Code of Corporate Governance) Regulations, 2019 and the Articles of Association of the Company, the policy for remuneration of non-executive directors (including independent directors) has been approved by the Board of Directors according to which the Company does not pay any remuneration to its non-Executive directors (including independent directors) except as meeting fee for attending the Board and its Committee meetings. The remuneration of a director for attending meetings of the Board of Directors or its Committees shall from time to time be determined and approved by the Board of Directors.

Directors' Training

The Directors of the Company are adequately trained to perform their duties and are aware of their powers and responsibilities under the Companies Act, 2017 and the Regulations of PSX Rule book. Directors' profiles are disclosed on page 52 of this report.

Pattern Of Shareholding

Pattern of shareholding of the Company in accordance with the Companies Act, 2017 as at June 30, 2025 is annexed.

Future Outlook And Challenges

Country's macro indicators improved through FY24-25 under the IMF program. The July 2025 IMF update projects real GDP growth ~2.7% in 2025 with continued stabilization efforts into FY25-26. Ongoing IMF engagement i.e. reviews and climate-linked financing, underpins forex reserves and policy continuity however, performance remains conditional on revenue and energy reforms. The SBP's monetary easing is expected to boost growth in the short to medium

term but for this growth to continue, structural fiscal reforms, a broader tax base and effective policy implementation are needed.

The global textile landscape in FY2025–26 is shaped by evolving trade dynamics, shifting regional competitiveness, macroeconomic reforms and rising demand in niche segments. The significant 61% rise in textile machinery imports signaled renewed investment and modernization efforts in the Country, positioning the industry for potential growth. Looking ahead, stakeholders remain cautiously optimistic about achieving US$20 billion in exports in FY2025–26, contingent upon sustained macroeconomic stability, supportive policy measures and continued focus on value-added production.

While the operating environment for FY25-26 presents challenges, the Company's strategic initiatives in market diversification, technology upgrades, compliance readiness, and renewable energy adoption are expected to strengthen resilience. A proactive approach to risk mitigation, coupled with sustained engagement with stakeholders, will help position the Company to capitalize on recovery opportunities in the ensuing year.

Acknowledgement

On behalf of the Board, we express our gratitude to our shareholders, customers, employees, and business partners for their unwavering trust and support. Despite the year's dynamic market conditions, our organization has remained steadfast in executing our strategy and delivering value. Together, we will embrace new opportunities, overcome challenges and shape a sustainable future.
For and on behalf of the Board of Directors.

Rehan Rahman
Chief Executive Officer

Aminah Zahid Zaheer
Director

Karachi
Date: 29th August 2025

نیٹ،اور پالیسیوں کے مؤثر نفاذ کی ضرورت ہوگی۔

مالی سال 26-2025 میں عالمی ٹیکسٹائل کا منظرنامہ بدلتی ہوئی تجارتی قوت، علاقائی مسابقت میں تغیر، معاشی اصلاحات اور مخصوص شعبوں میں بڑھتی ہوئی طلب کے تحت تشکیل پا رہا ہے۔ ٹیکسٹائل مشینری کی درآمدات میں 61 فیصد کا نمایاں اضافہ ملک میں سرمایہ کاری اور جدید کاری کی کوششوں کی بحالی کی علامت ہے، جو صنعت کو ممکنہ ترقی کے لیے تیار کرتا ہے۔ مستقبل کے تناظر میں، اسٹیک ہولڈرز مالی سال 26-2025 میں 20 بلین امریکی ڈالر کی برآمدات کے ہدف کے حصول کے بارے میں محتاط طور پر پُر امید ہیں، جس کا انحصار پائیدار معاشی استحکام، معاون پالیسی اقدامات اور ویلیو ایڈڈ پیداوار پر مسلسل توجہ پر ہے۔

مالی سال 26-2025 کا کاروباری ماحول مشکل ہوگا، لیکن کمپنی کی منصوبہ بندی جیسے نئی مارکیٹوں میں جانا، جدید ٹیکنالوجی کا استعمال، قوانین کی پابندی، اور قابلِ تجدید توانائی اپنانا، کمپنی کو مزید مضبوط بنائے گا۔ خطرات کم کرنے کے لیے بروقت اقدامات اور اسٹیک ہولڈرز سے مسلسل رابطہ کمپنی کو اگلے سال اچھے مواقع سے فائدہ اٹھانے میں مدد دے گا۔

اظہارِ تشکّر

بورڈ کی جانب سے، ہم اپنے معزز شیئر ہولڈرز، گاہکوں، ملازمین اور کاروباری شراکت داروں کے غیر متزلزل اعتماد اور مسلسل حمایت پر دلی شکریہ ادا کرتے ہیں۔ سال کے دوران مارکیٹ کے بدلتے حالات کے باوجود، ہماری کمپنی نے اپنی حکمتِ عملی کے مؤثر نفاذ اور قدر کی فراہمی میں نمایاں ثابت قدمی کا مظاہرہ کیا ہے۔ ہم سب مل کر نئے مواقع کو اپناتے ہوئے، چیلنجز پر قابو پائیں گے اور ایک پائیدار مستقبل کی تشکیل کے لیے پرعزم ہیں۔

بورڈ آف ڈائریکٹرز کے لیے، اور ان کی جانب سے

ریحان رحمان
چیف ایگزیکٹو آفیسر

امینہ زاہد ظہیر
ڈائریکٹر

کراچی
مورخہ: ۲۹ اگست ۲۰۲۵ء

بورڈ کی ذیلی کمیٹیاں

بورڈ آف ڈائریکٹرز نے مندرجہ ذیل کمیٹیاں تشکیل دی ہیں جن میں درج ذیل ممبران شامل ہیں۔

BAC	جون 2025
جناب معین ایم فدا	چیئرمین
جناب خلیق الرحمان	رکن
جناب تیمور اشرف مکاتی	رکن
محترمہ آمنہ زاہد ظہیر	رکن

BHR&RC	جون 2025
محترمہ آمنہ زاہد ظہیر	چیئرپرسن
جناب معین ایم فدا	رکن
جناب زین اشرف مکاتی	رکن

ڈائریکٹرز کا مُعاوضہ

لسٹڈ کمپنیز (کوڈ آف کارپوریٹ گورننس) ریگولیشنز 2019، اور کمپنی کے آرٹیکلز آف ایسوسی ایشنز کے تحت، BOD نے نان۔ ایگزیکٹو ڈائریکٹرز (بشمول آزاد ڈائریکٹرز) کے مُعاوضے کی پالیسی کو منظور کیا ہے، جس کے تحت کمپنی اپنے نان-ایگزیکٹو ڈائریکٹرز (بشمول آزاد ڈائریکٹرز) کو بورڈ اور اس کی کمیٹی کے اجلاسوں میں شرکت کے لیے میٹنگ فیس کے علاوہ کوئی معاوضہ ادا نہیں کرتی ہے۔ بورڈ آف ڈائریکٹرز یا اس کی کمیٹیوں کے اجلاسوں میں شرکت کے لیے ڈائریکٹرز کا معاوضہ وقتاً فوقتاً بورڈ کے ذریعے طے کیا جائے گا اور اس کی منظوری دی جائے گی۔

ڈائریکٹرز کی تربیت

کمپنی کے ڈائریکٹرز اپنے فرائض کی انجام دہی کے لیے مناسب تربیت یافتہ ہیں او کمپنیز ایکٹ 2017 اور PSX رول بک کے قواعد وضوابط کے تحت اپنے اختیارات اور ذمہ داریوں سے آگاہ ہیں۔ ڈائریکٹرز کے پروفائلز اس رپورٹ کے صفحے 52 پر ظاہر کیے گئے ہیں۔

حصص یا فتگی کی ترتیب

کمپنیز ایکٹ 2017 کے مطابق 30 جون 2025 تک ترتیب حصص یا فتگی کی پورٹ اس سالانہ رپورٹ کے ساتھ منسلک ہے۔

مُستقبل کا منظر نامہ اور مُشکلات کا جائزہ

ملک کے میکرو اکنامک اشاریے مالی سال 25-2024 میں آئی ایم ایف پروگرام کے تحت بہتر ہوئے۔ جولائی 2025 کے آئی ایم ایف اپ ڈیٹ کے مطابق 2025 میں حقیقی جی ڈی پی میں تقریباً 2.7 فیصد اضافہ متوقع ہے جبکہ مالی سال 26-2025 میں بھی استحکام کی کوششیں جاری رہیں گی۔ آئی ایم ایف کے ساتھ جاری تعاون، یعنی ریویوز اور موسمیاتی تبدیلی سے منسلک فنانسنگ، زرمبادلہ کے ذخائر اور پالیسی کے تسلسل کو سہارا دیتا ہے، تاہم کارکردگی کا انحصار ریونیو اور توانائی اصلاحات پر ہے۔ اسٹیٹ بینک آف پاکستان کی جانب سے شرح سود میں کمی سے قلیل اور درمیانی مدت میں ترقی میں بہتری متوقع ہے، لیکن اس ترقی کو برقرار رکھنے کے لیے ڈھانچہ جاتی مالی اصلاحات، وسیع ٹیکس

دیکھ بھال اور کمیونٹی ڈیولپمنٹ پر توجہ مرکوز کی جس سے طویل مدتی مثبت اثرات مرتب ہوئے۔ اندرونی طور پر، ہمارے تنوع، مساوات، اور شمولیت (ڈی ای اینڈ آئی) اقدامات مساوی مواقع، جامع بھرتی اور کیریئر کی ترقی کے مواقع کو فروغ دیتے ہیں . تربیت، آگاہی، اور محفوظ رپورٹنگ میکانزم ایک محفوظ، قابل احترام، اور بدسلوکی سے پاک کام کی جگہ کو تقویت دیتے ہیں.

گورننس اور اخلاقی طرز عمل - ہم تمام کاروباری لین دین میں حکمرانی، شفافیت اور اخلاقی طرز عمل کے اعلیٰ معیار کو برقرار رکھتے ہیں۔ کمپنی کے سی ایس آر، ڈی ای اینڈ آئی اور پائیداری کے پروگرام متعلقہ پالیسیوں کے تحت چلائے جاتے ہیں اور منظور شدہ مقاصد اور بجٹ کے مقابلے میں پیش رفت کی باقاعدگی سے نگرانی کی جاتی ہے۔ اسٹیک ہولڈرز کی شمولیت ہمارے نقطہ نظر کا ایک لازمی حصہ ہے جو اس بات کو یقینی بناتا ہے کہ ہمارے اقدامات متعلقہ اور مؤثر رہیں۔

بورڈ کمپنی کی حکمت عملی میں DE&I اور پائیداری کے اصولوں کو ضم کرنے کے لئے پرعزم ہے، جو ذمہ دارانہ ترقی کو یقینی بناتا ہے جس سے تمام اسٹیک ہولڈرز کو فائدہ ہوتا ہے۔ سال کے دوران سرگرمیوں کے بارے میں تفصیلات سالانہ رپورٹ Substainability, Corporate Social Responsbility and DE&I کے سیکشن میں دی گئی ہیں۔

مالیاتی گوشوارے اور ڈائریکٹرز کے تعمیلی بیان کی تیاری اور پیش کش کے بارے میں انتظامیہ کی ذمہ داری کا بیان

انتظامیہ مالی گوشوارے کی تیاری اور پیش کش کے لئے اپنی ذمہ داری سے پوری طرح آگاہ ہے۔ کمپنی کے ڈائریکٹرز اس بات کی تصدیق کرتے ہیں کہ:

- کمپنی کی انتظامیہ کی جانب سے تیار کردہ مالیاتی بیانات اس کی صورتحال، اس کے آپریشنز کے نتائج، نقد بہاؤ اور ایکویٹی میں تبدیلیوں کو کافی حد تک پیش کرتے ہیں۔
- کمپنی کے اکاؤنٹ کی مناسب کتابیں برقرار رکھی گئی ہیں۔
- مالی بیانات کی تیاری میں مناسب اکاؤنٹنگ پالیسیوں کو مستقل طور پر لاگو کیا گیا ہے . اکاؤنٹنگ کے تخمینے معقول اور دانشمندانہ فیصلے پر مبنی ہیں۔
- مالیاتی گوشواروں کی تیاری میں بین الاقوامی مالیاتی رپورٹنگ کے معیارات پر عمل کیا گیا ہے اور اس سے (اگر کوئی ہو) روانگی کو مناسب طور پر ظاہر کیا گیا ہے اور وضاحت کی گئی ہے۔
- کمپنی ایک مضبوط اندرونی کنٹرول سسٹم برقرار رکھتی ہے جو مادی غلط بیانی یا نقصان کے خلاف معقول یقین دہانی فراہم کرتا ہے۔ داخلی کنٹرول سسٹم کا باقاعدگی سے جائزہ لیا جاتا ہے۔
- ہم کمپنی کی جاری تشویش کے طور پر جاری رکھنے کی صلاحیت کی تصدیق کرتے ہیں.
- بورڈ کے ڈائریکٹرز کارپوریٹ باڈیز کے ڈائریکٹرز کی حیثیت سے اپنے فرائض اور ذمہ داریوں سے پوری طرح واقف ہیں۔
- کارپوریٹ گورننس کی مستند اصولوں سے کوئی انحراف نہیں ہوا ہے۔

بورڈ کی تشکیل

ضوابط کے تحت کمپنی اپنے بورڈ میں آزاد اور نان-ایگزیکٹو ڈائریکٹرز کی نمائندگی کے ساتھ ساتھ صنفی تنوع کی حوصلہ افزائی کرتی ہے۔ 30 جون 2025 تک ڈائریکٹرز، جن کی کُل تعداد 11 ہے اور جس میں چیف ایگزیکٹو آفیسر (بطور ڈائریکٹر) شامل ہیں ان کی تفصیل درج ذیل ہے:

حضرات	9
خواتین	2

بورڈ کی موجودہ تشکیل حسب ذیل ہے:

ایگزیکٹو ڈائریکٹر	1
نان-ایگزیکٹو ڈائریکٹرز	7
آزاد ڈائریکٹرز	3

مؤثر اندرونی کنٹرولز

بورڈ آف ڈائریکٹرز نے مظبوط اندرونی کنٹرولز کا ایک نظام قائم کیا ہے، جو کمپنی کے اندر تمام سطحوں پر مؤثر طور پر نافذ العمل ہے۔ کمپنی کا آزادانہ اندرونی آڈٹ کا فنکشن ایک معروف پروفیشنل ادارے ((A.F.Ferguson & Co (AFF)، جو کہ PwC نیٹ ورک کا حصہ اور اس کام کے لیے انتہائی موزوں اور تجربہ کار ہیں، کے ذریعے انجام دیا جاتا ہے۔

اندرونی محاسبہ (آڈٹ) داخلی بورڈ آڈٹ کمیٹی (BAC) سے منظور شدہ آڈٹ پلان کے مطابق کیا جاتا ہے۔ اس پلان کا تعین کمپنی کے تنظیمی مقاصد اور ترجیحات، اور ایسی مشکلات جو کمپنی کو ان مقاصد کو حاصل کرنے کی راہ میں رُکاوٹ بن سکتی ہیں، کو مدنظر رکھتے ہوئے ترتیب دیا جاتا ہے۔ BAC اندرونی محاسبے کی کارکردگی اور اس کے اثرات کا جائزہ لیتا ہے، جبکہ AFF اس بات کی یقین دہانی کرتا ہے کہ تمام تر اندورنی کنٹرولز اور آڈٹ کے مقاصد خاطر خواہ اور مؤثر طور پر انجام پا رہے ہیں۔

مالیاتی گوشواروں کی تیاری اور پیش کرنے میں انتظامیہ کی ذمے داری

پاکستان میں لاگو اکاؤنٹنگ اور رپورٹنگ کے معیارات اور کمپنیز ایکٹ (XIX of 2017) 2017 کے تحت مالیاتی گوشواروں کی تیاری اور منصفانہ پیشکش کے حوالے سے کمپنی اپنی ذمہ داری سے بخوبی آگاہ ہے اور ان تمام عوامل کی بھرپور تائید کرتی ہے جن کی وجہ سے مالیاتی گوشواروں کو ہر ممکنہ غلط بیانی اور دھوکہ دہی سے محفوظ رکھا جا سکے۔

متعلقہ پارٹی سے لین دین کا جائزہ

کمپنیز ایکٹ 2017، کوڈ آف کارپوریٹ گورننس اور دیگر قابلِ اطلاق قوانین اور ضابطوں کے تحت، لین دین کی تمام تر تفصیلات وقتاً فوقتاً BAC کے سامنے، اور پھر ان کی سفارش پر بورڈ آف ڈائریکٹرز (BOD) کے جائزے اور منظوری کے لیے پیش کی جاتی ہیں۔ اگر ڈائریکٹرز کی اکثریت مناسب سمجھے تو لین دین سے متعلق تفصیلات (اگر ہوں تو)، سالانہ منظوری کے لیے ممبران کے سامنے بھی رکھی جاتی ہیں۔

غیر یقینی صورتحال اور بنیادی خطرات

کمپنی ممکنہ طور پر پیدا ہونے والے کسی بھی چیلنج اور غیر یقینی صورتحال سے نمٹنے کے لیے ہر ممکن اور مؤثر صلاحیت رکھتی ہے۔ مشترکہ تجربے، مہارت اور مؤثر کاروباری رپورٹنگ کے ذریعے انتظامیہ اندرونی اور بیرونی پیش رفت سے مکمل طور پر آگاہ ہے۔ کمپنی نے کراس فنکشنل ٹیمز مرتب کی ہیں جو کہ حالات وواقعات پر گہری نظر رکھتے ہوئے فعال طور پر ممکنہ درپیش مسائل کا تجزیہ کرنے کے ساتھ ساتھ ان سے نمٹنے کے لیے مؤثر حکمتِ عملی اور لائحے عمل بھی ترتیب دیتی ہیں۔ دریں اثناء، مینجمنٹ اس بات کو بھی یقینی بناتی ہے کہ پیداوار اور فروخت کی صلاحیت کو بھرپور طور پر استعمال کیا جائے۔

کمپنی کے بورڈ آف ڈائریکٹرز نے ایسے تمام اندورنی اور بیرونی مسائل کا گہرا اور مکمل جائزہ لیا ہے جن کا سامنا کمپنی کو ہو سکتا ہے، اور ان مسائل سے نمٹنے کے لیے ٹھوس اقدامات کیے ہیں۔ اس عرصے کے دوران کمپنی کو جن مسائل کا سامنا رہا ان میں سے کچھ درج ذیل ہیں:

- اہم برآمدی منڈیوں میں طلب میں کمی
- توانائی کے نرخوں میں مسلسل اضافہ
- زیادہ مالیاتی اخراجات
- برآمد کنندگان کے لئے برآمدی مراعات، ٹیکس اور کسٹم نظام میں بار بار تبدیلی
- کاروبار کرنے کی لاگت میں مجموعی طور پر اضافہ

- صنعت کے لئے طویل مدتی منصوبہ بندی کا فقدان
- سیاسی عدم استحکام اور کاروبار دوست پالیسیوں کا فقدان

انتظامیہ خطرات سے نمٹنے کے لیے اقدامات جاری رکھے ہوئے ہے، جن میں غیر ملکی زرمبادلہ کے تحفظ (احاطہ بندی)، توانائی کی بچت کے اقدامات، تعمیل کے سرٹیفکیشنز میں سرمایہ کاری، برآمدی منڈیوں میں تنوع اور پیداوار کی ٹیکنالوجی کو اپ گریڈ کرنا شامل ہے تاکہ مذکورہ خطرات کے مقابلے میں لچک برقرار رکھی جا سکے۔

محاسب (Auditors)

موجودہ آڈیٹرز، میسرز گرانٹ تھورنٹن انجم رحمان، چارٹرڈ اکاؤنٹنٹس، ریٹائر ہونے اور اہل ہونے کی وجہ سے دوبارہ تقرری کے لئے خود کو پیش کر چکے ہیں۔ بورڈ آف ڈائریکٹرز نے 30 جون 2026 کو ختم ہونے والے مالی سال کے لئے کمپنی کے آڈیٹرز کی حیثیت سے ان کی دوبارہ تقرری کے لئے بی اے سی کی سفارشات کی توثیق کی۔

ماحولیات، صحت اور حفاظت (EHS)

ہم Feroze1888 سمجھتے ہیں کہ پائیدار کاروباری ترقی ماحولیاتی انتظام، ملازمین کی فلاح و بہبود اور محفوظ آپریشنز کے ساتھ ساتھ چلنا چاہئے . مالی سال 2025 میں، ہمارے (EHS) اقدامات ماحولیاتی اثرات کو کم کرنے، کام کی جگہ کی حفاظت کو یقینی بنانے اور تمام سہولیات میں صحت مند کام کے کلچر کو فروغ دینے پر توجہ مرکوز کرتے رہے۔ انتظامیہ اس بات کو یقینی بنانے کے لیے پرعزم ہے کہ (EHS) پہلو تمام عملی فیصلوں میں شامل رہیں، کیونکہ ہم یہ تسلیم کرتے ہیں کہ ذمہ دارانہ اقدامات ہمارے ملازمین کی بھلائی، اُن کمیونیٹیز کی خدمت جنہیں ہم سہارا دیتے ہیں، اور ہمارے کاروبار کی طویل مدتی کامیابی کے لیے نہایت اہم ہیں۔

استحکام اور سماجی ذمہ داری (Sustainability & Corporate Social Responsibility)

کمپنی ماحولیاتی تحفظ اور سماجی فلاح و بہبود اور معاشرتی ترقی کے حوالے سے اپنی ذمہ داری سے بخوبی آگاہ ہے۔ اس ضمن میں کمپنی نے اپنی پالیسی کے مطابق تعلیم، صحت عامہ، سماجی بہبود اور ماحولیاتی تحفظ کی مد میں متعدد غیر منافع بخش تنظیموں کے ساتھ شراکت کی، جن میں: انڈس ہسپتال، پاکستان ٹیکسٹائل کونسل، کراچی ڈاؤن سنڈروم پروگرام (KDSP)، پاکستان آئی بینک سوسائیٹی، برنز سینٹر، فیملی ایجوکیشن سروسز فاؤنڈیشن، ہیلتھ کیئر اینڈ سوشل ویلفیئر ایسوسی ایشن اور نیٹ ورک آف آرگنائیزیشنز ورکنگ فار دی پیپل وڈس ایبلٹیز اِن پاکستان (NOWPDP) کو دیے جانے والے عطیات شامل ہیں۔ کمپنی مختلف اقدامات کے ذریعے معاشرے کی فلاح و بہبود میں یقین رکھتی ہے اور CSR فنڈز کا ایک بڑا حصہ تعلیم اور صحت کے شعبوں کے لیے مختص کیا جاتا ہے۔

تنوع، مساوات اور شمولیت (DE&I)

ہمارے کاروباری مقصد کا بنیادی اصول یہ ہے کہ ترقی اس وقت بامعنی ہوتی ہے جب اس کے فوائد تمام متعلقہ فریقوں تک پہنچیں—ہمارے ملازمین، شراکت دار، برادریاں اور وہ سیارہ جسے ہم سب مل کر شیئر کرتے ہیں۔ اس سال، اپنی بنیادی اقدار PROSPER کی رہنمائی میں، ہم نے پائیدار مستقبل کے فروغ کے عزم کو مزید تقویت دی ہے۔ اس ضمن میں ہم نے اپنے کاروباری عمل اور کمیونٹی اقدامات کو اس طرح ہم آہنگ کیا ہے کہ وہ ایک پائیدار اور جامع مستقبل کی تعمیر میں کلیدی کردار ادا کریں۔

ماحولیاتی ذمہ داری- سال کے دوران، کمپنی نے اپنے آپریشنز میں توانائی کی کھپت، پانی کے استعمال اور فضلے کی پیداوار کو کم کرنے کے لئے فعال اقدامات جاری رکھے۔ قابل تجدید توانائی کو بڑھانے، وسائل کی کارکردگی کو بہتر بنانے، پانی کی ری سائیکلنگ میں اضافہ، اور سرکلرٹی کو فروغ دینے جیسے اقدامات کو ڈیش بورڈز، کنٹرولز اور آڈٹ کے ذریعے قریب سے مانیٹر کیا جاتا ہے۔ یہ اقدامات نہ صرف ہمارے قدموں کو کم کرتے ہیں بلکہ آب و ہوا سے متعلق خطرات کے خلاف لچک کو بھی مضبوط کرتے ہیں۔

سماجی اثرات- کمپنی جامع ترقی کو فروغ دینے اور معیار زندگی کو بہتر بنانے میں اپنے کردار کو تسلیم کرتی ہے . سال کے دوران کئے گئے بڑے سی ایس آر اقدامات نے تعلیم، صحت کی

ڈائریکٹرز رپورٹ

بورڈ آف ڈائریکٹرز کی جانب سے 30 جون 2025 کو ختم ہونے والے مالی سال کے لیے آڈٹ شدہ مالیاتی گوشواروں کے ساتھ آڈیٹرز کی رپورٹ بشمول سالانہ رپورٹ حاضر خدمت ہے۔

اقتصادی جائزہ

زیرِ جائزہ سال میں عالمی معیشت نے معتدل حد تک استحکام کا مظاہرہ کیا، اگرچہ سال کے ابتدائی حصے میں ترقی یافتہ معیشتوں میں مالیاتی سختی، تجارتی کشیدگی اور غیر یقینی جغرافیائی اور سیاسی صورتحال نمایاں رہی۔ بین الاقوامی مالیاتی فنڈ (آئی ایم ایف) کے اندازے کے مطابق، اُبھرتی ہوئی بڑی منڈیوں میں سرمایہ کاری اور پائیدار کھپت کی بدولت سال 2025 کے لیے عالمی مجموعی پیداوار (جی ڈی پی) کی شرحِ نمو تقریباً 3 فیصد رہنے کا امکان ہے۔ اس کے برعکس اقوامِ متحدہ نے شرحِ نمو کچھ کم، یعنی 2.4 فیصد رہنے کی توقع ظاہر کی ہے جس کی وجہ تجارتی پالیسیوں میں منفی عمل اور صنعتی سرگرمیوں میں کمی کو قرار دیا ہے۔ عالمی تجارتی حجم میں 0.9 فیصد اضافہ ریکارڈ کیا گیا، جو 2024 میں ہونے والی کمی کے برعکس ہے، تاہم یہ بحالی ماضی کے اوسط رجحانات سے کمزور رہی۔ مالیاتی منڈیاں 2025 کے اوائل میں دوبارہ متحرک ہوئیں، جس کی بڑی وجہ بڑے مرکزی بینکوں خصوصاً امریکی فیڈرل ریزرو کی جانب سے ممکنہ مالیاتی نرمی کی توقعات تھیں۔

دو سال کے شدید دباؤ کے بعد ملک کی معیشت مالی سال 25-2024 میں استحکام کے مرحلے میں داخل ہوئی۔ حقیقی جی ڈی پی میں تقریباً 2.7 فیصد اضافہ ہوا، جو پچھلے مالی سال سے قدرے بہتر، لیکن مقررہ ہدف سے کم رہا۔ مہنگائی میں نمایاں کمی آئی اور اوسطاً 4 سے 5 فیصد تک محدود رہی، جو کہ مالی سال 2023-24 میں 20 فیصد سے زائد تھی۔ اس کمی کے بنیادی اسباب مستحکم زرِ مبادلہ کی شرح، زرعی پیداوار میں بہتری اور بین الاقوامی اجناس کی قیمتوں میں کمی تھی۔ مالی نظم وضبط میں خاطر خواہ بہتری دیکھنے میں آئی۔ مالی خسارہ گھٹ کر جی ڈی پی کا 2.6 فیصد رہ گیا جبکہ فاضل رقم میں 3 فیصد سرپلس ریکارڈ اضافہ ہوا۔ بیرونی کھاتہ بھی نمایاں طور پر بہتر ہوا اور 2.11 ارب امریکی ڈالر کا کرنٹ اکاؤنٹ سرپلس سامنے آیا، جو گزشتہ 14 برسوں میں پہلا سالانہ سرپلس ہے۔ یہ کامیابی ترسیلاتِ زر میں تقریباً 31 فیصد اضافے، درآمدات پر قابو اور برآمدات کے استحکام کے باعث ممکن ہوئی۔ سال بھر کے دوران زرِ مبادلہ کی شرح مجموعی طور پر مستحکم رہی۔

صنعتی جائزہ

پاکستان کی معیشت میں ٹیکسٹائل اور ملبوسات کا شعبہ ریڑھ کی ہڈی کی حیثیت رکھتا ہے، جو کہ پاکستان کی مجموعی برآمدات میں تقریباً 55 سے 60 فیصد کا حصہ دار اور ترسیلاتِ زر کے بعد زرِ مبادلہ کا سب سے بڑا ذریعہ ہے۔ رواں مالی سال کے دوران اس شعبے نے 17.88 ارب ڈالر کی برآمداتی آمدنی حاصل کی، جس سے بیرونی سطح پر استحکام، اور، کپاس کی کاشت سے لے کر ملبوسات تک کی تیاری تک، لاکھوں افراد کو روزگار ملا۔ ملکی معیشت کے سب سے بڑے روزگار فراہم کرنے والے شعبے کی حیثیت سے یہ صنعت 40 فیصد صنعتی افرادی قوت کو روزگار فراہم کرنے کے ساتھ ساتھ معیاری پیداوار، دیہی صنعتی ترقی اور دیگر ذیلی صنعتوں، جیسے کیمیکلز، پیکیجنگ اور ذرائع آمد و رفت (logistics) کو بھی فروغ دیتا ہے۔

مالی سال 25-2024 میں پاکستان کی ٹیکسٹائل برآمدات میں 7.4 فیصد اضافہ ریکارڈ کیا گیا، جو اس شعبے کے لیے ایک نمایاں بحالی کی علامت ہے۔ یہ بہتری بالخصوص ویلیو ایڈڈ شعبوں جیسے نٹ ویئر (13.7٪)، ریڈی میڈ گارمنٹس (15.9٪) اور بیڈ ویئر (11.1٪) کی مضبوط کارکردگی کے باعث سامنے آئی، جبکہ روایتی شعبے مثلاً سوتی دھاگہ (28.8٪) اور سوتی کپڑا (13.1٪) میں کمی ہوئی۔ سال کی پہلی ششماہی میں برآمدی آمدنی میں 9.7 فیصد اضافہ ہوا، جسے مسابقتی قیمتوں، سپلائی چین کے بہتر استحکام اور علاقائی حریفوں سے طلب کے سازگار رخ موڑنے جیسے عوامل نے تقویت دی۔ تاہم، آخری سہ ماہی میں معمولی سست روی دیکھنے میں آئی، جس کے نتیجے میں مئی 2025 میں برآمدات سال بہ سال 1.7 فیصد گھٹ گئیں۔ یہ صورتحال اس بات کی عکاسی کرتی ہے کہ یہ شعبہ اب بھی توانائی کی بلند لاگت، پالیسی کی غیر یقینی صورتحال اور عالمی طلب میں اتار چڑھاؤ جیسے خطرات کا شکار ہے۔

آپریشنز اور مالیاتی نتائج کا جائزہ

30 جون 2025 کو ختم ہونے والے سال کے لیے کمپنی کی کارکردگی کا ایک مختصر جائزہ درج ذیل میں بیان کیا گیا ہے۔

روپے "000"

	جون 2025	جون 2024
خالص فروخت	66,110,531	69,757,601
مجموعی منافع	9,039,716	11,832,201
لیویز اور انکم ٹیکس سے پہلے منافع	631,497	1,547,720
لیویز اور انکم ٹیکس کے بعد منافع	99,023	572,341
فی حصص آمدنی (ای پی ایس) - روپے	0.25	1.43

کمپنی کا بعد از ٹیکس منافع گھٹ کر 99 ملین روپے رہ گیا، جس کی دو بنیادی وجوہات ہیں: پہلی خالص فروخت آمدنی میں 3.6 ارب روپے (تقریباً 5 فیصد) کی کمی، اور دوسری، مسلسل بڑھتی ہوئی لاگت کا دباؤ۔ اگرچہ مالی اخراجات گزشتہ سال کے مقابلے میں کچھ کم ہوئے، تاہم پھر بھی بلند سطح پر برقرار رہے۔ اس کے ساتھ ہی توانائی کی قیمتوں میں اضافے کے باعث پیداوار کی لاگت میں نمایاں اضافہ ہوا، جس نے منافع کو سخت متاثر کیا۔ ان مشکلات کے باوجود، کمپنی نے آپریشنل کارکردگی کو اپنی اولین ترجیح بنایا اور طویل مدتی پائیداری کے حصول کے لیے اپنے بنیادی کاروباری عوامل میں حکمتِ عملی کے تحت سرمایہ کاری جاری رکھی۔

کمپنی کی کارکردگی کا جائزہ

کمپنی اپنی کارکردگی کا جائزہ لینے کے لیے مختلف طریقے استعمال کرتی ہے، جیسے کہ صنعتی ترقی، دیگر کمپنیوں کی پوزیشن، گزشتہ سال کی کارکردگی، معیشت کی سمت اور دیگر کاروباری عوامل اور ان سب کے کمپنی پر مرتب ہونے والے اثرات کا تجزیہ؛ بجٹ کی منصوبہ سازی اور اس کے تحت ہوئی حقیقی کارکردگی کا باقاعدگی سے جائزہ، تاکہ بروقت نشاندہی اور اصلاحی اقدامات کو ممکن بنایا جائے۔

واقعات مابعد

سال کے اختتام اور اس رپورٹ کی تیاری کے دوران کمپنی کے مالیاتی معاملات میں کسی قسم کی تبدیلی لانے والا کوئی عمل ظہور پذیر نہیں ہوا۔

29 اگست 2025 کو منعقد بورڈ آف ڈائریکٹرز کی میٹنگ میں موجودہ مشکل معاشی حالات کے پیشِ نظر اس سال منافع تقسیم نہ کرنے کا فیصلہ کیا ہے۔

قرض اور واجب الادا رقوم کی ادائیگی

کمپنی بہترین کاروباری اصولوں کی پاسداری کے تحت بروقت ادائیگی کی ذمہ داری کو بخوبی سمجھتی ہے۔ زیرِ جائزہ سال کے قرض / قرض کی ادائیگی، یہاں تک کہ ٹیکسز، ڈیوٹیز اور لیویز کی مد میں بھی کسی قسم کی کوئی رقم واجب الادا نہیں ہے۔

کاروبار کی نوعیت میں تبدیلی

مالی سال کے دوران کمپنی کے کاروبار کی نوعیت میں کسی قسم کی کوئی تبدیلی نہیں آئی ہے۔

Governance Framework

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
Non-Executive							**Independent Director**			**Executive**
7							3			1

Chairman of the Board	Chief Executive Officer
Mr. Abdul Rehman Yaqub	Mr. Rehan Rahman

Board Committees	
Board Audit Committee	**Board Human Resource and Remuneration Committee**
4 Members	3 Members

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

Ms. Aminah Zahid Zaheer	Mr. Moin M. Fudda	Mr. Zain Ashraf Mukaty

Justification for independence of Independent Director:

1. Mr. Moin M. Fudda
2. Ms. Huma Pasha
3. Ms. Aminah Zahid Zaheer

According to the requirements of the Companies Act, 2017, and the Code of Corporate Governance, it is mandatory for each listed company to have at least two independent directors or one-third of the Board members, whichever number is higher. An independent director is one who meets the definition and criteria given in section 166 of the Companies Act, 2017. Among the independent directors, there should be an appropriate mix of individuals to ensure an overall adequate level of knowledge and expertise, enabling them to effectively fulfill their roles and responsibilities in relation to the Board and its committees

Diversity in the Board

The Board of Directors serves as a cornerstone of the Company's corporate governance framework. Recognizing the importance of diversity, regulators and stakeholders increasingly emphasize inclusive representation at the board level. A diverse board enhances decision-making, fosters innovation, and reflects a broader range of stakeholder interests—critical for long-term, sustainable success.

Board diversity brings together varied leadership styles, thought processes, emotional intelligence, and risk preferences. This breadth of perspectives contributes to more creative problem-solving and strengthens oversight by improving sensitivity to a wider spectrum of risks, including reputational and compliance-related concerns. Such diversity also supports more robust performance evaluation and strategic decision-making.

At Feroze1888, the Board includes female representation, members with financial literacy, and individuals with experience across multiple industries and sectors. This composition reflects the Company's commitment to inclusive governance and effective stewardship.

GOVERNANCE FRAMEWORK

Governance Structure

Corporate Governance refers to a framework through which Board of Directors ("the Board") ensures accountability, fairness, responsibility and transparency in the Company's relationship with all its stakeholders and sustainable value creation for them. Corporate governance is the system by which companies are directed and controlled. Boards of directors are responsible for the governance of their companies.

Division of responsibilities and duties between the shareholders, the Board and the CEO are regulated inter alia by the Companies Act, 2017, the Company's Articles of Association, the Corporate Financial Reporting Framework of Securities and Exchange Commission of Pakistan and the Listed Companies (Code of Corporate Governance) Regulations, 2019.

The basis of our strategy is to ensure that the Company follows the direction defined by its Core Values, current regulatory frameworks and global best practices. Our approach towards corporate governance ensures ethical behavior, transparency and accountability.

Role And Responsibilities Of The Board Of Directors

All strategic decisions of the Company are taken by the Board of Directors. The Board exercises all powers granted to it by the Companies Act, 2017 and Listed Companies (Code of Corporate Governance) Regulations, 2019 with responsibility, diligence and in compliance with the legal framework after due deliberations in its meetings. These include but are not limited to approval of annual budgets including capital expenditures, investments in new ventures, approval of related party transactions and appointment of key management positions, financial statements of the Company, interim and final dividends are also approved by the Board.

Matters Delegated To The Management

Chief Executive Officer of the Company has been entrusted by the Board with the primary responsibility of conducting the routine business operations in an effective and ethical manner, in line with the Board's approved strategies and goals including annual targets of production, sales, revenues, cost, profitability and compliance with legal requirements. The management is responsible for the identification and administration of key risks and opportunities which could impact the Company in the ordinary course of business. It is also the responsibility of the Company's management to establish and maintain a system of internal controls and financial reporting in conformity with the approved accounting standards and the requirements of the Companies Act, 2017.

ROLE OF THE CHAIRMAN & CEO

ROLE OF THE CHAIRMAN	ROLE OF THE CEO
The Chairman of the Board has the responsibility to lead the Board and ensure its effective functioning and continuous development.	The CEO holds primary responsibility for managing the company and overseeing its procedures in financial and other operational matters. This role operates under the oversight and direction of the Board, in accordance with the Companies Act, 2017.
The Chairman representative of the Non-Executive Directors, the Chairman bears responsibility for overseeing and directing the Board's activities. This includes setting agendas, providing guidance, and approving or delegating the approval of meeting minutes.	The responsibilities include implementation of strategies and policies approved by the Board, making appropriate arrangements to ensure that all the resources are properly safeguarded and are used economically, efficiently and effectively and in accordance with all statutory obligations
The Chairman ensures the Board remains efficient in its primary functions of establishing and executing the company's vision and strategic direction.	The CEO of the Company is to whom all Business and Functional heads directly or indirectly report and is responsible for presentation of the Company's aims and policies to the Government and all stakeholders.

Performance Evaluation Of The Directors On The Board

In compliance with the Listed Companies (Code of Corporate Governance) Regulations, 2019, the Board has approved a structured mechanism for evaluating its performance. The Company conducts an annual self-assessment through a comprehensive questionnaire that covers the Board's scope, objectives, functions, and oversight of Company performance.

Each Director independently completes the questionnaire, which assesses whether the Board has effectively discharged its duties with diligence and foresight. The Chairman consolidates individual responses and presents a summary to the Board for collective review and reflection.

This evaluation process enables the Board to critically assess its effectiveness in strategic planning, control processes, market trend analysis, and responsiveness to unforeseen challenges. It also reinforces the Board's commitment to continuous learning and intellectual growth, ensuring it remains equipped to guide the Company toward sustained success.

The performance evaluation is conducted internally, and no external consultant has been engaged for this purpose over the past three years.

Directors' Orientation Session

The Company has a practice to carry out orientation sessions for their directors to acquaint them with applicable laws and regulations and their duties and responsibilities in order to enable them to effectively govern the affairs of the Company on behalf of shareholders.

Directors' Training

The Directors' on the Board are well aware of their duties and responsibilities as outlined in the Corporate Laws and Regulations. Out of the 11 Directors on the Board (including the Chief Executive Officer), 8 have completed the DTP, while 2 Directors are exempted based on their qualification and experience. 1 Directors have to complete the Directors' Training Program which will be done in due course. Further, one Female Executive and Head of Department (Director Operations) have completed the DTP from an Institute approved by the SECP.

Governance Practices Exceeding Legal Requirements

Feroze1888 has always believed in going the extra mile and staying ahead with legal formalities. In view of this strategy, the Company's commitment to the highest levels of moral and ethical values is demonstrated by voluntary adoption of global best business practices in addition to the mandatory regulatory requirements. Some of the governance practices exceeding legal requirements that have been adopted by the Company include:

- Best corporate reporting practices as recommended jointly by the Institute of Chartered Accountants of Pakistan (ICAP) and Institute of Cost and Management Accountant of Pakistan (ICMAP).
- The Board of Directors of the Company consists of two female directors and both are independent directors. Whereas, the Listed Companies (Code of Corporate Governance) Regulations, 2019, requires each listed company to have at least one female director.
- Disclosure of various financial analysis including ratios, reviews, risk matrices and graphs etc. in the Annual Report.
- Implementation of aggressive Health, Safety and Environment strategies to ensure safety of employees and equipment in order to continuously improve, achieve and exceed global standards.

Companies In Which The Executive Director Is Serving As Non-executive Director

There is one company in which the executive director of the organization is serving as non-executive director. The details has been given in the directors' profile section of this annual report.

Board Meeting Held Outside Pakistan

During the year all Board of Directors and Committee meetings were held in Pakistan.

Conflict Of Interest Among Board Members

The Code of Conduct implemented by the Board provides guidance to strictly avoid conflict of interest (or even the perception of a potential conflict) between the director's personal, social, financial or political interests and the advancement of the Company's business interests, the interests of its customers and with other directors.

Shares Held By Sponsors/directors

As at June 30, 2025, the Sponsors, Directors and Executive of the Company held the following number of shares.

Particulars	Number of Shares
Sponsors and Directors	**229,452,671**
Associates	**120,490,030**
Executives	**26,098,234**

Board Committees

Board of Directors have constituted Audit Committee and Human Resource and Remuneration Committee to work under its guidance. Details about the composition and terms of reference of both committees are as under:

(I) Board Audit Committee

The Audit Committee of the Board of Directors of Feroze1888 Mills Limited (hereinafter the Committee') shall assist the Board of Directors in the oversight of:

a) The integrity of Financial Statements of the Company;
b) Effectiveness of:

   i) External Audit, with respect to the appointment of, rotation, qualification and independence of External Auditors and the conduct of Audit;
   ii) The system of Internal Control;
   iii) The Internal Audit Function;
   iv) The compliance, including compliance with legal and regulatory requirements.
   v) Monitoring compliance with the Listed Companies (Code of Corporate Governance) Regulations, 2019 and identification of significant violations thereof

It consists of four members including its Chairman. Two members are Non-Executive Directors, while Chairman and one member of Committee are Independent Directors including a female director. Its meetings are held in every quarter for reviewing and recommending the Company's Financial Statements. In addition, the Board can convene a special meeting of this Committee to discuss any special agenda.

Terms Of Reference

a) Financial Reporting:

Review of quarterly, half yearly and annual financial statements of the Company, prior to their approval by the Board of Directors, through discussion with Management and External Auditors (where relevant) focusing on:

a) significant financial reporting issues and judgments made in connection with the preparation of the financial statements;
b) sufficiency of disclosures in the financial statements and compliance with all regulatory and statutory requirements;
c) going concern assumption;
d) any changes in accounting policies and practices;
e) significant adjustments resulting from the auditor review;
f) effects of off-balance sheet structures, if any;
g) effects of forthcoming regulatory and accounting initiatives on the financial statements; and
h) all related party transactions.
i) compliance with applicable accounting standards;

Review of proposed write-offs in detail for justification/rationale and compliance with policies.

Review of preliminary announcements of results prior to external communication and publication.

b) Internal Controls and Risk Management:

- Determination of appropriate measures to safeguard the Company's assets.
- Ascertainment of the adequacy and effectiveness of the internal control systems including financial and operational controls, accounting systems for timely and appropriate recording of purchase and sales, receipts and payments, assets and liabilities and reporting structure.
- Review of the effectiveness of the Company's internal controls and risk management systems.
- Review of the Company's statement on internal control systems prior to endorsement by the Board and internal audit reports.
- Review of the Company policies and amendments thereto.
- Instituting special projects, value for money studies or other investigations on any matter specified by the Board, in consultation with the CEO and to consider remittance of any matter to the External Auditors or to any other external body.
- Consideration of major findings of internal investigations of activities characterized by fraud, corruption and abuse of power and management's response thereto.
- Review of arrangement for staff and management to report to audit committee in confidence, concerns, if any, about actual or potential improprieties in financial and other matters and recommend instituting remedial and mitigating measures.

(c) Internal Audit:

- Review of scope and extent of internal audit, audit plan, reporting framework and procedures and ensuring that the internal audit function has adequate resources and is appropriately placed within the Company.
- Review and recommend to the Board on the appointment of the Internal Auditors.
- Review and approval of the annual internal audit plan.
- Review of internal audit reports and Management's responsiveness to the findings and recommendations of the Internal Auditors relating to effectiveness of systems for internal control, financial reporting and risk management.
- Monitoring and review of performance of the internal audit function to evaluate its effectiveness in the context of the Company's overall risk management system.

(d) External Audit:

- Consider and make recommendation to the Board on the appointment and removal of External Auditors, their audit fees, the provision of any service permissible to be rendered to the Company by the External Auditors in addition to audit of its financial statements, measures for redressal and rectification of non-compliances with the Regulations. The Board shall give due consideration to the recommendations of the Committee and where it acts otherwise it shall record the reasons thereof.
- Facilitate the external audit and discuss major observations of the auditors arising from interim and final audits and any other matters that the auditors may wish to highlight (in the absence of management, where necessary).
- Review Management Letter issued by the External Auditors and management's responses thereto.
- Ensuring coordination between the Internal Auditors and External Auditors of the Company.

(e) Other Matters:

- Consider any other matter assigned to it by the Board or by the Regulators.

(Ii) Human Resource & Remuneration Committee

There is a Human Resource and Remunerations (HR&R) Committee to assist the Board in:

a) Recommending Human resource management policies to the Board;
b) Recommending to the Board, the function, evaluation, compensation (including retirement benefits) and succession planning of the Chief Executive Officer (CEO), Chief Financial Officer (CFO), Company Secretary and the Internal Audit Head.
c) Consideration and approval on recommendation of CEO on such, matters for key management positions who report directly to CEO.

The Committee consists of three Board members, with two Independent Directors and one Non- Executive Director. The Chairperson of the Committee is an Independent female director. The Committee meets as many times as it deems necessary, however at minimum it has to meet twice a year.

DUTIES AND RESPONSIBILITIES

The duties and responsibilities are as under:

- The Committee shall ensure that plans are in place for orderly succession of Executive Officers including the Chief Executive.
- The Committee shall review and discuss the Company's organizational structure with the CEO for appropriateness to the Company's business strategy and future plans.
- The Committee shall recommend to the Board the framework or broad policy for the remuneration of the Company's Chairman, Board members, Chief Executive, and other Executive Officers. In determining such policy, the Committee shall take into account all factors which it deems necessary including relevant legal and regulatory requirements, the provisions and recommendations of the Code of Corporate Governance and associated guidance.
- The Committee may seek assistance of outside consideration to fulfill its duties and responsibilities.
- The Committee shall undertake annually a formal process of evaluation of performance of the Board as a whole and its committees either directly or by engaging external independent consultant and if so appointed, a statement to that effect shall be made in the Director's Report, disclosing the name, qualification and major terms of the appointment.
- Performance appraisal of all direct reports of CE should be presented to the BHR & RC and subsequently taken to the Board for review.

Attendance In The Meetings Of Board Of Directors And Committees Of Board

S. No.	Name of Directors	Board of Directors' Meeting	Board Audit Committee Meeting	Board Human Resource and Remuneration Committee
1.	Mr. Abdul Rehman Yaqub	5/5	NM	NM
2.	Mr. Rehan Rahman	5/5	4/4 ***	4/4 ***
3.	Mr. Shabbir Ahmed	5/5	NM	NM
4.	Mr. Khaleequr Rahman	5/5	4/4	NM
5.	Mr. Perwez Ahmed	5/5	NM	NM
6.	Mr. Zain Ashraf Mukaty	5/5	NM	2/3
7.	Mr. Anas Rahman	5/5	NM	NM
8.	Ms. Huma Pasha	5/5	NM	NM
9.	Mr. Moin M. Fudda	5/5	4/4	3/3
10.	Mr. Temoor Ashraf Mukaty	4/5	3/4	NM
11.	Ms. Aminah Zahid Zaheer	5/5	4/4	3/3

NM Non-member of Board Committees
*** By invitation

Oversight Of Functions By External Specialist

With the vision to establish a system of sound internal controls, the independent internal audit function of the Company is outsourced to a reputable professional firm, A.F. Ferguson & Co. (AFF), Chartered Accountants who are suitably qualified and experienced for the purpose and are conversant with the policies and procedures of the Company. The internal audit is conducted as per the internal audit plan duly reviewed and approved by the Audit Committee. The internal audit plan is driven by the organizational objectives and priorities, and the risks that may prevent the Company from meeting those objectives. The Audit Committee reviews the effectiveness of the internal control framework whereas AFF regularly monitors and provides assurance on the effectiveness and adequacy of the internal controls and risk management framework.

Disclosures On Board Policies

Related Parties Transaction Policy

In the light of regulations issued by SECP under SRO 1194(I) / 2018 dated 2 October 2018 and Section 208 of Companies Act 2017 for Related Party Transactions, the Related Parties Transaction Policy of the Company has been approved by the Board. The Company maintains proper record of all transactions pertaining to Related Parties and relevant details have been appropriately disclosed in Note 36 of the Financial Statements in accordance with Fourth schedule of Companies Act 2017.

In compliance with the Companies Act, 2017, Code of Corporate Governance and other applicable laws and regulations, details of all related party transactions are placed periodically before the Audit Committee and upon their recommendation, the same are placed before the Board for review and approval. The Company enters into transactions with related parties in the ordinary course of business on arm's length basis.

Governance Of Risk And Internal Controls

The Board has approved a Risk Management Framework which guides the overall risk management process. The risk management is carried out at the overall Company's level by the Executive Leadership Team of the Company and is reviewed by the Board from time to time. The Company's management monitors potential risks and risk management procedures to identify, assess and mitigate any identified or potential risks.

Diversity Policy

Feroze1888 is committed to promote hiring people of different age groups, educational backgrounds, religion, ethnicity, especially able people and gender so the workplace should be a mix of all diversity components. We provide equal opportunity to all job applicants through clearly defined and consistently applied induction standards and have developed an unbiased and Impartial working environment for all; thereby enabling each employee to develop to the fullest.

Our greatest asset is our people & we are committed to provide equal employment opportunities based on merit and in creating a workplace where all are respected, satisfied and appreciated. To maintain this culture of respect we are staunch proponent of no harassment in any form including verbal / emotional, physical or sexual.

Policy on Non-Executive and Independent Directors' Remuneration

In line with the requirements of Listed Companies (Code of Corporate Governance) Regulations, 2019 and the Articles of Association of the Company, the policy for remuneration of non-executive directors (including independent directors) has been approved by the Board of Directors according to which the Company does not pay any remuneration to its non-Executive directors (including independent directors) except as meeting fee for attending the Board and its Committee meetings. The remuneration of a director for attending meetings of the Board of Directors or its Committees shall from time to time be determined and approved by the Board of Directors.

Retention Of Board Fee By The Executive Director In Other Companies

Executive Director of Feroze1888 may serve as Non-Executive Director on the board of any other Company by virtue of the Companies Act 2017. Fees paid by any other Company in compliance with remuneration policy of respective Company, approved by the Board of Directors may be retained by the Executive Director in lieu of services rendered as Non-Executive Director.

Security Clearance Of Foreign Directors

Security clearance of Foreign Directors is initially done by the Company Secretariat by verifying their provided documents as per requirements of prevailing laws. Finally, it is carried out by the Regulator i.e. Securities and Exchange Commission of Pakistan as per law / regulatory requirements, as their forms related to appointment is accepted subject to clearance by the Ministry of Interior.

Human Resource Management & Succession Policies

At Feroze1888, we believe in crafting HR policies that are derived from our vision and philosophy. We intend to make our policies a true reflection of our core values at all levels. This, we believe, leads to a well – blended team of professionals and experts working collaboratively in a cordial environment. Our focus in on upholding the true spirit of impartiality and a transparent system to attract, hire, develop, engage, retain and motivate all the employees to utilize their skill set to the optimal and continue to strive for excellence at work. Moreover, in order to ensure the going concern of the operations, we have also devised & implemented a concrete succession planning model to support in developing bench strength for critical leadership positions based on predefined criteria.

Social And Environmental Responsibility Policy

Company is committed to provide safe and secure work environment to its employees and ensures that processes do not adversely affect the nearby communities, environment and society as a whole. Employees are directed to follow all applicable health and safety rules and practices and cooperate with officials who are responsible to ensure these rules and practices. Employees need to follow all security measures and guidelines for a safe work environment, which also includes use of Personal Protective Equipment (PPEs) as per the nature of the job. The Company also contributes to various social and charitable causes including health and education. Moreover, the Company has defined and implemented Code of Conduct for the employees that fits with local customs and regulations. It ensures highest standards of ethical business and the desired corporate values and behaviors.

Employee Health, Safety And Protection

The Company is committed towards safeguarding a healthy environment for everyone by reducing the environmental impacts of its business through compliance with all environmental standards at the production facility and fully cognizant of its responsibility in this regard. Our production practices conform to international standards and comply with good manufacturing practices. Our processes and controls are agile and sustainable, ensuring that we do not compromise on quality and safety for our employees. Further, we also hold certification in ISO 14001 - 2015 (Environmental Management System) and ISO 45001 - 2018 (Occupational Health & Safety).

Whistle Blowing Policy

The Company's purpose and values set the standard for how it does business and actively encourage openness, integrity and accountability. In accordance with the Company's continued commitment to good governance, a 'Whistle Blowing' policy has been adopted. The policy ensures that the 'Whistle Blower' will be subject to no repercussion and the said non-conformance, will be investigated in a fair, transparent, reliable and principled manner.

Policy For Safeguarding Of Records

The Company considers information as one of the most valued business asset and place great emphasis on storage and safe custody of its financial and non-financial records. The Company's physical record are managed, retained and disposed-off in effective and efficient manner. The records are kept at secure places with adequate safety measures in place. All records are retained as long as they are required to meet legal, administrative, operational, and other requirements of the Company. The Company believes and practices that the information should be accessed on a need-to-know basis. For this purpose, the Company has put in place a mechanism to define required access control measures to Company's information, applications and system resources in a controlled environment to protect the privacy, security and confidentiality of all stored data, both physical and electronic.

Stakeholders Engagement Policy

Feroze1888 Mills Limited strives to develop and maintain trustworthy relations with its stakeholders, including shareholders and investors. In this relation a policy has also been approved by the Board of Directors. It recognizes the importance of timely and fair disclosure of all material information to them, without advantage to any particular investor group or investment advisor / analyst, in order to enable them to make informed decisions about investing in the Company's equity and other debt instruments (if any). Further, all information disclosed to the public is in accordance with the Rule Book of the Pakistan Stock Exchange Limited ("PSX"), as well as the Listed Companies (Code of Corporate Governance) Regulations, 2019. The Company also gives its shareholder the option to express their grievances and any other enquiries electronically via its website. Main principles of the Investors Grievance Policy are as follows:

- All the investors are treated fairly and equally at all times;
- Complaints raised by investors are dealt with courtesy, fairness and in a timely manner;
- The Management works in good faith and without prejudice towards the interests of any of the investors.

Procurement, Waste Management And Emission Control

The Company adopts a comprehensive approach to managing and reporting its policies, encompassing key areas Such as procurement, waste management, and emissions control. In procurement, the Company prioritizes Sustainable sourcing practices, adhering to ethical and environmental standards. Waste management practices Are diligently implemented, focusing on reduction, reuse, and responsible disposal to minimize environmental Impact. Emissions control measures are rigorously enforced to curtail the Company's carbon footprint. The Company's commitment to transparency is evident in its robust reporting mechanisms, which provide stakeholders with accurate insights into its policies, practices, and progress in these vital areas.

Presence Of The Board Audit Committee Members at The AGM

Shareholders are invited to all General Meetings and are encouraged to share their concerns and queries. Certain Members of the Board, Chief Executive and other senior management personnel were present at the General Meetings held during the year, to address all concerns and queries raised by the shareholders regarding the financial statements for the year ended 30 June 2025 and Audit Committee's activities and matters within the scope of the Committee's responsibilities.

Steps Taken By The Management To Encourage The Minority Shareholders To Attend The General Meetings

The Company ensures that the interest of the minority Shareholders is protected. In order to ensure their participation in general meetings, Feroze1888 management takes following steps:

- All notices related to the Shareholders' meetings are being announced timely through Pakistan Stock Exchange and also published in newspapers in English and Urdu language as per the specified timeline and requirements.
- All notices of the Shareholders' meetings are dispatched at the registered addresses of the Shareholders available with the Company as per regulatory requirement to acquaint them with the agenda of the meeting.
- The Company is placing the Annual Report on its website ahead of the AGM and is also furnishing hard copies to shareholders who have requested them.
- Shareholders are facilitated and encouraged in appointing proxies in case they are unable to attend the AGM in person. For this purpose proxies in English and Urdu Language is sent to the members along with the notices and also available on our website.
- Shareholders are encouraged to comment, raise queries and provide feedback in the meeting.
- It is also ensured to comply with all the regulatory requirements and takes all possible steps to encourage attendance of minority shareholders in general meetings.

Investors' Relations Section On The Corporate Website

Feroze1888 Mills Limited is committed to maintain strong and transparent relations with all stakeholders including the investors and shareholders. In an effort to harness the relationship with the investors and shareholders and to provide them accurate, transparent and timely information, the Company has maintained a dedicated section on its website (http://www.feroze1888.com). The website is regularly updated to ensure that the Company meets its requirements and provides all information relevant to all stakeholders including customers

Issues raised in the last AGM

General clarifications were sought by the shareholders on Company's Annual Report, however, no significant issue was raised during the 52nd AGM of the Company held on October 28, 2024.

Corporate Briefing

Feroze1888 held a corporate briefing via Zoom on November 22, 2024, to inform stakeholders about the Company's operational and financial performance based on the Financial Statements as of June 30, 2024. The purpose of this briefing was to also engage with shareholders and gain insights into their perspectives. During the briefing, the Senior Manager Financial Reporting presented a summary of the Company's performance for the fiscal year ended on June 30, 2024. The event was attended by the Chief Financial Officer, Head of Operations and other senior Company officials. Following the briefing, there was a Question & Answer session to provide further clarification on the topics covered.

Redressal Of Investors' Complaints

No significant complaint was received from investors during the year ended 30 June 2025.

Commitment Of Chairman

Upon assuming the role of Chairman of the Board, Abdul Rehman Yaqub also continues to serve as a Director at 1888 Mills LLC, GMI Funds LLC, and Grangeford USA Inc.

IT Governance & Cybersecurity

Board's Risk Oversight Function For Cybersecurity

The Company considers information as one of the most valued business asset and place great emphasis on safe custody, transmission and storage of its financial and non-financial information. The regulatory requirement applicable to the Company does not enforces Board responsibility in case of any cybersecurity risk, however, the Company has aligned its policies and procedures to efficient use of IT resources in achieving the strategic and operational objectives while increasing shareholders' value.

The IT steering committee is formed with a mandate to oversee the IT governance and cybersecurity related matters of the Company. Head of IT is responsible for manage the cybersecurity risk and assessments and put forwards his findings and recommendations to the IT Steering Committee.

IT Governance Policy

In terms of cybersecurity risk, there are no specific requirements imposed by the regulatory framework applicable to the Company. However, the Company has developed and implemented a comprehensive IT Governance Policy that promotes value creation through effective benefits realization and resource optimization. Additionally, the Company has an IT governance framework designed to achieve excellence in IT risk management, establish internal controls, automate business functions, and facilitate structured decision-making.

Cybersecurity Policy

The purpose of Cybersecurity framework is to define strategies which protect the data and integrity of computing assets belonging to or connecting to an organization's network. Its purpose is to defend those assets against all threat actors throughout the entire life cycle of a cyber-attacks. This helps to ensure that all internet connected assets and information are secured from cyber-threats. The Cybersecurity Framework of the Company is based around five core functions which are depict below;

- Identify
- Protect
- Detect
- Respond
- Recover

Cybersecurity Risk Oversight Function And Engagement

Information and data security, along with risk management, are crucial to the Company's operations. The Board demonstrates a strong commitment to these areas by providing indirect oversight through the IT steering committee and the internal audit function, keeping them informed about cybersecurity issues. The internal audit department regularly conducts thorough network and cybersecurity audits, with the findings carefully reported to the Board's Audit Committee.

This robust framework highlights the Company's steadfast dedication to upholding the highest standards of security and risk management, ensuring the protection of critical information assets and the integrity of its operations.

This comprehensive framework underscores the Company's unwavering dedication to maintaining high security standards and robust risk management, serving as a strong foundation for safeguarding vital information assets and upholding operational integrity.

In addition to these measures, we also have a dedicated IT Security position, reinforcing the Company's commitment to cybersecurity.

Controls And Procedures About Cybersecurity Risks

Implementing an Early Warning System (EWS) is integral to minimizing harm and losses while disseminating vital warning information regarding identified vulnerabilities considered as risks.

In an effort to enhance our cybersecurity posture, we've partnered with a renowned multinational firm, entrusting them with our Security Operations Center (SOC). This collaboration provides us with continuous 24 x 7 monitoring capabilities, encompassing cyber defense, incident reporting, and proactive threat surveillance. This strategic move not only enables us to identify potential issues early on but also bolsters our defense against cyber threats, intercepting them before they pose a threat.

The Company's cybersecurity program is structured around essential components pivotal to the success of our cybersecurity framework.

To effectively manage our core IT functions and mitigate a spectrum of security threats, the Company has implemented a range of controls and procedures. These measures are meticulously monitored through system and firewall log analysis. Some of the key controls and procedures include:

- Network and web application firewalls
- Internet access management
- Email security gateway
- Disaster Recovery Plan
- Contingency Plan
- Endpoint security systems
- Server Patch Management
- Restricted Administrative Privileges
- Physical security protocols
- XDR (Extended Detection and Response)
- SOAR (Security Orchestration, Automation, and Response)

IT Compliance & Cybersecurity Audit

In FY22, the Company conducted an external risk assessment to identify potential vulnerabilities. To strengthen our cybersecurity defenses, we have partnered with a reputable information security provider. This collaboration includes the establishment of a Security Operations Center (SOC), which features Security Information and Event Management (SIEM) and SOAR solutions for all our critical assets, ensuring real-time, 24/7 monitoring and support.

Business Continuity Planning

Significant efforts have been made in ensuring uninterrupted business operations. Development of Business Continuity Plans (BCP) is in progress to protect the organization and its resources and ensure minimum disruption in case of any adverse or unforeseen events through availability of the critical business functions.

Disaster Recovery Planning

To address information security risks, we have implemented an effective disaster recovery plan designed to quickly contain and reduce the impact of disasters. This plan allows for a smooth transition to backup operations, enabling the rapid restoration of our data center's normal functions. Through this proactive approach, we ensure that critical operations experience minimal disruption after a disaster.

Our DRP is organized into four distinct phases

- Disaster Assessment
- Disaster Recovery Activation
- DR Site/Data Center Rebuild Phase
- Return Home

Digital Transformation Of IT

The emergence of Industry 4.0, often referred to as the fourth industrial revolution, has occurred over recent decades. It represents a significant advancement in the realm of digital technology, taking it to an entirely new level by leveraging interconnectivity through the Internet of Things (IoT), real-time data access, and the introduction of cyber-physical systems.

Our Company is actively and proactively seeking opportunities to enhance its core business functions through state-of-the-art IT technologies. For over a decade, we have relied on the Oracle ERP system for our core business operations. Additionally, digital transformation is a central objective within our IT department. Currently, our IT team is exploring various avenues, including the utilization of ERP, Robotic Process Automation (RPA), blockchain, and cloud computing, Business Intelligence, Artificial Intelligence and Mobile applications all aimed at improving our business process management tools and reporting capabilities, thereby enhancing information management across the organization.

Specifically, our IT initiatives encompass:

- Implementing RPA across multiple processes.
- Exploring the use of blockchain for enhanced traceability.
- Successfully completing a Proof of Concept (POC) Industry 4.0 for one of the production process.
- Outsourcing Security Operations Center (SOC) operations for our critical IT assets.
- The successful implementation of an Endpoint Detection and Response (EDR) enabled Advanced Endpoint Protection system.

Staff Trainings On Cybersecurity Risks

An effective awareness training program focuses on potential cybersecurity mistakes that employees might make in various situations, such as email usage, web browsing, and physical security concerns like tailgating and document disposal. Our IT and security team regularly conducts training sessions for staff, highlighting the importance of following best practices to reduce cybersecurity threats and risks.

The main goal of these security awareness initiatives is to highlight security issues, foster an understanding of potential threats and vulnerabilities in computer systems, and instill the essential need to protect data, information, and systems.

Enterprise Resource Planning

The implementation of an ERP system brings about the integration of various business operations, enhancing real-time business reporting and facilitating well-informed, timely decisions while creating synergies. In our case, we have deployedthe Oracle ERP system, which centralizes information sources within our organization.

To maintain the ongoing effectiveness and operation of our core applications, our IT management team actively seeks andincorporates valuable user feedback and insights as part of the continuous ERP development process. Additionally, the team regularly updates our infrastructure according to industry best practices. We also conduct multiple in-house training sessions to ensure that users are aligned with our strategic ERP objectives.

In 2022, we conducted an external risk assessment, which also included evaluating risks associated with ERP projects. OurSystem and Control Assurance (SCA) department consistently assesses system security, access to sensitive data, and the segregation of duties. To further enhance these assessments, we engage a top external firm for periodic evaluations in these areas.

Report of the Audit Committee

Composition

The Company has formed a Board Audit Committee in line with the Listed Companies (Code of Corporate Governance) Regulations, 2019. The Committee comprises four Non-Executive Directors, including two Independent Directors. The Chairman is one of the Independent Directors.

Mr. Moin M. Fudda	Independent Director (the Chairman)
Mr. Khaleequr Rahman	Non-Executive Director
Mr. Temoor Ashraf Mukaty	Non-Executive Director
Ms. Aminah Zahid Zaheer	Independent Director

All the Committee members possess significant economic, financial and business expertise, and are financially literate. The names and profiles of the Committee members are part of this Annual Report.

Role

The Committee monitors the effectiveness of the Company's financial reporting, systems of internal control and risk management and the integrity of the Company's external and internal audit processes.

Responsibilities

- Overseeing and obtaining assurance that the process to identify, manage and mitigate principal and emerging financial risks are appropriately addressed by the management and that internal controls are appropriately designed and functioning effectively.
- Reviewing the financial statements and related disclosures, and ensuring adherence to applicable legal, regulatory, and listing requirements.
- Reviewing the effectiveness of the Company's internal audit function, the Company's internal financial controls and systems of internal control and risk management.
- Overseeing the appointment, remuneration, independence and performance of the external auditors and ensuring the integrity of the audit process, including any permissible non-audit services provided to the Company.
- Assessing the adequacy of mechanisms that allow employees to confidentially raise concerns regarding possible improprieties in financial reporting or other issues and for those matters to be investigated.

Meetings Held

The Committee held four meetings during the year under the Chairmanship of Mr. Moin M. Fudda, with members attendance disclosed in the Directors' Report. During these meetings, the Committee reviewed and deliberated on the key matters in accordance with its Terms of Reference and made informed recommendations to the Board of Directors (BOD).

Its oversight encompassed the review of the internal and external auditors findings, evaluation of internal controls and management process, review of related party transactions of the Company, tax and legal updates and the financial reporting matters (including the annual results for the year ended June 30, 2025), before recommending them to the BOD for approval.

The Chief Executive Officer and the Chief Financial Officer of the Company attended the meetings by invitation, Internal Auditors were present at all the meetings, while the External Auditors joined when the matters relevant to their responsibilities were on the agenda. Departmental heads were also available for the appropriate items of the agenda, as deemed necessary.

Report And Conclusions Reached

The Committee has concluded its annual review of the Company's operations for the year ended June 30, 2025. Based on reviews and discussions held during its meetings, the Committee reports the following:

- The Committee has reviewed the quarterly, half yearly and annual financial statements of the Company and recommended them for approval by the BOD. These financial statements present a true and fair view of the Company's financial position, operating results, cash flows and changes in equity for the year under review.

- The Chief Executive Officer and the Chief Financial Officer have reviewed the financial statements and acknowledged their responsibility for the fair presentation of the financial statements, the accuracy of reporting, and compliance with applicable regulations and accounting standards.

- The financial statements comply with the requirements of the Fourth Schedule to the Companies Act, 2017 and the applicable International Financial Reporting Standards (IFRS) as notified by the Securities and Exchange Commission of Pakistan (SECP).

- The Committee's review of the financial statements also included a detailed consideration of related matters, all of which were addressed in accordance with applicable accounting and reporting standards. No additional matters required discussion beyond those already disclosed in the financial statements. The contents of the External Audit Report are in line with the applicable regulations, and the auditors have issued an unmodified audit report on the financial statements.

- Appropriate accounting policies have been applied consistently, except for any changes that have been adequately disclosed in the financial statements. Accounting estimates are based on reasonable and prudent judgments.

- The Company's internal control system is sound in design and has been continually assessed for its adequacy and effectiveness.

- Proper, accurate and comprehensive accounting records have been maintained by the Company.

- All Related Party transactions were reviewed by the Committee prior to their approval by the BOD.

- The Company's risk management approach has been disclosed in the risk assessment section of the Directors' Report. The nature of key risks and their corresponding mitigation measures are also disclosed in the relevant sections of the financial statements.

- Throughout the year, the Company has complied, without any material departure, with the mandatory provisions of the Pakistan Stock Exchange's Code of Corporate Governance, the Company's code of conduct and values and the best practices of governance throughout the year.

- The Company's Annual Report is properly structured to provide comprehensive and relevant information in sufficient detail. It not only includes financial information in line with the applicable reporting framework but also presents insightful financial analysis in an accessible format. Besides the core financial information, it also covers background information on the Company and its directors, comprehensive management reviews, future outlook, stakeholders' information and corporate governance practices. The Committee has reviewed the Annual Report and concluded that it is fair, balanced and understandable and that it provides the necessary information for shareholders to assess the Company's position and performance, business model and strategy.

Evaluation Of Internal Audit Function

The Company has devised and implemented an effective internal control framework, which also includes an independent Internal Audit Function.

- The Internal Auditors review the Company's risk management and control processes and conduct audits in accordance with the internal audit plan approved by the Committee;

- The internal audit function has direct access to the Committee;

- The Committee reviewed the internal audit findings and observations, along with management's agreed actions. These findings were carefully considered by the Committee, and management was provided guidance to take appropriate corrective measures. Accordingly, as and when necessary, the Committee escalates matters to the BOD for their review and action;

- The Committee ensured that the internal audit function had unrestricted access to management, as well as the right to seek information and explanations required; and

- The Committee held a meeting with the Internal Auditors without the presence of the management.

Evaluation Of Effectiveness Of External Audit Process

- The statutory auditors of the Company, M/s. Grant Thornton Anjum Rahman, Chartered Accountants, completed their audit of the financial statements and the Statement of Compliance with the Code of Corporate Governance for the year ended June 30, 2025. They will retire upon the conclusion of the upcoming Annual General Meeting.
- The Committee reviewed and discussed the key audit matters and observations with the external auditors. The Committee held a meeting with the external auditors in absence of the management;
- The external auditors have direct access to both the Committee and the Internal Auditors, ensuring the effectiveness, independence and objectivity of the audit process;
- The Committee annually reviews the performance, independence and cost of the external auditors. Being eligible for reappointment under the Listing Regulations, the Committee has recommended to the BOD the reappointment of M/s Grant Thornton Anjum Rahman, Chartered Accountants, for the financial year 2025-26. A resolution to this effect has been proposed for approval at the forthcoming Annual General Meeting.

Self-evaluation Of The Committee Performance

The Committee believes it has satisfactorily discharged its responsibilities in line with its terms of reference as approved by the BOD. It conducts an annual evaluation of its own effectiveness through a self-assessment process, which involves completing a formal checklist in the form of a questionnaire

Grant Thornton

Independent Auditors' Review Report

To the members of Feroze1888 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 Feroze1888 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.

Chartered Accountants
Karachi
Date: 26 September 2025
UDIN: CR202510093encMAT9iD

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

Feroze1888 Mills Limited
For the year ended 30 June 2025

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 number of Directors are eleven, including the Chief Executive Officer as a deemed director, as per the following:

a.	Male	9
b.	Female	2

2. The composition of Board is as follows:

1.	Independent Directors	3	Mr. Moin M. Fudda
2.			Ms. Huma Pasha
3.			Ms. Aminah Zahid Zaheer
4.	Non- Executive Directors	7	Mr. Abdul Rehman Yaqub
5.			Mr. Shabbir Ahmed
6.			Mr. Khaleequr Rahman
7.			Mr. Perwez Ahmed
8.			Mr. Zain Ashraf Mukaty
9.			Mr. Anas Rahman
10.			Mr. Temoor Ashraf Mukaty
11.	Executive	1	Mr. Rehan Rahman

Female Directors	2	Ms. Huma Pasha Ms. Aminah Zahid Zaheer

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 vision and mission statements, overall corporate strategy and significant policies of the Company. The Board has ensured that complete record of particulars of significant policies along with their date of approval or updating is maintained by the Company;

6. All the powers of the Board have been duly exercised and decisions on relevant matters have been taken by the Board/Shareholders as empowered by the relevant provisions of the Companies Act, 2017 and these Regulations;

7. All 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 has a formal policy and transparent procedures for remuneration of Directors in accordance with the Act and the Regulations;

9. Following Directors have completed Directors' Training Program till 30 June 2025:

1. Mr. Abdul Rehman Yaqub *	Chairman/Non-Executive Director
2. Mr. Shabbir Ahmed	Non-Executive Director
3. Mr. Khaleequr Rehman	Non-Executive Director
4. Mr. Perwez Ahmed	Non-Executive Director
5. Mr. Zain Ashraf Mukaty	Non-Executive Director
6. Mr. Anas Rahman	Non-Executive Director
7. Mr. M. Moin Fudda *	Independent Director
8. Ms. Huma Pasha	Independent Director
9. Ms. Aminah Zahid Zaheer	Independent Director
10. Mr. Rehan Rahman	Chief Executive Officer

** Exempt from requirement based on experience*

10. The Board has approved appointment of Company Secretary including his remuneration and terms and conditions of employment with relevant requirement of the Regulations, However, there is no new appointment of Chief Financial Officer and Head of Internal Auditor during the year;

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) Board Audit Committee

S. No.	Name	Independent / Non-Executive Director	30 June 2025
1.	Mr. Moin M. Fudda	Independent Director	Chairman
2.	Mr. Khaleequr Rahman	Non-Executive Director	Member
3.	Mr. Temoor Ashraf Mukaty	Non-Executive Director	Member
4.	Ms. Aminah Zahid Zaheer	Independent Director	Member

b) Board Human Resource & Remuneration Committee

S. No.	Name	Independent / Non-Executive Director	30 June 2025
1.	Ms. Aminah Zahid Zaheer	Independent Director	Chairperson
2.	Mr. Moin M. Fudda	Non-Executive Director	Member
3.	Mr. Zain Ashraf Mukaty	Non-Executive Director	Member

13. The terms of reference of the aforesaid Committees have been formed, documented and advised to the Committee for compliance;

14. The frequency of meetings of the Committees were as per following:

a)	Board Audit Committee	Four meetings were held during the year
b)	Board HR and Remuneration Committee	Three meetings were held during the year

15. The Board has outsourced the internal audit function to A. F. Ferguson & Co., 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 Directors 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, 7, 8, 27, 32, 33 and 36 have been complied with.

19. Explanation for rounding up the fraction as required under Regulation 6(1) is as under:

    a) Regulation 6(1) stipulates that it is mandatory for each listed company to have at least two or one third members of the board, whichever is higher, as Independent Directors. In a Board comprising 11 Directors, one third would equate to 3.667 persons. The fraction contained in such one-third is not rounded up as one as the Company has suitably experienced and well reputed Independent Directors on the Board who perform and carry out their responsibilities diligently.

Chief Executive Officer

Chairman

Karachi:
Dated: 29th August 2025



Responsibility in Action

We believe true progress comes with accountability. By embedding sustainability and community impact into our business practices, we create long-term value for all stakeholders.

About the Report

Reporting Period

Financial year 2025 i.e. (July'24- June'25)

Reporting Cycle

Annual

Available version

Online and printed versions are available in English.
Online version can be assessed at: www.feroze1888.com

Report Content

The contents of this report are based upon the results of our engagement with stakeholders and requirements of the Sustainability Reporting Standards. All material aspects which are important to Company's business strategy, represents the impact on Society, Environment and Economic, and are of interest to different stakeholders and the Company, have been included in this report.

Assurance

The Company's sustainability team has reviewed the Current Report.

Changes in Reporting / Restatement of Information

There is no change and restatement of the information provided in previous report.

Contact us

The Company values feedback and welcomes comments on its reporting. For any questions and/or suggestions, you may contact our Sustainability team via email at suggestions@feroze1888.com

Leadership Statement

I am pleased to share Feroze1888 Mills' Annual Sustainability Report as part of our Annual Report 2024-25.

At its heart, this Report is about our ongoing journey to "Weave a Better World" — for our people, our customers, our shareholders, and the communities we serve.

Sustainability for us is not a side initiative, it is central to how we do business. Guided by the United Nations Sustainable Development Goals (UNSDGs), we are working to strike a balance between growth and responsibility. Every decision we take considers its lasting impact on the environment, our employees, and the wider community.

This year, we made strong strides in reducing our footprint. We expanded renewable energy use, recycled more water, improved resource efficiency, and promoted circular practices across our operations. These steps may sound technical, but their impact is simple — cleaner, more efficient processes that protect future generations. On the social side, we invested in education, healthcare, and community development, while also strengthening our diversity, equity, and inclusion (DE&I) efforts. We want every employee to feel safe, valued, and supported to grow. Strong governance continues to be our backbone — being transparent, ethical, and accountable in all that we do. Listening to our stakeholders has made our journey stronger and more meaningful.

As you go through this Report, you will see where we stand today, how we're tracking against our targets, and where we're heading next. You will also find views from our Chairman, Mr. Abdul Rehman Yaqub, on how sustainability can unlock long-term value. Together, we will continue to meet challenges with determination and build a stronger, more sustainable future – **Together towards a better tomorrow!**

Thank you for your keen interest in our 2024-25 Sustainability Report.

Rehan Rahman
Chief Executive Officer

Status of Adoption of CSR Guidelines

Feroze1888 Mills Ltd is deeply committed to Corporate Social Responsibility (CSR), integrating initiatives that empower communities, foster inclusion, and promote sustainability. Central to our approach is the belief in creating positive social impact through strategic partnerships and proactive engagement.

Sustainability Strategy:

Weaving A Better World is not just a motto for Feroze1888 Mills Limited; it is the very foundation of our sustainability strategy. As reflected in our company's Vision, we believe that a better world can be attained by focusing on the Triple Bottom Line – ***People, Planet, and Prosperity.*** The development of these 3 Pillars of sustainable development is Feroze1888 Mills Limited's core sustainability strategy.

By integrating the Triple Bottom Line in our Vision, we have already set the path for our sustainability transformation that is ever-evolving and responsive to the market shifts and stakeholder expectations. The core values of our sustainability strategy are drawn from the United Nations Sustainability Goals (UN SDGs) to keep our ambitions forward-looking and ensure our economic prosperity.

Our **PEOPLE** are the core enablers of our mission to Weave a Better World, without whom we stand no chance in achieving our targets. Their development, well-being, and continued growth are central to our sustainability strategy. Feroze1888 Mills Limited's Social Promise is to:

- Develop, care for, and empower our human capital.
- Uphold ethical, fair, and safe workplace conditions.
- Create an inclusive and welcoming work environment to create space for diversity, equity, and equal opportunity to work and thrive.
- Foster continued growth through Effective training & Development Programs.
- Develop and strengthen relations with internal and external stakeholders.
- Ensure a safe, healthy, and supportive work environment to promote sustained productivity.

We continue to strive for the reduction of our environmental footprint through smart planning and the execution of sustainability projects. Feroze1888's strategy is to conserve natural resources, achieve reuse and recycling practices, and decarbonize our value chain. Our **PLANET-FIRST** approach is to:

- Resource efficiency and responsible Sourcing and Sustainable consumption of natural resources.
- Abating greenhouse gas emissions and promoting Climate Resilience.
- Innovation for product development on the principles of Design for Sustainability (DfS).
- Enhancing circularity and eliminating waste generation.
- Employ Nature-based Solutions (NbS) and regenerate lost biodiversity through afforestation.

Feroze1888 Mills Limited aims for **PROSPERITY** for all, including our value chain partners, stakeholders, and local communities. Our purpose is to:

- Harmonize economic growth and responsible business practices for resource efficiency and environmental preservation.
- Build long-lasting partnerships to set new benchmarks for business Prosperity.
- Uphold high standards of transparency, integrity, and sustainability for all.
- Foster climate-smart leadership, effective stakeholder engagement, and environmental accountability.
- Drive initiatives and programs to develop communities through training & development, financial assistance, and social outreach.

Climate Change Committee

At Feroze1888, business ethics and sustainability remain fundamental principles that guide our operations. To reinforce this commitment, the Company has established the 'Feroze1888 Climate Change Committee,' led by the CEO and comprising Executive Directors and senior managers. The Committee plays a pivotal role in driving sustainability initiatives, setting annual targets, and fostering employee awareness across the organization.

Reporting directly to the CEO, the Committee develops key performance indicators (KPIs) and interventions that cascade throughout the Company, aligning departmental objectives with broader sustainability goals. Regular progress reviews are submitted to the CEO, ensuring accountability, transparecy, and continuous improvement across the value chain.

Through these concerted efforts, Feroze1888 continues to uphold its dedication to ethical and sustainable practices, contributing not only to the Company's long-term success but also to global sustainability objectives.

Key Highlights

Environment



Energy Saving **461,800+ GJ** (FY'25)



Emission reduction through various projects **38500+ Tons**

SCIENCE BASED TARGETS

SBTI Near Targets Validated



Number of trees planted till **170,000 +**



300% of Solar energy generation,
1400% of Biomass Energy generation from **FY'22**
Total investment **451 mn**



Water saving in gallons from various projects in reporting Year **289,253 + Gals per day**



Sustainability training **348 + manhours**



Recycled Fibre **10%**



Energy intensity 0.059 GJ/ KG
GHG intensity (KgCO2eq./ Kg) 4.09

Social



32,086 + man-hours of training were provided



Employee Education Assistance **188** management staffs' children and **1489** workers' children



Lives impacted **18,000+ souls** since 2022



Investment in CSR Activities **33.5 Million PKR**



PWDs **22.86% since FY'23**



22 Sponsored marriage of female employees / workers' & workers' daughter



Cultivating Talent: Internship opportunity for **43 students**



Increase in Female Employees percentage by **56.32%** from **FY'23.**
The mean and median pay for female employees is **22%** and **18%** higher than that of male employees.

Governance



Women ratio (board) **18%**

Our Certifications

Environmental

ISO 14001 SGS
ISO 50001 SGS
Global Recycled Standard
Recycled 100 claim standard
OEKO TEX STeP
Organic 100 content standard
better cotton
Higg Index
Vegan Production – Ingredients Not From Animal Origin
FSC
OEKO TEX STANDARD 100
Global Organic Textile Standard GOTS

Social

SA 8000 SGS
ISO 45001 SGS
WRAP
Workplace Conditions Assessment
Enabling responsible supply chains – Sedex
ics
Social & Labor Convergence Program

Quality

ISO 9001 SGS
COTTON USA
PNAC LAB 092 17025
PNAC LAB 340 17025
Supplier Qualification Program
Egyptian Cotton
ASDA
Bureau Veritas

Security

SCAN
Global Security Verification
C-TPAT

Our Undertakings

Sustainable Development Goals
CDP – Driving Sustainable Economies
Business Ambition for 1.5°C
Science Based Targets

Stakeholder Engagement

Stakeholders' engagement process and the frequency of such engagements during the year. Explanation on how the relationship is likely to affect the performance and value of the company, and how those relationships are managed.

Key Stakeholder Groups

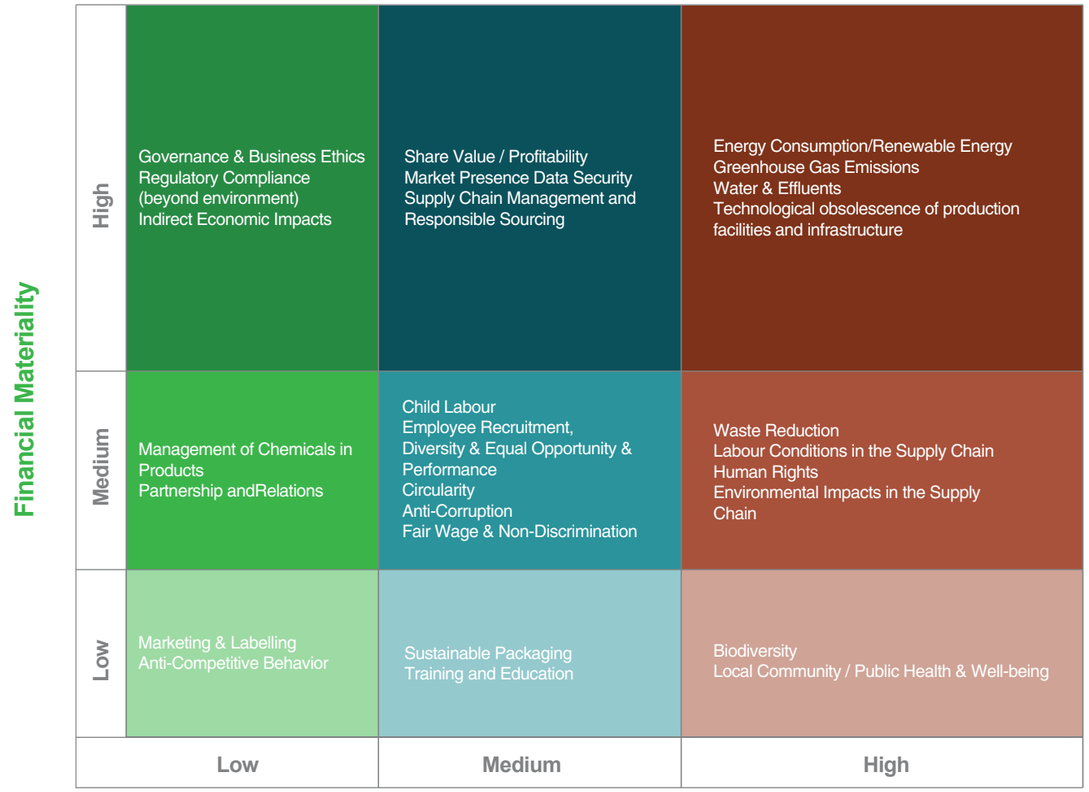
Stakeholder Group	Stakeholder Management Initiatives	Stakeholder Group	Frequency of Engagement	Communication Mode	Topics Identified by Stakeholders	Company's Responses
Institutional Investors/ Shareholders	The Company has organized Annual General Meeting (AGM) in accordance with statutory regulations to inform shareholders and secure their consent. During these meetings, members of the Board were present to address questions and address concerns raised by shareholders and investors Additionally, the Company has been conducting corporate briefing sessions for the past three years, considering them a platform to engage with both current and prospective shareholders and investors. These sessions, chaired by the Chief Executive Officer, also featured key management personnel to provide insights and information.	Institutional Investors/ Shareholders	Regular	Annual Report, Company secretary, Corporate briefing sessions, AGMs and disclosure of material information etc.	Future prospects of the business, capacity enhancements and expansions, Country's export market performance etc.	The Company is committed towards transparency of financial and nonfinancial information, timely communicate on for sustainable business growth.
Customers & suppliers	Customers are central to our operations, and we are dedicated to ensuring their satisfaction. The Company has implemented various initiatives to engage with customers actively and foster strong, enduring relationships. These efforts include organizing customer visits to our manufacturing facilities, adhering to social, quality, and environmental standards, implementing feedback systems, and consistently following up with customers.	Customers	Regular	Effective system to Manage customer feedback and follow up; visits of manufacturing sites.	Competitive prices, quality of products, timely deliveries and compliance of social, quality and environment related standards.	Attractive and competitive product offerings; Timely deliveries; Ensuring social, quality and environment related compliance.
Banks and other lenders	The Company highly values its banking relationships and takes comprehensive measures to meet all the financial requirements stipulated by its banks. Additionally, the Company actively engages with its partner banks through various means, including one on one meetings, the provision of annual reports, sharing monthly and quarterly financial performance updates, along with financial projections. Furthermore, the Company maintains open communication with its banks, keeping them informed about significant business accomplishments.	Banks	Regular	Annual Report; Financial projections; One-no-one meetings; mails; phone calls.	Payment of loan's principle and interest on time; Maintaining different debt covenants.	The Company ensures on time payment of principal and interest to its money lenders. Debt covenants performance is also closely monitored.
Media	The Company has maintained a sound system to share timely and prompt updates regarding any material information for stakeholders on Company's website and stock exchange website. Social media communication policy is also in place. The Company ensures its presence in all major social media platforms.	Audience	Regulate update	The Company has implemented a robust system to ensure timely and prompt updates regarding any material information for stakeholders	Stakeholders typically express interest in a range of topics that impact their perception of the Company and their investment decisions.	The company has a robust system for sharing timely updates with stakeholders via its website and stock exchange platforms. Additionally, it maintains a social media communication policy and actively engages on major social platforms to enhance its visibility and communication reach
Regulators	The Company believes in strict compliance with applicable laws and regulations. To remain compliant, Feroze ensures that all the regulators' queries are responded to on a timely basis, including the filing of various statutory returns / forms.	Government and other regulatory bodies	Case/need basis	Submission of data for compliance; meetings with Government officials.	Compliance with applicable statutory regulations and laws	Company ensures compliance of all statutory and legal requirements in Company's affairs.
Local committees and	The Company acknowledges that the prosperity of a nation depends significantly on the quality of its healthcare and education systems. We are actively dedicated to improving education and healthcare in our communities by providing scholarships to talented students and investing in various educational and healthcare support programs and initiatives.	Local Community	Regular	Representative of plant's operations and CSR teams	Negative impact of manufacturing sites; Employment opportunity for neighboring communities and communal services	Company ensures compliance of all legal and regulatory requirements and also possess multiple ISO certifications including EMS, QMS & OHS.

Materiality Assessment

Our commitment to sustainability is embedded in a structured and data-driven approach to identifying, prioritizing, and addressing key environmental, social, and governance (ESG) factors that influence our business. By actively engaging with stakeholders, we gain valuable insights that help us determine the most critical sustainability priorities. This approach follows a systematic methodology: identifying emerging issues, aligning them with our strategic vision, and allocating the necessary resources for effective implementation. This three-pronged approach simplifies our process and sets the benchmark for clear, consistent, and comparable reporting.

A key step in our approach is determining the synergy between the financial and impact materiality. This Outside-In and Inside-Out alignment is critical in setting our sustainability strategy to ensure our efforts are specific, relevant, and develop as new trends emerge. This way, we can make calculated decisions to strengthen our economic success and ensure long-lasting value creation for our key stakeholders

Materiality Matrix of Feroze1888.





People

At Feroze1888, our employees are more than just part of the workforce—they are valued members of our extended family and the true drivers of our success. We place the highest importance on their well-being and remain dedicated to creating a safe, inclusive workplace that prioritizes both their health and our social responsibility.

Embedding Diversity, Equity & Inclusion at Feroze1888

Our DEI journey is anchored in our dedicated platform, Ek Bahter Jahan, which reflects our belief that progress is only possible when opportunities are shared. Under this banner, we focus on three strategic pillars: Gender Diversity, Persons with Disabilities (PWDs), and Community Inclusion to Opportunities.

1. Gender Diversity: Breaking Barriers, Empowering Women

At Feroze1888, we view women not just as contributors, but as frontrunners in shaping a sustainable and innovative future.

- **Creating an Enabling Workplace**

  At Feroze1888, every stage of the employee lifecycle is guided by transparent and comprehensive policies, ensuring fairness, equality, and a workplace where people can perform at their best with confidence and peace of mind.

  - Diversity & Inclusion Policy – Serves as the cornerstone of our commitment to gender diversity and the broader objectives of DEI. Embedded within our culture and governance to ensure equal opportunity, respect, and inclusiveness for all—regardless of gender, caste, creed, religion, or disability.
  - Recruitment Policy – Upholds Equal Employment Opportunity (EEO) through fair, unbiased, and transparent recruitment practices.
  - Maternity Protection – Comprehensive maternity benefits, leave entitlements, and reintegration support outlined in our Leave and DEI policies, empowering women to pursue careers while balancing family responsibilities
  - Compensation & Benefits Policy – A well-defined framework recognizing performance, supporting wellbeing, and ensuring employees feel valued and motivated. Includes health benefits, educational assistance, and other initiatives creating a supportive work environment.
  - Grievance Handling & Management Policy – Establishes a systematic, fair, and unbiased process for addressing employee grievances effectively.
  - Anti-Harassment Policy – Drafted in line with the Protection against Harassment of Women at Workplace Act 2010, ensuring a safe and respectful workplace.
  - Succession Planning Policy – Identifies critical positions across cadres, assesses required competencies, and develops strategies to retain and grow potential employees.

- **Supporting Working Mothers**

  Through comprehensive maternity benefits, flexible working arrangements, and our childcare facility Nigehban, we ensure women can balance career and family responsibilities with confidence. This commitment has helped us achieve a 100% female returnship rate, a milestone that reflects the trust women place in Feroze1888.



- **Measurable Progress**

  Our focused approach has resulted in a 66% increase in female representation since FY'23. Gender diversity KPIs are tracked at leadership levels, ensuring accountability and continuous improvement.

- **Leadership & Governance**

  At Feroze1888, gender representation is championed at the highest levels of decision-making. Women now make up 18% of our Board of Directors, reinforcing our commitment to inclusive governance and ensuring female voices actively shape our strategic direction.

- **Beyond Policies – Empowerment in Action**

  The Company goes beyond structures by fostering spaces of dialogue and support—such as our ***Baithak Sessions,*** we held over 14 sessions covering 100% of our female workers where they openly shared their journeys of strength and uplifted each other. These inspirational stories and the workers' expressions of satisfaction with the organization's culture and safe working environment was indeed a testament to all our efforts and commitments.



International Women's Day

International Women's Day with purpose-driven collaborations, such as stoles handcrafted by PWDs and resilient women artisans.



From celebrating ***Mother's Day with creative initiatives*** to alleviating financial responsibilities through ***collective wedding ceremonies*** for female employees and the daughters and sisters of our workers, Feroze1888 demonstrates its commitment to empowering women and supporting them across different stages of life.

2. Persons with Disabilities (PWDs): Inclusion Beyond Barriers

Inclusion is more than a policy for Feroze1888—it is a principle we live by every day.

- **Building Careers, Not Just Jobs**

  A 22.86% increase in the employment of Persons with Disabilities (PWDs) since FY'23 reflects our strong commitment to creating equal opportunities for all. We match roles with capabilities, provide specialized onboarding, and create flexible work arrangements so that every individual can contribute meaningfully.

- **Programs for Growth**

  Sign Language Trainings: For the third consecutive year, we successfully conducted on-site Sign Language Trainings, engaging 35 representatives from 10 departments and contributing over 200 collective learning hours. These trainings have strengthened internal support systems for employees with hearing disabilities. To ensure long-term impact, we also launched a **Digital Sign Language Course** on our e-learning platform LearningByte, making the learning accessible and sustainable.



  Aaghaz Internship Program: This year, we welcomed 9 interns under our flagship Aaghaz Internship Program, exclusively designed for persons with disabilities. The 3-month program provided hands-on industry exposure, enabling interns to gain practical skills, workplace confidence, and a strong foundation to kickstart their future careers.

- **Celebrating Abilities**

  We engage with communities through partnerships with the **Disabled Welfare Association (DWA), Karachi Vocational Training Centre (KVTC),** and the **Pakistan Disabled Federation.** Whether it's celebrating the **International Day of Persons with Disabilities,** sponsoring the **KDSP Carnival for Down Syndrome,** or arranging explorative visits to the MagnifiScience Centre, we continue to create spaces where abilities are celebrated, not limited.



visits to the **MagnifiScience Centre,** we continue to create spaces where abilities are celebrated, not limited.

3. Community Inclusion to Opportunities: Extending Our Impact

At Feroze1888, our responsibility extends beyond our workplace to the communities we serve. We invest in building **pathways of opportunity** for young people, women, and marginalized groups—empowering them to dream bigger.

- **Mentorship & Learning**

  Through our **RISE-UP Mentorship Programs** with Kiran Foundation and The Citizens Foundation, we prepare youth for professional success. We also host **exposure visits for students** from various universities —bridging classrooms with real-world industry learning.



- **Women in Technology & Enterprise**

  As **Gold Sponsor of Women Tech Quest 2025,** we stand at the forefront of gender equity in the digital economy. Collaborations with women-led enterprises like **Salma Ghar (Kiran Foundation)** and **KVTC artisans** help us empower female entrepreneurs and amplify their craft.

- **Uplifting Communities**

  From breast cancer awareness drives for underprivileged women to **collective wedding ceremonies** for female employees and the daughters and sisters of our workers, we make inclusion tangible and life-changing. Our visit to **Sakan-e-Sheza** Trust and similar organizations reaffirm our belief that dignity and opportunity must be extended to all.

4. D&I and Innovation

Feroze1888's commitment to Diversity & Inclusion was also reflected at Heimtextil 2025, where our innovative designs drew inspiration from sign language symbols and the creativity and resilience of children with hearing disabilities. The collection received global recognition, reaffirming our dedication to weaving a more inclusive and compassionate world.



Organizational Development and Culture

1. Learning and Development

At Feroze1888, we recognize that professional development—through quality education and continuous skill-building—is vital to our long-term success. We value our employees and remain committed to fostering a culture that accelerates their growth. To stay ahead of evolving stakeholder expectations, we embed innovation into our learning approach, treating skill development as a strategic growth enabler. Our focused, people-centric talent management is guided by a standardized Training Needs Assessment (TNA) framework. Through initiatives that enhance communication, teamwork, leadership, and problem-solving, we identify key areas for improvement and shape strategies through performance reviews and feedback mechanisms. This holistic approach enables us to design personalized coaching and training plans that align individual development with organizational goals and performance management.



2. Cultivating a Continuous Improvement Culture

Continuous learning and development are key drivers to position our business as an innovative and resilient one in a changing corporate world. At Feroze1888, we adapted the smarter way of thinking by incorporating Kaizen and Lean principles into our operations. We empower our employees to take a leading role in process optimizations and advancement by motivating them to solve real-world challenges with their unique ideas.



Our employees have undergone extensive training on Lean manufacturing, Six Sigma, and Continuous Improvement, which have equipped them with the required skill set to enhance productivity, improve quality, and reduce wastage. We have successfully implemented various Kaizen Initiatives in our operations as result of capability-building workshops, enabling the culture of continuous improvement and operational excellence

Digitalizing Learning with Learning Byte Platform

Learning Byte is a one-click digital learning solution designed to deliver an interactive experience that enhances both technical and soft skills, reinforcing our commitment to a strong learning culture. At Feroze1888, our key enablers bridge skill gaps by promoting professional excellence through the integration of cutting-edge learning resources and customized training modules. We embed continuous learning into our organizational DNA, giving us a competitive edge and setting a future-focused benchmark. By empowering our people with the right tools and training, we ensure they are equipped to meet current and emerging challenges with confidence and capability.

Legal & Ethical Compliances

Human Rights

The driving force of our success is our people. Their hard work and efforts led us to achieve our corporate objectives and turn our KPIs into our Achievements. This is why we believe that they should be treated with dignity, justly, fairly, and respectfully. We give immense consideration to upholding human rights by integrating them into our core values and our commitments. This ensures that every individual in our operations and value chain is treated with respect, trust and provided with equal opportunity.

We understand that business prosperity goes beyond financial gains and profits; it extends to the well-being of our employees while integrating the principles of our strategy. Our core values reflect our commitment to being a socially responsible organization by embedding our commitments in our purposes and beyond the value chain.

We recognize that everlasting change is driven by actions, not simply words and promises. In this regard, particularly, we put special emphasis on implementing our policies in true letter and spirit. Our investment in human capital development is not only for Return on Investment (ROI) in financial performance, but also in the form of cohesion, ideation, teamwork, and self-sustaining systems that promote productivity and business continuity. This reduces business risk and future-proofs the organization by building strong and resilient teams made up of empowered stakeholders.

This strategic imperative gives us an edge over our competitors and positions us as a people-centric organization that takes care of its employees and the people in the value chain under the principles derived from the UN SDGs.

Compliance with Regulations

Compliance with national and international regulations, standards, and laws ensures long-term profitability and strengthens our position as a regulatory-conscious organization. The Company's strategy is focused on compliance with the law, respecting regulatory commitments, and incorporating them in our core values. It enables us to improve both the economy and the well-being of our citizens by improving our business practices, policies, and market-smart actions.

Our People-first strategy, outlined in our 3Ps Vision, can be achieved by upholding local and international regulations, which are reinforced through rigorous and structured auditing and management procedures. Ethical compliance and transparency are central to our goal of becoming a socially responsible firm that enacts Systematic policy frameworks and fosters a strong culture of responsibility to prevent our businesses from regulatory issues and build a strong culture of accountability to prevent any potential misconduct or gross-level negligence.

Anti-Competitive Behavior

To protect our company from fraudulent and unfair competition, we are dedicated to following unfair competition and monopoly laws. We uphold our position with our core values, shaping stakeholder trust, and reducing regulatory risks by regularly evaluating our procedures. We endure to place significant importance on ethical behavior, and we regularly audit our value chain in order to maintain accountability and integrity across our organization.

Integrity at Feroze1888 is not an obligation, it is the foundation of our reputation and long-term success. We are committed to conducting business ethically, transparently, and in full compliance with laws and regulations. Guided by our Code of Conduct, Whistle-Blowing, Gift & Entertainment and Anti-harassment policy, we foster a culture where corruption and misconduct have no place, and where every employee, partner, and stakeholder are empowered to uphold the highest standards of fairness and accountability

Recruitment and Selection

At Feroze1888 Mills, our approach to human resources is deeply integrated into our strategic vision. We prioritize building relationships with our workforce, actively seeking out and nurturing top-tier talent, and promoting local talent. Our commitment to diversity and inclusion is not just a principle but a fundamental aspect of our corporate culture, fostering an environment of innovation and ensuring equal opportunities for all employees. This dedication to equality is reflected in our Grievance Mechanism, which has effectively resolved all instances of reported discrimination. Looking ahead, our focus is on further enhancing gender diversity within our managerial ranks, with a noticeable increase in female leadership observed this year. We are dedicated to creating an environment where every employee thrives and contributes to our collective success.

Our recent initiatives demonstrate our unwavering commitment to creating a vibrant and inclusive workplace. These endeavors are closely aligned with our objectives of fostering a diverse and skilled workforce, contributing to broader global goals such as those outlined in the United Nations Sustainable Development Goals. Specifically, our initiatives resonate with SDG 3, which emphasizes promoting good health and well-being, and SDG 5, focusing on achieving gender equality. Feroze1888 remains resolute in creating a workplace where every individual's contributions are valued, fostering a sense of belonging and driving success.

Wages and Benefits

Feroze1888 prioritizes fair, market-based wages, ensuring gender equality by offering equal pay for individuals performing similar roles. By fostering a culture where dedication and hard work are recognized and rewarded, we aim to boost employee motivation and foster a culture of appreciation. It's noteworthy that the majority of our employees receive salaries exceeding the government's minimum wage, demonstrating our dedication to fair compensation beyond regulatory requirements. At Feroze1888, our focus on fair wages and supportive workplace dynamics underscores our values of equality and respect for all employees.

Occupational Health and Safety

We, at Feroze1888, are dedicated to providing a safe and healthy workplace for all. Our Occupational Health and Safety (H&S) policy is evidence of our commitment to a safe and secure workplace guided by our core values and stewarded by our top management.

This policy is more than just a guideline; it is our mechanism to educate our employees on their well-being, address risks and hazards in our workplace, and empower us to place effective controls. Abiding without legal and ethical compliance commitments, our H&S policy is aligned with ISO 45001, STeP, Sedex, SA8000, local and international Laws, and customer-specific requirements.

Our stakeholders are fully aware of the safety protocols and procedures we adhere to. We apply a zero-tolerance policy for unsafe acts and behaviors that endanger them or people in their close vicinity. In addition to these targeted awareness activities, we also commit to addressing chemical safety, machine safety, and ergonomics.
“Safety ensures prosperity, maximizes productivity, and fosters innovation.”

Keeping our employees safe is Feroze1888’s primary responsibility under the People-First strategy. People working in high-risk areas of our operations are continuously trained to identify risks and how to eliminate them.

We employ a hierarchy of control to proactively address and manage workplace safety risks. If, for any reason, an incident occurs, a comprehensive incident investigation is carried out based on the principles of Root Cause Analysis (RCA) to implement corrective measures and prevent it from recurring.

Fostering Wellness: Some of the initiatives are as follows:

The Chair Yoga Initiative

A certified yoga professional led a Chair Yoga session, guiding employees on how to relieve stress, refocus, and rejuvenate during working hours—promoting wellness right at the workplace.



Mental Health Day – Your Mind Matters

On the occasion of Mental Health Day, we conducted a Your Mind Matters session led by mental health professionals. The session emphasized the importance of maintaining a healthy and refreshed mind while sharing practical steps to manage work-related stress and build meaningful connections in the workplace.



Planet

We are recognized as a premium-quality textile known for products suitable for home, hospitality, and healthcare. In response to the various operational issues faced by the textile industry of Pakistan, we developed an operations strategy that is both sustainable for all and adaptable to changing customer preferences. As Sustainability is embedded in our operations from the very top to bottom, from Responsible Sourcing. This approach strengthens our position as a Market leader in responsible manufacturing while promoting environmental stewardship and industry innovation.

As the cornerstone of integrating sustainability into our operations and across the value chain, we prioritize waste reduction & elimination, Resource efficiency, and the use of sustainable raw materials. We upcycled our production waste and work with ethical suppliers to promote sustainable procurement across our value chain. By embracing innovation and putting industry best practices into reality, we are steadfast in our mission to reduce our environmental footprint and to advance responsible sources for a more sustainable future for everyone.

Responsible Material Sourcing

At Feroze1888, our triple bottom line approach, focusing on people, planet, and profit, guides key business decisions as we work to integrate sustainability throughout our operations. Sustainable practices begin at each point, from sourcing to delivering. We apply a comprehensive procurement policy that informs supplier selection and sourcing decisions, prioritizing environmentally responsible options. Our raw materials are procured from recognized and certified suppliers, as we are using certified and sustainable cotton approved by OCS, GOTS, and BCI.

This strategic approach ensures that sustainability is embedded at every stage of the value chain, supporting our commitment to reducing our environmental and ecological footprint and achieving our long-term sustainability business goals.

Eco-Conscious Packaging / Responsible Packaging

The Company has a dedicated recycling facility that recycles/repurposes up to 90% of plastic into packaging solutions and durable goods, including recycled plastic pallets, recycled plastic poly, recycled hangers, and J &H Hooks. We are also using sustainable corrugated and paper materials certified by the Forest Stewardship Council (FSC), the Global Recycled Standard (GRS), and the Recycled Claim Standard (RCS). Our packaging solutions reflect our ongoing commitment to advancing sustainability in all of our areas. We create in-house packaging solutions utilizing both virgin and recycled materials in our cutting-edge packaging factory, which is fully equipped with the latest state-of-the-art technology with innovative solutions.

Feroze1888 Mills roots plant-based innovations into sustainable textiles

Feroze1888 Mills, renowned for its steadfast commitment to sustainability, unveils its latest eco-conscious initiatives at the New York Home Fashions Market. Through strategic collaborations with Pond Fibers, Re-Root Tex, and ProTecht, the Company introduces innovative towel collections, marking a significant leap in its green textile solutions. Re-Root Tex harnesses pineapple-waste fibers, epitomizing circular economy principles, while Pond Cycle revolutionizes with bioplastic technology from renewable sources, mitigating CO_2 emissions. ProTecht Fresh, derived from regenerative castor seed oil, enhances textile durability while neutralizing odors. By pioneering plant-based fibers and advocating for sustainability-driven economies of scale, we sets a precedent in eco-friendly textile production. Regardless of cost challenges, the company remains resolute in its mission to make sustainable textiles accessible to all, shaping a greener future for the industry.

Energy

Enhancing Efficiency and Reducing Impact

At Feroze 1888, we dedicate ourselves to reducing energy consumption by embracing innovative technologies, sustainable practices, and energy-efficient operations. Recognizing the critical role energy plays in our operations, we have developed a robust energy management plan supported by a specialized team focused on optimizing energy use, driving operational efficiency, and realizing significant cost savings.

We commit to transitioning towards renewable energy sources and monitor their performance to ensure continual improvement. As an ISO 50001 certified facility, we go beyond mere compliance by taking decisive action to enhance our energy practices. This includes the integration of advanced technologies, process optimization, and the promotion of best practices that maximize energy efficiency and streamline load management.

At Feroze 1888, we are taking significant steps toward a cleaner and more sustainable energy mix. In comparison to the baseline for 2021–2022, our contribution of renewable energy has increased to 300% from FY 2022. We have also increased the use of biomass as an alternative energy source to lessen our reliance on fuels with high emissions. Our commitment to sustainability and appropriate energy management will be strengthened by this change, which we expect will increase our share of clean energy up to 10%. During the reporting year, energy consumption per kilogram of production decreased by 8.5%, underscoring our ongoing commitment to responsible manufacturing and continuous improvement.

Decarbonizing Our Value Chain: Advancing Towards Net Zero

At Feroze1888, being environmentally conscious is not just a promise; it is a key component of our business plan. We constantly seek to reduce our environmental impact in accordance with international sustainability frameworks, including the Science Based Targets initiative (SBTi), the Paris Agreement, and the Sustainable Development Goals (SDGs) of the United Nations.

We give emission reductions and sustainable practices a priority because we recognize the impact of our value chain, which directly supports SDG-12 and SDG-13.

Our strategy is based on collaboration, consistency, and innovation, which accelerates significant advancement in all areas of our value chain. We strengthen our alignment with SDG-9, SDG-13, SDG-16, and SDG-17 through our dedicated efforts in reducing our carbon footprint

Feroze1888 remains dedicated to improving sustainability and reorganizing strategic approaches in the future. Our alignment with SDG 7 and SDG 8 ensures our business practices and growth remain environmentally conscious and responsible. Working together with partners, innovators, stakeholders, and industry experts, we continue to offshoot innovations, develop sustainable solutions, and leave a lasting legacy for future generations. We have significantly reduced up to 8.5% of energy consumption per kg of production.



Tracking Our Impact: Greenhouse Gas Emissions Reporting

Businesses were urged to reduce their footprint and enhance the reduction of greenhouse gas emissions as part of the Paris Agreement, which also elevated the level of climate emergency with resilience. As a Responsible Business, Feroze1888 is aware of its responsibility to lower its carbon footprint and support the global effort to mitigate the consequences of climate change. In order to neutralize our impacts, we develop our DE carbonization plan. We have established our short-term emissions reduction goal, which has also been validated and approved by SBTi.

We are aggressively cutting down our dependency on fossil fuels by adding a share of renewable & clean energy, process optimizations, and climate-smart technologies to realize our climate transition plan. Moreover, we are in collaboration with Net Zero Pakistan to achieve our carbon reduction targets and implement wider value chain greenhouse gas reduction. We understand that achieving sustainability in our value chain will require team efforts and collaboration. That is why we seek to influence our stakeholder engagement initiatives for the betterment of our value chain.

Making eco-conscious decisions is pivotal for a sustainable growth trajectory as it leads to resource efficiency, Process optimization, and lowering the cost of doing business. By implementing principles of sustainability, we are on our way to safeguarding a prosperous future.

Feroze1888's Path to Carbon Reduction and Climate Resilience

Our Near-Term Emissions Reduction Targets

Feroze1888 Mills Ltd commits to reducing absolute scope 1 and 2 GHG emissions by 42% by 2030 from a 2021 base year.* Feroze1888 Mills Ltd also commits to reduce absolute scope 3 GHG emissions from purchased goods and services, fuel- and energy-related activities, and upstream and downstream transportation and distribution by 40% by 2033 from a 2021 base year.* *The target boundary includes land-related emissions and removals from bioenergy feedstock.

Feroze1888 Mills Ltd commits to reduce scope 3 FLAG GHG emissions 39.4% by 2033 from a 2021 base year*. Feroze1888 Mills Ltd commits to maintaining no deforestation across its primary deforestation-linked commodities. *The target includes FLAG emissions and removals

Our approved targets will help us in reducing our carbon footprint, advancing cleaner technologies, and cultivating a thriving environment for our employees, communities, and the planet. Every action we take is a thread woven into the fabric of a more sustainable, equitable, and prosperous world for future generations.

As we move forward, we remain committed to driving positive change, working towards **weaving a better world for a brighter tomorrow.**



Water Conservation

Water stewardship and Conservations is deeply embedded in our operational values. Considering it as a Material because, according to the WWF Water Risk Filter, Pakistan has been classified as a high water-stress region. In response, Feroze1888 has implemented a comprehensive water management strategy designed to optimize water usage while minimizing our footprint.



Our strategy for water management is guided by two principles. First, we focus on reducing water consumption across our manufacturing operations through targeted efficiency measures, technological advancements, implementing kaizens & process optimizations, and employee engagement programs. Second, by recovering water from processes after careful treatment.

We have an Effluent Treatment Plant for wastewater treatment that treats the water as per standard and parameters, fulfilling the regulatory requirements from both local and international legislation. This way, our commitment to water stewardship is recognized and reaffirmed so that we continue to make progress in reducing our water footprint. Moreover, our water conservation efforts demonstrate our commitment to responsible business practices.

Waste Management

Our sustainability strategy places great emphasis on waste reduction and resource recovery. We understand the environmental and public health implications of improper waste disposal and poor management, and so we have set strict policies to ensure waste is managed and handled responsibly in all aspects of our business. Our strategy concentrated on waste elimination, reduction at the source, and recycling or reusing efforts to better manage the waste.

Through process improvements and preventative maintenance, we consistently improve operational efficiency to promote waste reduction by lowering waste creation before it happens. Our centralized storage facilities are safe, short-term holding areas that are overseen by a committed staff to maintain adherence to industry best practices and environmental requirements. We promote a culture of accountability and environmental responsibility by strictly adhering to national and international waste management standards across all operations.

By maximizing the reuse and recycling of non-hazardous waste, Feroze1888 Mills Limited actively encourages circularity, lessens our environmental impact, and increases resource efficiency. We follow strict handling, storage, and disposal guidelines for hazardous waste to guarantee complete adherence to legal regulations and satisfy exacting client demands. Our company's principles of honesty, creativity, and operational excellence are fundamental to our dedication to responsible waste management.

Green Chemistry in Action: Redefining Chemical Management for a Greener Future

Green Chemistry is integral to our sustainability Strategy and guides us toward chemical management that is safer, sustainable, and environmentally friendly. We completely adhere to national and international regulatory frameworks, as well as Material & Restricted Substance Lists (MRSLs and RSLs). Our proactive approach includes carrying out comprehensive Risk assessments, applying Risk and hazard identification, categorizing chemicals according to their properties and Compatibilities, and implementing safe handling and disposal practices as per protocols.

At Feroze1888, we are using approved chemicals by ZDHC in our production processes. Through the ZDHC Chemical in Check and Bhive portals validations, we have also achieved a Level-3 grade in the Higg FEM Chemical Management section, further demonstrating our keen and responsible chemical management approaches, highlighting our Commitments toward environmental stewardship that positioned us as a market leader. Reaching 100% Green Chemistry compliance for both Tier 1 and Tier 2 suppliers is a crucial element of our priorities. We are not only encouraging compliance with regulations and innovation but also strengthening our commitment to ensure a safer, more sustainable, and environmentally resilient future for the textile sector by integrating Green Chemistry concepts into our sourcing practices.

Responsible Chemistry-Securing a Sustainable Supply Chain

Our approach ensures high-quality products while focusing our efforts on lowering our environmental impact. We approach this through evaluating our suppliers through supplier Assessments. For that purpose, we developed our Supplier Code of Conduct, prioritizing sustainability, and we continue to uphold high standards of responsible sourcing. By taking these steps, we can make sure that our partners are also an integral part of our sustainability journey by considering them as environmentally-conscious vendors.

We have approved a diverse range of chemical suppliers through a thorough assessment and vetting process, ensuring compliance with reputable sustainability and regulatory standards.

We are conducting awareness training for our business partners with an emphasis on social and environmental compliance to accelerate our progress on our sustainability journey. Also, purchasing from local vendors is our top priority in our Responsible procurement strategy, which uplifts our supply chain resilience and encourages domestic economic growth.

1) Biodiversity First: Protecting Nature's Balance

At Feroze1888 Mills, we place strong emphasis on safeguarding biodiversity and regenerating lost ecosystems through a targeted approach as part of our planet-centric strategy. Understanding the importance of natural ecosystems in Business stability and the fight against climate change, we have aligned our efforts to protect natural habitats and restore biodiversity loss.

Furthermore, our large-scale afforestation and plantation initiatives, particularly restoring mangrove ecosystems, contribute to biodiversity preservation and carbon sequestration, fortifying nature's defenses against climate change. These initiatives reflect our unwavering dedication to community development by reinforcing our mission to create a more resilient and sustainable future.



2) Circularity: Weaving a Better World for a Sustainable Tomorrow

Circularity in the value chain is a driving factor embedded in sustainability strategy that ensures future-proofing of our entire value chain. The concepts of the circular economy are not new; they have been around for some time and presented before us under different names. We aim to build a value chain in which circularity is encouraged as a Unique Selling Proposition and act as enablers for nature restoration and adding value in business resilience.

By embedding the principles of the circular economy in our operations, waste is significantly turned into opportunity, the need for virgin material is reduced, and the exploitation of natural resources is prevented. By promoting circularity, we are employing the concept of sustainability in its true sense, through motivations of conserving resources and promoting operational excellence.

Millions of tons of textile waste are produced by global production and consumption patterns, posing a problem for the communities as well as affecting aesthetics, and creating an untapped business opportunity. Reusing, recycling, or repurposing these waste items could retrieve their value by a strategic planner and addressing the circular economy principle.

To reduce our dependency on the linear economic model of take-make-waste into rethink-reprocess-regenerate, Feroze1888 actively pursues circular models. We seek suppliers that source sustainable materials and explore solutions to replace dependency on virgin materials with recycled ones. Our focus goes beyond conventional procurement practices by eliminating process waste through process optimizations and implementing lean culture.

We confirm our position as an impact creator in the race to implement sustainable manufacturing by promoting circular solutions, which not only benefit the environment but also generate economic value while fostering an industry that is more resilient, accountable, and future-ready.

Excellence in Waste Recycling

At Feroze1888 Mills, our Waste Recycling Unit embodies our commitment to sustainability by transforming waste into valuable resources. We recycle process and cotton waste, reducing reliance on virgin materials and minimizing textile waste generation. Applying Kaizen principles, we enhance efficiency and cut production waste. Beyond textiles, we repurpose chemical drums into ***plastic pallets, produce recycled scotch tape, and manufacture recycled hangers, J-Hooks, and H-Hooks,*** integrating sustainable materials into our value chain. These closed-loop recycling initiatives reinforce our drive for a circular economy, reducing environmental impact while creating long-term value.





Prosperity

Leading with Integrity

At **Feroze1888 Mills,** integrity and accountability are the cornerstones of our corporate ethos. We remain steadfast in systematically assessing operational risks related to corruption, ensuring a proactive defense against unethical practices. This unwavering commitment strengthens our dedication to transparent and ethical business conduct.

As one of the largest textile manufacturers of Pakistan, we strive to achieve excellence in all our functions by implementing innovative technologies for the promotion of sustainable practices, honing talent, creating job opportunities, and playing our part in the society's well-being. We are guided by the Triple Bottom Line – People, Planet, and Prosperity that keeps us on track with our commitment to being a responsible business.

Feroze1888 Mills places a high priority on awareness and compliance by providing thorough training and communication on anti-corruption measures to strengthen our ethical foundation. In order to ensure that everyone understands their responsibility to preserve ethical standards, board members, staff members, and business partners receive customized guidance based on their responsibilities and local settings.

To maintain the integrity of our corporate value chain, we take firm steps, such as contract terminations and disciplinary procedures, due to our zero-tolerance stance against corruption. By these steadfast efforts, we cultivate a culture in which compliance and ethics are always prioritized.

Beyond Compliance: Strategies for Supplier Selection, Evaluation, and Monitoring

We procure a wide range of valuable goods from both local and international suppliers under our Responsible Sourcing-focused strategy. By sourcing raw materials from domestic suppliers, we continue to contribute to the advancement of our local economy and nourishment of our local industries.

We implement our Dynamic Supplier selection criteria, as defined by our procurement policy, to ensure that our suppliers are complying with the local and international social and environmental regulations and upholding the principles of ethical and responsible business. We are dedicated to providing our customers with top-quality products, delivered on time. This was ensured by our vigilant supply chain and effective leadership controls, based on our unwavering commitment to protecting the environment and creating a better world.

Sustaining Success: Strategically Driven Performance Excellence

Feroze1888 Mills is committed to delivering high-quality products to our growing customer base, and this is done through a number of efforts accomplished by our dedicated marketing team. They make sure that Feroze1888's reputation is widely accepted and recognized as the market leader in terry textile and specialized yarn across the globe.

We have established a comprehensive marketing strategy that puts the customer at the core of our functions. We uphold our core values through clear communication, gaining customer trust, and ensuring long-term profitability for both our organization and customers.

We actively engage with our customers on material issues to gain their valuable feedback. We actively evaluate and improve our solutions through organized feedback systems to make sure they meet the demands of our customers. Our dedication goes beyond producing high-quality products; by identifying underlying causes and carrying out focused mitigation measures, we consistently apply systematic improvement tactics to possible effects on safety, the environment, and society.

We understand that business resilience depends on economic sustainability, but as a conscientious industry leader, we think that social and environmental responsibility must also be prioritized. In order to provide long-term value for all stakeholders, our approach adopts a holistic sustainability paradigm in which social well-being, environmental stewardship, and financial performance are given equal weight.

Climate Resilience: Strengthening Business for a Sustainable Future

We proactively formulate our sustainability strategy to address climate change impacts across our value chain. This empowers us to make smarter decisions and future-proof our operations against climate-related Risks and Opportunities.

Responsible Business requires smart decision-making and a proactive strategy. We have converted climate-related risks and opportunities into measurable consequences. We have also taken actions for ongoing social and economic sustainability as per ERM (Enterprise Risk Management) considerations. Our climate resilience strategy follows recommendations from the Taskforce on Climate-related Financial Disclosures (TCFD). Also, we use region-specific research to address climate risks and opportunities.

The careful monitoring of climate risks throughout our operations and value chain is an important aspect of our climate resilience strategy. We are leaving no stone unturned in our pursuit to implement our climate mitigation plans, tracking the efforts, and improving their efficacy.
Our climate mitigation plan includes greater process optimization and lean manufacturing. We are decarbonizing our operations and value chain through energy-efficient processes and water reclamation. We are committed to cutting greenhouse gas emissions as set in our validated, SBTi-approved near-term targets in line with the business ambition of 1.5°C.

Carbon Disclosure Project (CDP)

Publicly disclosing our Sustainability and climate-related performances related to our efforts is integral to the success of our responsible business strategy. We demonstrate our long-term commitment to being a responsible business by disclosing our decarburization journey through reporting on the Carbon Disclosure Project (CDP). Our sustainability plans, climate-smart efforts, and forward-looking ambitions are all transparently reported through our CDP disclosures. By doing this, we gain our stakeholders' confidence and strengthen our position as a leader in corporate sustainability and environmental stewardship.

1-Investments in Clean Energy

Investing in Clean Energy is a crucial part of our climate mitigation strategy in order to reduce our dependence on energy extracted from fossil fuels and transition towards in-house clean energy generation.

2-Our Climate Risk Management Strategy

Background- Outlook of Pakistan Climate Emergency
Between 1993 and 2022, the world experienced an increase in extreme weather events and natural disasters such as floods and droughts, heatwaves, storms, and wildfires, affecting millions of people around the world. According to the Germanwatch Climate Risk Index 2025, Pakistan was the most afflicted country in 2022, encountering a number of climate-related issues, like as significant floods, storms, and landslides from June to September, as well as severe heatwaves from March to May. The floods alone harmed 33 million people and inflicted an estimated $15 billion in damage, with the World Bank projecting recovery costs of around $16 billion. Pakistan remains classified as a continuing threat, with the biggest number of people internally displaced owing to floods, causing substantial social and economic disruptions. Despite escalating climate threats, current global mitigation efforts are insufficient to restrict temperature rise to 1.5 degrees Celsius, and without immediate emission reductions by 2030, the amount of harm and economic loss is expected to increase.

Feroze 1888 Mills Limited Response to Climate Emergency

In our vertically integrated processes across the value chain, Feroze 1888 Mills Limited understands how crucial it is to efficiently identify, track, and manage climate-related risks and opportunities. Our future outlook is linked with our value chain composition, financial position, strategic imperatives, assets, and resources, which can all be influenced by the climate emergency. The risk, keeping in view its consequences, is seemingly quite high and may affect the going concerns assumption of the organization.

The concept of double materiality is critical at this moment for businesses to effectively realize their impacts on the planet and the emerging risks in the face of a changing world. We remain steadfast in assessing the risks and their adverse effects on our functions and across the value chain through dedicated assessments considering different factors of financials and impact materiality, and their time horizons.

3-Empowering Change: Sustainability Training and Champion Programs for a Greener Future

(a)Turning Awareness into Action: Driving Sustainability Forward

As part of our Future-Focused sustainability strategy, we regularly organize training sessions and awareness sessions to strengthen our understanding of key environmental and social-related risks and Opportunities. Recently, our Sustainability Team conducted an impactful session titled "Sustainability in Action," focusing on the Sustainable Development Goals (SDGs), climate change-related risk and opportunities, and Responsible Business Practices.

This session featured interactive discussions and practical insights, emphasizing the urgency of climate actions and the role of SDGs in driving sustainable progress. With the investment of 348 man-hours of training participants were provided with awareness on key steps that can be taken to embed sustainability in their routine tasks.



(b)Elevating Brand Value: Strategic Product Marketing & Labeling

Responsible sourcing is at the core of Feroze1888's sustainability strategy. By procuring sustainable raw material through fair and responsible sourcing, we ensure that our entire operations promote environmental stewardship and reflect our vision for a prosperous future.

Our commitment to sourcing responsibly is verified through our international certifications, which include Forest Stewardship Council (FSC), The Global Recycled Standard (GRS), Recycled Claim Standard (RCS), Organic Content Standard (OCS), Global Organic Textile Standard (GOTS), Higg (FEM), STeP by OEKO-TEX®, and Vegan Standard certification.

We continually strive to uphold the principles laid out by UN SDGs and international standards and frameworks with improvements, innovations, and collaborations needed to achieve our climate-smart and environment-conscious business future.

(c)Innovating a better world

Feroze1888 drives innovation as a core pillar of our commitment towards sustainability and promotes circularity in our supply chain. We have built a partnership with different companies that have developed eco-friendly products across multiple regions.

Our research and development team regularly tests out new sustainable raw materials to keep our products eco-friendly and fashionable. The raw materials we use in our products are recycled from cellulose extracted from worn-out textiles, recycled polyester fibers, recovered cotton, biodegradable viscose fiber, and other fibers with recycled content. Some of the latest sustainable fiber technologies that we have phased in include Circulose, Text2tex, CICLO, Pond Cycle, and other biodegradable raw materials.

Advancing our sustainable innovation to the next level, Ree-too-tex transforms pineapple leaf waste into high-quality fiber, offering an exceptional upcycling solution instead of incineration, reducing water consumption, and lowering CO2 emissions.

SUSTAINABILITY & CSR SNAPSHOT

Feroze1888 Mills Ltd is deeply committed to Corporate Social Responsibility (CSR), integrating initiatives that empower communities, foster inclusion, and promote sustainability. Central to our approach is the belief in creating positive social impact through strategic partnerships and proactive engagement.



Breast Cancer awareness

In collaboration with the Fehmida Begum Foundation and Dr. Essa Laboratory, Feroze1888 Mills Ltd. organized a Breast Cancer Awareness Session for women from underprivileged communities. The session focused on preventive care, self-examination techniques, and the importance of early detection. As part of our broader commitment to social responsibility, we continue to support community well-being by raising awareness and promoting preventive health behaviors.



Scholarships

Feroze1888 Mills remains committed to supporting our employees' families and the broader community by providing scholarships to 188 employees' children and 1,489 workers' children, ensuring access to quality education.

League of Legends – Engaged Teams Create Exceptional Workplaces

This fun-filled activity boosted collaboration and promoted critical thinking. Teams worked interactively to tackle challenging tasks and solve puzzles by thinking outside the box. The event highlighted the importance of teamwork and strategic thinking in driving growth and achieving shared goals.

Celebrating Motherhood at Feroze1888

Mother's Day at Feroze1888 Mills is celebrated as a heartfelt and cherished occasion. This year, in collaboration with Art Barn Academy, the celebration was made even more meaningful as mothers from our workforce showcased their creativity through art and painting. Invited along with their children, the participants shared a beautiful bonding moment—painting side by side, as children expressed heartfelt messages to their mothers through their artwork.



Empowering Growth through Learning & Development

Our Learning & Development efforts centered on building technical capabilities across teams. A series of focused training sessions covered topics such as system and software proficiency, Lean concepts, warehouse management, and product handling techniques. These interactive sessions provided practical knowledge to enhance operational effectiveness while supporting a culture of continuous improvement and skill development.

Mentorship in Action

Youth are the architects of a nation's future—their skills, abilities, attitudes, and aptitudes will shape the times ahead. It is therefore essential to help them unlock their potential and provide opportunities to translate academic learning into real-world experience. During the year, we conducted mentorship sessions for students from NED University, Mehran University, Bahria University, and the Textile Institute of Pakistan (TIP). These sessions allowed students to interact directly with our accomplished professionals and benefit from their expertise.





Economic, Environmental and Social Performance

UN Goals	KPIs	Status
	Reduce GHG emissions by atleast 4.2% from the baseline year of 2021. (Baseline Emissions= 159,774 tons CO2e; Target= 153,063 tons CO2e).	Scope 1 and 2 emissions increased by 16% from the baseline, primarily driven by Busniness expansion and the resultant escalation in energy Demand.
	Increase 300% of Solar energy generation and 1400% of Bio mass Energy generation from FY'22.	Installed capacity reached 15 MW solar and 30 TPH biomass.
	Increase Water Recycle volume by 10% from FY'24 baseline.	Increased by 18% to 289,253 + gals/day, exceeding the target.
	Engage suppliers in calculating and reducing value chain emissions.	Conducted an online capacity-building session for our suppliers.
	Provide 500 man hours of training on Sustainability related topics.	A total of 348 + man-hours of training were successfully completed during the reporting period.
	Plant atleast 160,000 trees/saplings in FY 2023-24 to curtail environmental pollution.	A total of 170,000 + trees/saplings were planted.
	Impacting lives of 14,000 people through executing different CSR activities calculated from FY'23.	Impacted the lives of almost 18,000 + people through executing various CSR initiatives.
	Provide atleast 30,000 manhours of training to employees (Management + non-management).	32,086 + man-hours of training delivered to employees (management and non-management).
	Increase 68% of female in management and non-management from the baseline FY'23. (Baseline= 435; Target= 735).	Absolute female strength is 722.
	Increase 120% of PWDs in management and non-management cadre from the baseline of FY'23. (Baseline= 105; Target= 240).	Number of PWDs is increased by 126.

Chairman Overview

Chairman's overview on how the Company's sustainable practices can affect long term value creation

Sustainability, for us, is not a passing trend — it is woven into the very fabric of Feroze1888 Mills. For decades, our approach has been guided by the principles of People, Planet and Prosperity, a triple bottom line that defines how we create value and measure success.

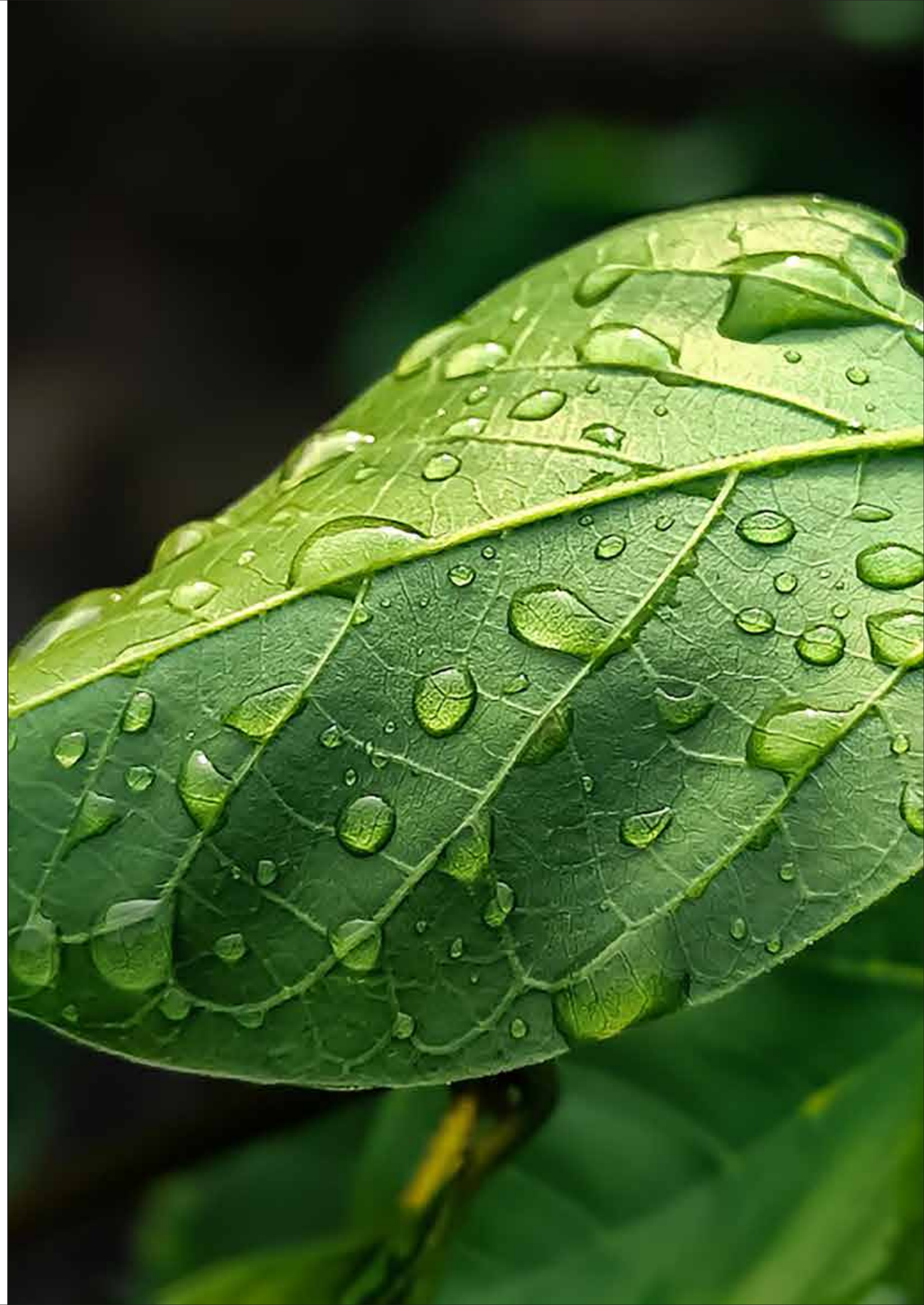
Across the globe, the ESG agenda is redefining markets. Globalization, demographic shifts, empowered consumers, technological disruption, climate risk, and unexpected crises have made one reality clear: companies can no longer rely on financial performance alone. Long-term resilience and competitiveness now depend on how effectively they embed sustainability into their strategy.

At Feroze1888, we see this not as a challenge but as an opportunity. By expanding renewable energy use, conserving water, promoting circularity, and strengthening workplace safety, we are not only reducing our footprint but also lowering costs, de-risking operations, and building efficiency. Through inclusive hiring, training, and community engagements in health and education, we are investing in people — the foundation for productivity, innovation, and trust.

Customers today demand transparency, traceability, and certified sustainable practices. Meeting these expectations enhances our partnerships, strengthens our brand, and secures our position in global value chains. In the same way, strong governance and reimagined reporting enhance investor confidence, ensuring that we remain a partner of choice in a rapidly evolving marketplace.

This is how sustainability translates into long-term value: it protects our business from risks, creates new opportunities for growth, and builds enduring trust with all stakeholders. I firmly believe that every step we take on this journey strengthens not only our responsibility to society and the planet — but also our ability to deliver lasting prosperity to our shareholders.

Abdul Rehman Yaqub
Chairman and Director



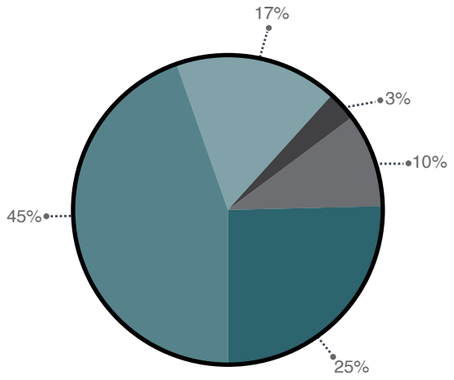
Innovation for Growth

In a rapidly changing global landscape, innovation fuels our growth. By adopting new technologies, reimagining processes, and embracing fresh ideas, we enhance competitiveness and stay at the forefront of industry transformation.

Financials at a Glance

Assets - FY 2025

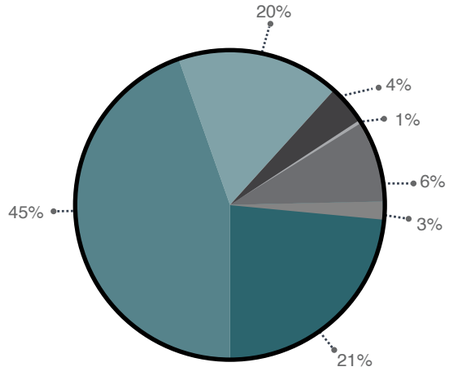
Percentage



45% Property, plant and equipment
25% Stock in trade
3% Stores and spares
17% Trade debts
10% Other assets

Assets - FY 2024

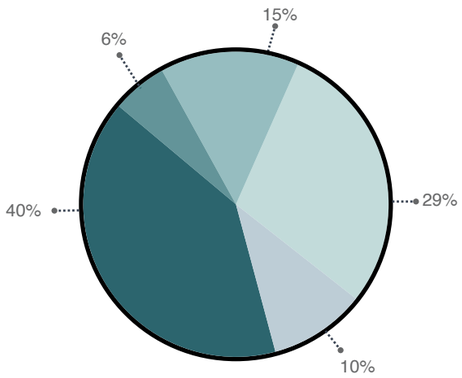
Percentage



45% Property, plant and equipment
21% Stock in trade
4% Stores and spares
1% Cash and bank balances
20% Trade debts
6% Other assets
3% Short term investment

Equity and Liabilities - FY 2025

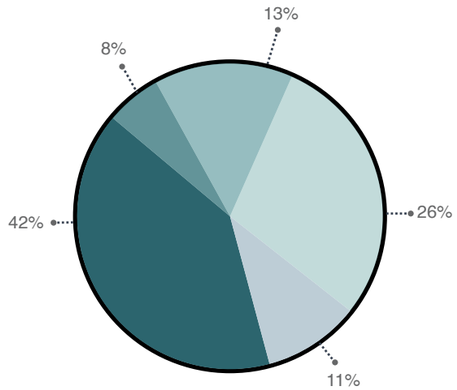
Percentage



40% Share capital & reserves
15% Trade and other payables
10% Other liabilities
6% Long term financing
29% Short term borrowings

Equity and Liabilities - FY 2024

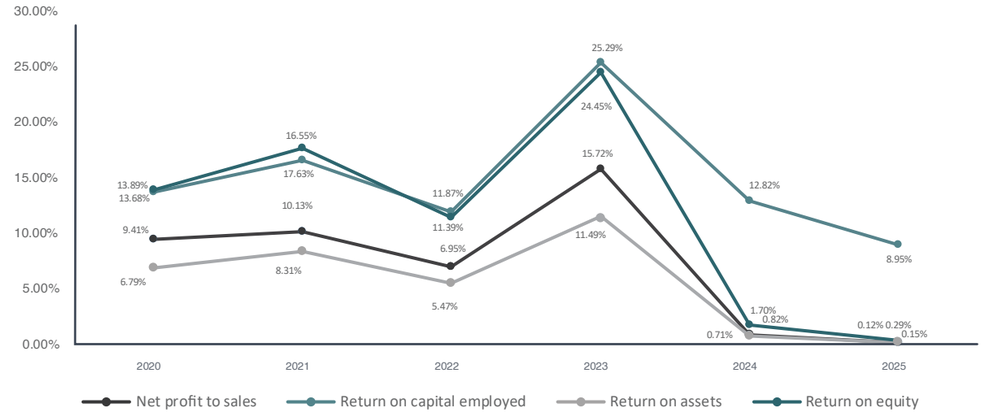
Percentage



42% Share capital & reserves
13% Trade and other payables
11% Other liabilities
8% Long term financing
26% Short term borrowings

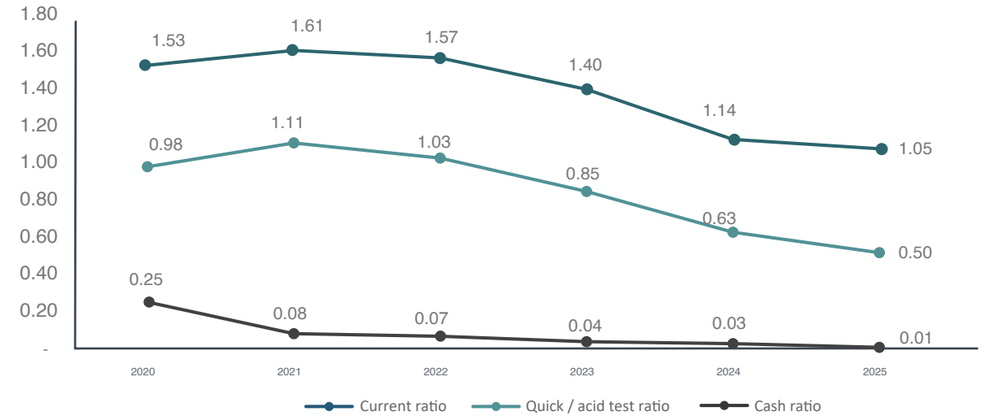
Profitability Ratio

Percentage



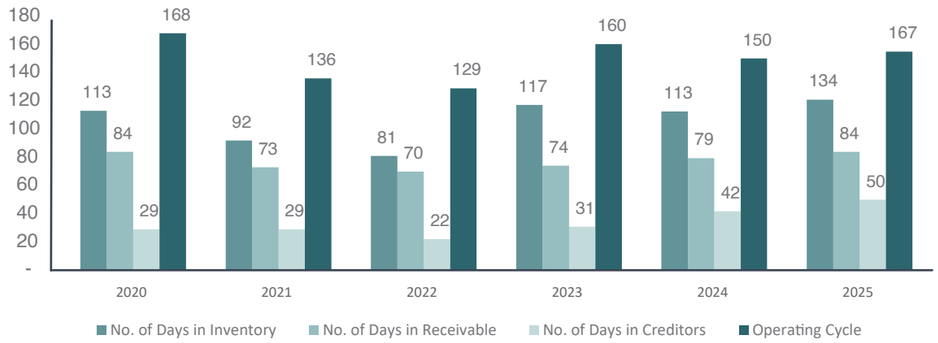
Liquidity Ratios

Rs. in million



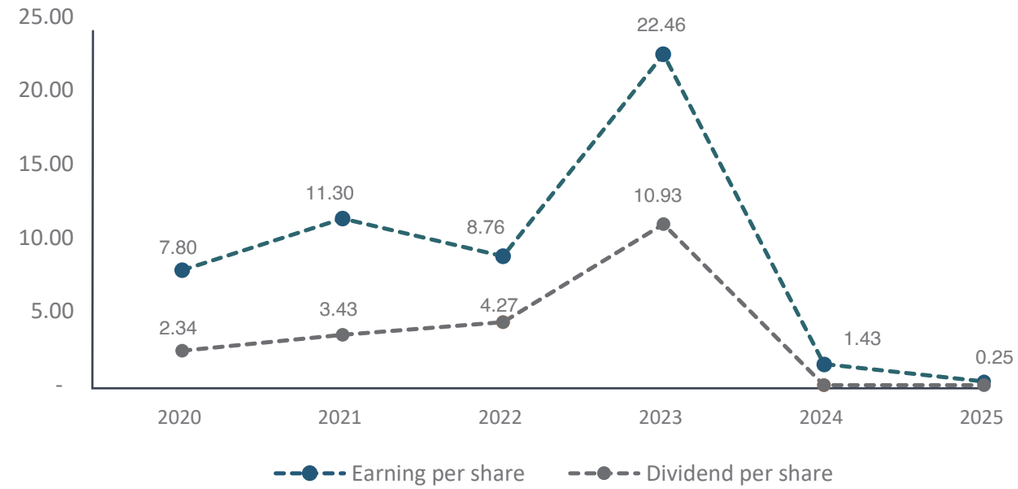
Operating Cycle

Days



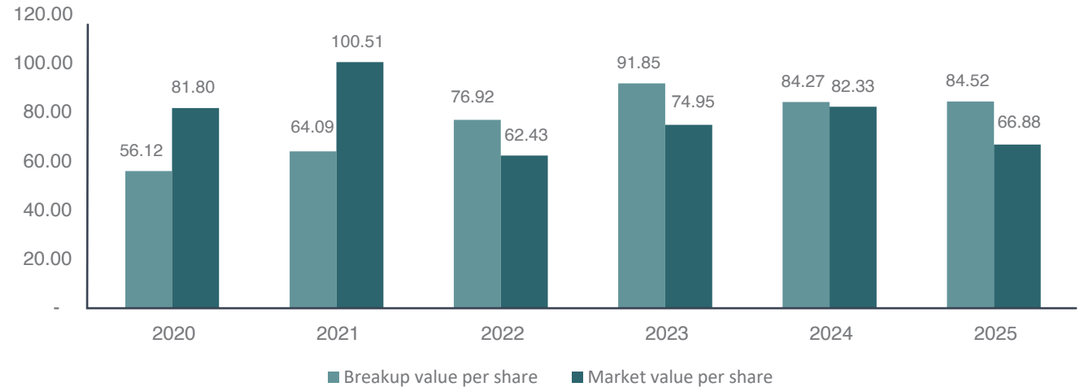
EPS vs Dividend per Share

Rupees



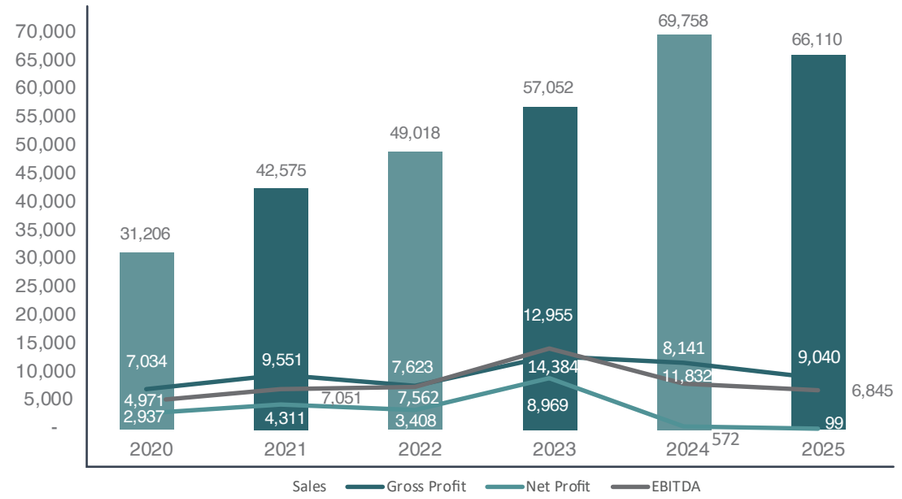
Market Value vs Book Value

Rupees



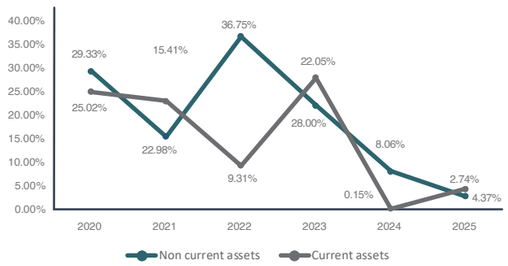
Turnover & Profitability

Rs. in million

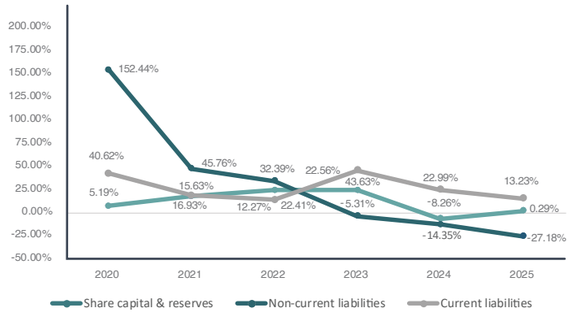


Horizontal & Vertical Analysis
Statement of Financial Position

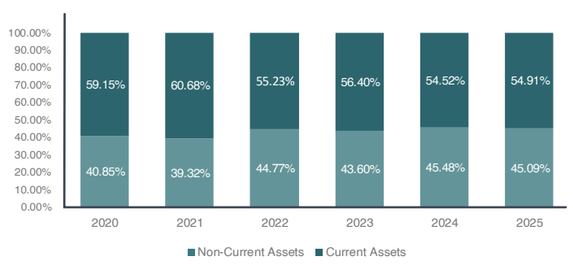
Horizontal Analysis of Total Assets



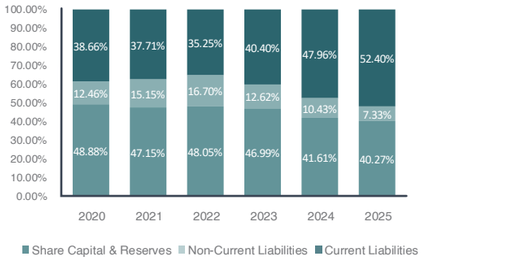
Horizontal Analysis of Total Equity & Liabilities



Vertical Analysis of Total Assets

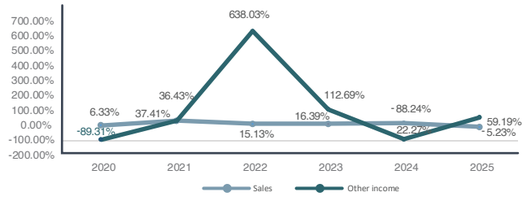


Vertical Analysis of Total Equity and Liabilities

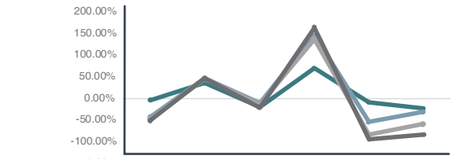


Horizontal & Vertical Analysis
Statement of Profit or Loss

Horizontal Analysis of Income

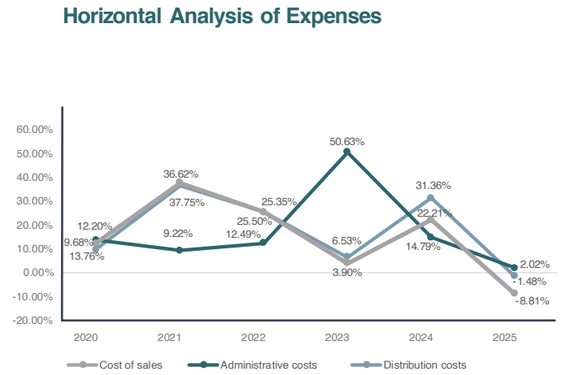


Horizontal Analysis of Profit

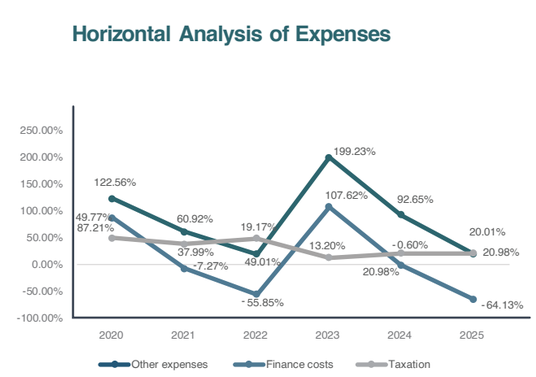


	2020	2021	2022	2023	2024	2025
Gross profit	-3.78%	35.78%	-20.18%	69.94%	-8.67%	-23.60%
Operating profit	-43.07%	47.29%	-10.50%	145.85%	-54.25%	-31.25%
Profit before taxation	-47.22%	45.85%	-13.96%	137.23%	-84.17%	-59.20%
Profit after taxation	-50.96%	46.78%	-20.94%	163.15%	-93.62%	-82.70%

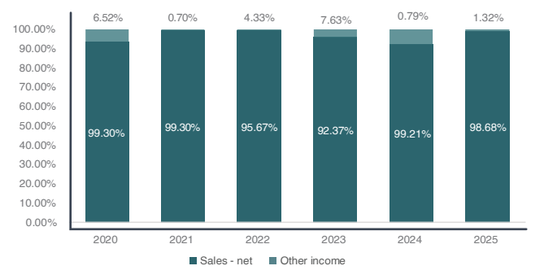
Horizontal Analysis of Expenses



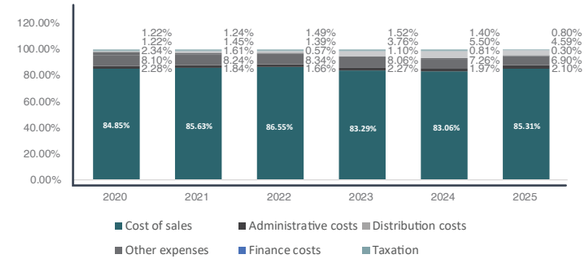
Horizontal Analysis of Expenses



Vertical Analysis of Total Income



Vertical Analysis of Total Expenses



Ratios

		2025	2024	2023	2022	2021	2020
Profitability Ratios							
Gross profit ratio	%	13.67%	16.96%	22.71%	15.55%	22.43%	22.54%
Net profit to sales	%	0.15%	0.82%	15.72%	6.95%	10.13%	9.41%
Return on capital employed	%	9.27%	12.79%	25.29%	11.87%	16.55%	13.68%
Return on assets	%	0.12%	0.71%	11.49%	5.47%	8.31%	6.79%
EBITDA margin to sales	%	10.35%	11.67%	25.21%	15.43%	16.56%	15.93%
Return on equity	%	0.29%	1.70%	24.45%	11.39%	17.63%	13.89%
Operating leverage ratio	Times	5.98	(2.44)	8.90	(0.69)	1.30	(6.81)
Shareholders' Funds	Times	0.40	0.42	0.47	0.48	0.47	0.49
Return on Shareholders' Funds	%	0.29%	1.70%	24.45%	11.39%	17.63%	13.89%
Liquidity Ratios							
Current ratio	Times	1.05	1.14	1.40	1.57	1.61	1.53
Quick / acid test ratio	Times	0.50	0.63	0.85	1.03	1.11	0.98
Cash to current liabilties	Times	0.01	0.03	0.04	0.07	0.08	0.25
Cash flow from operation to sales	Times	(0.02)	0.05	0.07	0.11	0.05	0.12
Cash flow to capital expenditures	Times	(0.30)	0.59	0.48	0.61	0.51	0.70
Cash flow from operations coverage ratio	Times	(0.03)	0.08	0.13	0.24	0.10	0.22
Activity / Turnover Ratio							
Average total asset turnover	Times	0.80	0.88	0.81	0.86	0.90	0.81
Average fixed asset turnover	Times	1.79	1.98	1.85	2.04	2.25	2.01
No. of Days in Inventory	Days	134	113	117	81	92	113
No. of Days in Receivable	Days	84	79	74	70	73	84
No. of Days in Creditors	Days	50	42	31	22	29	29
Operating Cycle	Days	167	150	160	129	136	168
Investment / Market ratio							
Earning per share - basic & diluted	PKR	0.25	1.43	22.46	8.76	11.30	7.80
Price earning ratio	Times	267.52	57.57	3.34	7.13	8.89	10.49
Cash dividend per share	PKR	-	-	10.93	4.27	3.43	2.34
Price to book ratio	Times	0.32	0.41	0.38	0.39	0.74	0.72
Dividend yield ratio	Times	-	-	0.15	0.07	0.03	0.03
Dividend payout ratio	Times	-	-	0.49	0.49	0.30	0.30
Dividend cover ratio	Times	-	-	2.05	2.05	3.29	3.33
Breakup value per share with surplus	PKR	84.52	84.27	91.85	76.92	64.90	56.12
Breakup value per share without surplus	PKR	76.98	76.73	84.31	69.19	60.19	52.18
Market value per share at the year end	PKR	66.88	82.33	74.95	62.43	100.51	81.80
Highest market value during the year	PKR	82.33	96.50	82.00	103.13	127.48	105.24
Lowest market value during the year	PKR	55.05	67.98	55.00	59.85	80.01	66.70
Capital Structure							
Debt to equity ratio (book value)*	%	21.16%	26.54%	27.19%	32.55%	29.14%	25.36%
Debt to equity ratio (market value) **	%	25.17%	25.55%	31.17%	31.64%	28.27%	24.74%
Interest cover ratio	Times	1.32	1.46	6.38	37.25%	18.13%	16.96%
Financial leverage ratio	Times	1.48	1.40	1.13	8.58	11.83	13.36
Weighted average cost of debt	%	9.07%	13.30%	7.34%	1.08	1.12	1.05
Net assets per share	Times	84.52	84.27	91.85	2.54%	2.61%	2.27%
					74.94	64.90	56.12
Employee Productivity Ratio							
Production per employee	Kg	3,510	3,412	3,400	3,656	4,122	3,351
Revenue per employee	PKR in '000	5,783	5,588	5,230	3,877	3,362	2,687
Others							
Spares inventory as % of Total Asset	%	0.51%	0.27%	0.22%	0.33%	0.40%	0.44%
Maintenance cost as % of operating expenses	%	11.90%	12.11%	12.14%	1.89%	2.07%	2.14%

* Debt = long term finance, govenrment grant & current maturity of long term finance & government grant
** Debt = long term finance & current maturity of long term finance

Horizantal Analysis - Statement of Financial Position

	2023		2022		2021		2020	
	Rupees in 000'	%	Rupees in 000'	%	Rupees in 000'	%	Rupees in 000'	%
Assets								
Non current assets								
Property, plant and equipment	33,939,059	22.09	27,798,524	36.88	20,308,105	15.42	17,595,012	62.21
Long-term investments	-	-	-	-	-	-	-	100.00
Other non current assets	98,557	9.67	89,866	4.16	86,279	13.63	75,930	644.19
	34,037,616	22.05	27,888,390	36.75	20,394,384	15.41	17,670,942	62.76
Current assets								
Store and spares	1,789,066	(3.61)	1,856,132	42.42	1,303,298	47.02	886,495	40.11
Stock-in-trade	15,449,584	56.11	9,896,667	17.30	8,437,202	2.03	8,269,628	112.46
Trade debts	14,389,491	64.14	8,766,599	(13.34)	10,115,920	48.56	6,809,503	31.17
Advances, deposits, prepayments and other receivables	6,251,998	58.72	3,938,956	(4.12)	4,108,247	31.77	3,117,789	35.03
Taxation – net	455,778	82.17	250,197	(12.13)	284,732	(39.72)	472,382	9.44
Short-term investments	4,362,587	(46.57)	8,165,334	45.86	5,598,019	47.80	3,787,643	100.00
Cash and bank balances	1,336,630	(12.58)	1,529,044	(5.91)	1,625,126	(27.71)	2,247,990	1,005.40
	44,035,134	28.00	34,402,929	9.31	31,472,544	22.98	25,591,430	102.14
Total assets	78,072,750	25.33	62,291,319	20.10	51,866,928	19.89	43,262,372	83.96
Share capital and reserves								
Issued, subscribed and paid-up capital	3,994,090	-	3,994,090	6.00	3,768,009	-	3,768,009	-
Reserves	32,691,791	26.03	25,939,234	25.40	20,684,867	19.02	17,379,049	40.16
	36,685,881	22.56	29,933,324	22.41	24,452,876	15.63	21,147,058	30.80
Liabilities								
Non-current liabilities	1,427,225	104.05	699,462	54.79	451,864	120.04	205,355	100.00
Deferred liabilities	7,839,253	(1.39)	7,949,533	46.96	5,409,360	7.92	5,012,562	568.04
Long-term financing	455,578	9.08	417,640	(36.77)	660,502	100.00	171,678	-
Lease liabilities	127,082	(90.48)	1,334,357	100.00	1,334,357	-	-	-
Long-term provisions	9,849,138	(5.31)	10,400,992	32.39	7,856,083	45.76	5,389,595	618.29
Current liabilities								
Trade and other payables	8,807,199	51.95	5,796,268	(2.72)	5,958,050	(10.36)	6,646,839	71.86
Provisions	4,311,044	-	-	-	-	-	-	-
Short-term borrowings	15,900,000	10.42	14,400,000	22.55	11,750,000	21.89	9,640,000	278.04
Current portion of non-current liabilities	1,846,327	14.68	1,609,962	(3.58)	1,669,712	381.85	346,524	113.24
Other current liabilities	673,161	346.47	150,773	(16.33)	180,207	95.12	92,356	361.41
	31,537,731	43.63	21,957,003	12.27	19,557,969	16.93	16,725,719	153.41
Total equity and liabilities	78,072,750	25.33	62,291,319	20.10	51,866,928	19.89	43,262,372	83.96

	2024		2025	
	Rupees in 000'	%	Rupees in 000'	%
Assets				
Non current assets				
Property, plant and equipment	36,480,872	7.49	37,400,223	2.52
Long-term investments	-	-	-	-
Other non current assets	301,395	205.81	391,342	29.84
	36,782,267	8.06	37,791,565	2.74
Current assets				
Store and spares	2,953,568	65.09	2,599,521	(11.99)
Stock-in-trade	16,698,257	8.08	21,268,341	27.37
Trade debts	15,967,407	10.97	14,298,043	(10.45)
Advances, deposits, prepayments and other receivables	4,516,359	(27.76)	6,411,790	41.97
Taxation – net	218,463	(52.07)	1,139,409	421.56
Short-term investments	2,688,956	(38.36)	-	(100.00)
Cash and bank balances	1,054,766	(21.09)	308,346	(70.77)
	44,097,776	0.14	46,025,450	4.37
Total assets	80,880,043	3.60	83,817,015	3.63
Share capital and reserves				
Issued, subscribed and paid-up capital	3,994,090	-	3,994,090	-
Reserves	29,663,050	(9.26)	29,762,073	0.33
	33,657,140	(8.26)	33,756,163	0.29
Liabilities				
Non-current liabilities	1,718,644	20.42	316,972	(81.56)
Deferred liabilities	6,573,385	(16.15)	4,916,936	(25.20)
Long-term financing	143,596	(68.48)	908,925	532.97
Lease liabilities	-	100.00	-	-
Long-term provisions	8,435,625	(14.35)	6,142,833	(27.18)
Current liabilities				
Trade and other payables	10,809,785	22.74	12,285,805	13.65
Provisions	4,402,049	-	4,811,404	9.30
Short-term borrowings	20,735,654	30.41	24,289,748	17.14
Current portion of non-current liabilities	2,248,712	21.79	2,144,912	(4.62)
Other current liabilities	591,078	(12.19)	386,150	(34.67)
	38,787,278	22.99	43,918,019	13.23
Total equity and liabilities	80,880,043	3.60	83,817,015	3.63

Vertical Analysis - Statement of Financial Position

	2025		2024		2023		2022		2021		2020	
	Rupees in 000'	%	Rupees in 000'	%	Rupees in 000'	%	Rupees in 000'	%	Rupees in 000'	%	Rupees in 000'	%
Assets												
Non current assets												
Property, plant and equipment	37,400,223	44.62	36,480,872	45.10	33,939,059	43.47	27,798,524	44.63	20,308,105	39.15	17,595,012	40.67
Long-term investments	-	-	-	-	-	-	-	-	-	-	-	-
Other non-current assets	391,342	0.47	301,395	0.37	98,557	0.13	89,866	0.14	86,279	0.17	75,930	0.18
	37,791,565	45.09	36,782,267	45.48	34,037,616	43.60	27,888,390	44.77	20,394,384	39.32	17,670,942	40.85
Current assets												
Store and spares	2,599,521	3.10	2,953,568	3.65	1,789,066	2.29	1,856,132	2.98	1,303,298	2.51	886,495	2.05
Stock-in-trade	21,268,341	25.37	16,698,257	20.65	15,449,584	19.79	9,896,667	15.89	8,437,202	16.27	8,269,628	19.12
Trade debts	14,298,043	17.06	15,967,407	19.74	14,389,491	18.43	8,766,599	14.07	10,115,920	19.50	6,809,503	15.74
Advances, deposits, prepayments and other receivables	6,411,790	7.65	4,516,359	5.58	6,251,998	8.01	3,938,956	6.32	4,108,247	7.92	3,117,789	7.21
Taxation – net	1,139,409	1.36	218,463	0.27	455,778	0.58	250,197	0.40	284,732	0.55	472,382	1.09
Short-term investments	-	-	2,688,956	3.32	4,362,587	5.59	8,165,334	13.11	5,598,019	10.79	3,787,643	8.76
Cash and bank balances	308,346	0.37	1,054,766	1.30	1,336,630	1.71	1,529,044	2.45	1,625,126	3.13	2,247,990	5.20
	46,025,450	54.91	44,097,776	54.52	44,035,134	56.40	34,402,929	55.23	31,472,544	60.68	25,591,430	59.15
Total assets	83,817,015	100.00	80,880,043	100.00	78,072,750	100.00	62,291,319	100.00	51,866,928	100.00	43,262,372	100.00
Share capital & reserves												
Issued, subscribed and paid-up capital	3,994,090	4.77	3,994,090	4.94	3,994,090	5.12	3,994,090	6.41	3,768,009	7.26	3,768,009	8.71
Reserves	29,762,073	35.51	29,663,050	36.68	32,691,791	41.87	25,939,234	41.64	20,684,867	39.88	17,379,049	40.17
	33,756,163	40.27	33,657,140	41.61	36,685,881	46.99	29,933,324	48.05	24,452,876	47.15	21,147,058	48.88
Liabilities												
Non-current liabilities												
Deferred liabilities	316,972	0.38	1,718,644	2.12	1,427,225	1.83	699,462	1.12	451,864	0.87	205,355	0.47
Long-term financing	4,916,936	5.87	6,573,385	8.13	7,839,253	10.04	7,949,533	12.76	5,409,360	10.43	5,012,562	11.59
Lease liabilities	908,925	1.08	143,596	0.18	455,578	0.58	417,640	0.67	660,502	1.27	171,678	0.40
Long-term provisions	-	-	-	-	127,082	0.16	1,334,357	2.14	1,334,357	2.57	-	-
	6,142,833	7.33	8,435,625	10.43	9,849,138	12.62	10,400,992	16.70	7,856,083	15.15	5,389,595	12.46
Current liabilities												
Trade and other payables	12,285,805	14.66	10,809,785	13.37	8,807,199	11.28	5,796,268	9.31	5,958,050	11.49	6,646,839	15.36
Provisions	4,811,404	5.74	4,402,049	5.44	4,311,044	5.52	-	-	-	-	-	-
Short-term borrowings	24,289,748	28.98	20,735,654	25.64	15,900,000	20.37	14,400,000	23.12	11,750,000	22.65	9,640,000	22.28
Current portion of non-current liabilities	2,144,912	2.56	2,248,712	2.78	1,846,327	2.36	1,609,962	2.58	1,669,712	3.22	346,524	0.80
Other current liabilities	386,150	0.46	591,078	0.73	673,161	0.86	150,773	0.24	180,207	0.35	92,356	0.21
	43,918,019	52.40	38,787,278	47.96	31,537,731	40.40	21,957,003	35.25	19,557,969	37.71	16,725,719	38.66
Total equity and liabilities	83,817,015	100.00	80,880,043	100.00	78,072,750	100.00	62,291,319	100.00	51,866,928	100.00	43,262,372	100.00

Comments on Statement of Financial Position

Assets

Non-Current Assets:

Non-current assets primarily comprise property, plant and equipment, which increased by PKR 19,805 million in 2025, reflecting a CAGR of 16.28% over the last five years. This growth is mainly attributable to ongoing expansion, modernization, and balancing of manufacturing facilities

Current Assets:

Current assets primarily include stock-in-trade, stores and spares, trade receivables, other receivables, and short-term investments. Over the last five years, stock-in-trade along with stores & spares have consistently grown, driven by business expansion, rising material costs, and notable currency devaluation.

Liabilities

Non-Current Liability:

The non-current liabilities have reduced by 27% primarily due to reduction in long term financing and deferred liabilities. However, this decrease has been partly off-set by an increase in lease liability on account of reassessment made during the year.

Current Liability:

Current liabilities have risen owing to higher short-term borrowings and an increase in trade and other payables, in line with the growing needs of the business

Equity

Shareholders' equity, comprising share capital and reserves, has grown at a CAGR of 9.80% over the past five years, mainly supported by retained profits. In 2025, equity recorded only a marginal increase compared to the previous year owing to lower profitability.

Horizontal Analysis - Statement of Profit or Loss

	2025		2024		2023		2022		2021		2020	
	Rupees in 000'	%	Rupees in 000'	%	Rupees in 000'	%	Rupees in 000'	%	Rupees in 000'	%	Rupees in 000'	%
Sales	66,110,531	(5.23)	69,757,601	22.27	57,051,733	16.39	49,018,456	57.08	31,205,677	6.33	29,348,438	34.58
Cost of sales	(57,070,815)	(1.48)	(57,925,400)	31.36	(44,096,387)	6.53	(41,394,974)	71.25	(24,171,592)	9.68	(22,037,823)	26.82
Gross profit	9,039,716	(23.60)	11,832,201	(8.67)	12,955,346	69.94	7,623,482	8.38	7,034,085	(3.78)	7,310,615	65.05
Administrative costs	(1,404,726)	2.02	(1,376,943)	14.79	(1,199,518)	50.61	(796,432)	22.88	(648,153)	13.76	(569,770)	20.13
Distribution costs	(4,616,779)	(8.81)	(5,062,989)	22.21	(4,142,936)	3.90	(3,987,443)	72.89	(2,306,404)	12.20	(2,055,632)	30.81
Other expenses	(202,359)	(64.13)	(564,144)	(0.60)	(567,527)	107.62	(273,355)	(59.07)	(667,832)	87.21	(356,736)	68.03
	(6,223,864)	(11.14)	(7,004,076)	18.51	(5,909,981)	16.86	(5,057,230)	39.61	(3,622,389)	21.47	(2,982,138)	32.07
Other income	883,893	59.19	555,227	(88.24)	4,721,338	112.69	2,219,811	914.13	218,888	(89.31)	2,048,509	185.04
Operating profit	3,699,745	(31.27)	5,383,352	(54.25)	11,766,703	145.85	4,786,063	31.83	3,630,584	(43.07)0	6,376,986	120.67
Finance costs	(3,068,248)	(20.01)	(3,835,632)	92.65	(1,991,012)	199.23	(665,374)	91.77	(346,959)	122.56	(155,892)	81.84
Profit before income tax and final taxes	631,497	(59.20)	1,547,720	(84.17)	9,775,691	137.23	4,120,689	25.49	3,283,625	(47.22)	6,221,094	121.85
Final taxes	(678,440)	(29.79)	(966,316)	8.24	(892,756)	25.35	(712,235)	105.61	(346,404)	49.77	(231,284)	344.33
Profit before income tax	(46,943)	(108.07)	581,404	100.00	8,882,935	160.61	3,408,454	16.04	2,937,221	(50.96)	5,989,810	117.65
Income tax	145,966	(1,710.57)	(9,063)	100.00	86,522	-	-	-	-	-	-	-
Profit after income tax	99,023	(82.70)	572,341	(93.62)	8,969,457	163.15	3,408,454	16.04	2,937,221	(50.96)	5,989,810	117.65

Vertical Analysis - Statement of Profit or Loss

	2025		2024		2023		2022		2021		2020	
	Rupees in 000'	%	Rupees in 000'	%	Rupees in 000'	%	Rupees in 000'	%	Rupees in 000'	%	Rupees in 000'	%
Sales - net	66,110,531	100.00	69,757,601	100.00	57,051,733	100.00	49,018,456	100.00	31,205,677	100.00	29,348,438	100.00
Cost of sales	(57,070,815)	(86.33)	(57,925,400)	(83.04)	(44,096,387)	(77.29)	(41,394,974)	(84.45)	(24,171,592)	(77.46)	(22,037,823)	(75.09)
Gross profit	9,039,716	13.67	11,832,201	16.96	12,955,346	22.71	7,623,482	15.55	7,034,085	22.54	7,310,615	24.91
Administrative costs	(1,404,726)	(2.12)	(1,376,943)	(1.97)	(1,199,518)	(2.10)	(796,432)	(1.62)	(648,153)	(2.08)	(569,770)	(1.94)
Distribution costs	(4,616,779)	(6.98)	(5,062,989)	(7.26)	(4,142,936)	(7.26)	(3,987,443)	(8.13)	(2,306,404)	(7.39)	(2,055,632)	(7.00)
Other expenses	(202,359)	(0.31)	(564,144)	(0.81)	(567,527)	(0.99)	(273,355)	(0.56)	(667,832)	(2.14)	(356,736)	(1.22)
	(6,223,864)	(9.41)	(7,004,076)	(10.04)	(5,909,981)	(10.36)	(5,057,230)	(10.32)	(3,622,389)	(11.61)	(2,982,138)	(10.16)
Other income	883,893	1.34	555,227	0.80	4,721,338	8.28	2,219,811	4.53	218,888	0.70	2,048,509	6.98
Operating profit	3,699,745	5.60	5,383,352	7.72	11,766,703	20.62	4,786,063	9.76	3,630,584	11.63	6,376,986	21.73
Finance costs	(3,068,248)	(4.64)	(3,835,632)	(5.50)	(1,991,012)	(3.49)	(665,374)	(1.36)	(346,959)	(1.11)	(155,892)	(0.53)
Profit before income tax and final taxes	631,497	0.96	1,547,720	2.22	9,775,691	17.13	4,120,689	8.41	3,283,625	10.52	6,221,094	21.20
Final taxes	(678,440)	(1.03)	(966,316)	(1.39)	(892,756)	(1.56)	(712,235)	(1.45)	(346,404)	(1.11)	(231,284)	(0.79)
Profit before income tax	(46,943)	(0.07)	581,404	0.83	8,882,935	15.57	3,408,454	6.95	2,937,221	9.41	5,989,810	20.41
Income tax	145,966	0.22	(9,063)	(0.01)	86,522	0.15	-	-	-	-	-	-
Profit after income tax	99,023	0.15	572,341	0.82	8,969,457	15.72	3,408,454	6.95	2,937,221	9.41	5,989,810	20.41

Comments on Statement of Profit or Loss

Sales

Over the last five years, revenues have grown from Rs. 29.35 billion in 2020 to Rs. 66.11 billion in 2025, reflecting a CAGR of 17.64%. This increase is largely attributable to the management's consistent focus on sustaining and expanding market share and customer base, along with the positive impact of rupee devaluation on net turnover. However, in 2025 sales declined by 5% compared to the previous year due to challenging economic situation in the export markets.

Cost of Sales

Cost of sales increased from Rs. 22.04 billion in 2020 to Rs. 57.07 billion in 2025. The increase in cost of sales is primarily attributable to the growth in business operations. However, substantial increases in raw material prices and rising energy and fuel costs continue to pose challenges in keeping costs under control.

Operating Profit

Operating profit declined from Rs. 6.38 billion in 2020 to Rs. 3.70 billion in 2025, largely due to the factors mentioned above. Nevertheless, management has continued to focus on improving efficiencies and achieving economies of scale despite these challenges.

Profit After Tax

The Company experienced a sharp decline in net profit in 2025, which fell to Rs. 99 million from Rs. 572 million in 2024. This decline was primarily driven by reduction in revenues during the year and gross profit margins are under pressure due to increase in cost of doing business.

Summary of Cash flow Statement

	2025	2024	2023	2022	2021	2020
	(Rupees in 000')					
CASH FLOWS FROM OPERATING ACTIVITIES						
Profit before taxation	631,497	1,547,720	9,775,691	4,120,689	4,789,284	3,283,625
Adjustments for:						
Depreciation and Amortization	3,145,235	2,758,055	2,617,326	2,776,155	1,703,743	1,339,966
Operating fixed assets written off	26,005	18,481	1,314	2,028	-	13,379
Loss / (gain) on disposal of operating fixed assets	844	490	(8,828)	(6,147)	20,821	47,595
Allowance for expected credit loss on trade debts	1,344	(835)	39,198	6,985	6,163	16,944
Exchange gain on derivative financial instruments	89,512	(53,539)	-	-	-	-
Finance costs	3,068,248	3,835,632	1,991,012	665,374	558,327	346,959
Provision for gratuity	416,299	373,669	242,052	291,073	217,839	111,680
Charge against provisions - net		-	1,226,394	-	-	-
Exchange gain net	(797,898)	418,987				
Interest on bank deposit	(19,714)	(54,250)	(60,694)	(64,539)	(49,237)	(59,801)
Advances written off	-	1,873	-	-	-	-
Provision for slow moving and obsolete stores and spares	-	-		22,161	14,677	23,807
Provision for doubtful advances	-	-	-	-	-	104,969
Reversal of provision against doubtful advances	-		(1,461)	(39,878)	(62,901)	-
Dividend income on open ended mutual fund units	(40,578)	(202,929)	(534,842)	(373,304)	(188,638)	(159,087)
	5,889,297	7,095,634	5,511,471	3,279,908	2,220,794	1,786,411
Changes in working capital						
Stores and spares	354,047	(1,164,502)	67,066	(574,995)	(431,480)	(1,788)
Stock-in-trade	(4,570,084)	(1,248,673)	(5,552,917)	(1,459,465)	(167,574)	(1,858,541)
Trade debts	1,669,364	(1,577,081)	(4,531,805)	1,342,336	(3,312,580)	803,547
Provisions	409,355	(36,077)		-		
Advances, deposits, prepayments and other receivables	(1,948,970)	1,787,305	(2,281,625)	207,429	(933,706)	(1,290,618)
Trade and other payables	1,386,508	1,680,803	3,773,438	(189,248)	637,500	1,560,598
	(2,699,780)	(558,225)	(8,525,843)	(673,943)	(4,207,840)	(786,802)
Cash generated from operations	3,821,014	8,085,129	6,761,319	6,726,654	2,802,238	4,283,234
Finance costs paid	(3,273,129)	(3,917,954)	(1,560,388)	(599,004)	(485,281)	(307,408)
Final taxes paid	(1,453,420)	(738,064)	(642,321)			
Income taxes paid			(369,495)	(677,700)	(290,343)	(336,591)
Long-term deposits	49,229	(147,051)	(14,880)	(9,174	(16,580)	
Provisions utilized during the year	-		-	-	-	-
Gratuity paid	(275,250)	(124,774)	(95,271)	(123,107)	(41,175)	(26,888)
	(4,952,570)	(4,927,843)	(2,682,355)	(1,408,985)	(833,379)	(670,887)
Net cash generated from operating activities	(1,131,556)	3,157,286	4,078,964	5,317,669	1,968,859	3,612,347
CASH FLOWS FROM INVESTING ACTIVITIES						
Fixed capital expenditure	(3,827,890)	(5,391,969)	(8,441,079)	(8,761,292)	(3,827,021)	(5,253,765)
Proceeds from disposal of operating fixed assets	61,655	17,343	23,630	28,334	61,611	98,253
Short-term investments encashed / (made)	2,729,534	1,876,560	4,337,589	(2,567,315)	(3,810,376)	(1,684,533)
Interest received on bank deposit	19,714	54,250	60,694	66,279	55,386	54,100
Dividend income received on open ended mutual fund units	-	-		373,304	188,638	55,977
Net cash used in investing activities	(1,016,987)	(3,443,816)	(4,019,166)	(10,860,690)	(7,331,762)	(6,729,968)
CASH FLOWS FROM FINANCING ACTIVITIES						
Dividends paid	(47)	(3,546,513)	(1,980,887)	(1,148,581)	(909,265)	(1,921,651)
Long-term financing obtained – net	(1,790,400)	(1,040,449)	549,052	2,618,337	1,705,579	2,975,446
Short-term borrowings obtained – net	3,554,094	4,835,654	1,500,000	2,650,000	2,110,000	3,150,000
Proceeds against right issue	-	-	-	1,571,748		
Principal portion of lease liabilities paid	(361,524)	(244,026)	(320,377)	(244,565)	(166,275)	(105,882)
Net cash generated from financing activities	1,402,123	4,666	(252,212)	5,446,939	2,740,039	4,097,913
Net increase in cash and cash equivalents	(746,420)	(281,864)	(192,414)	(96,082)	(2,622,864)	980,292
Cash and cash equivalents at the beginning of the year	1,054,766	1,336,630	1,529,044	1,625,126	4,247,990	3,267,698
Cash and cash equivalents at the end of the year	308,346	1,054,766	1,336,630	1,529,044	1,625,126	4,247,990

Comments on Statement of Cash Flow

Operating Activities:

The Company's operating cash flow declined in 2025, mainly due to lower profits, increase in sales tax refundable and increase in inventory as compared to last year. Finance costs also remained elevated because of higher borrowing requirements to support working capital.

Investing Activities:

Cash used in investing activities was Rs. 1.016 billion compared to Rs. 1.94 billion in 2024, reflecting reduced capital expenditure during the year with spending limited to essential projects.

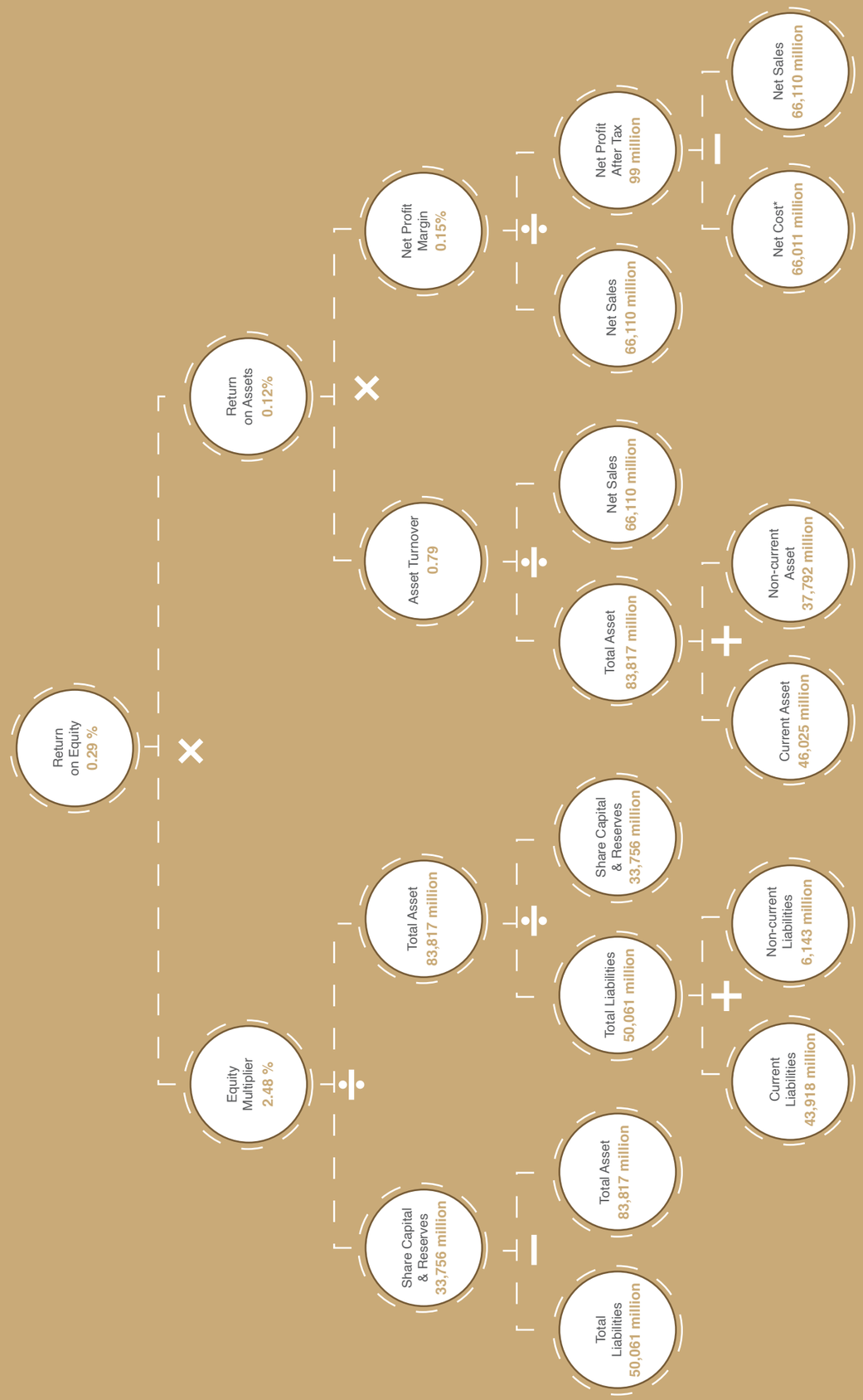
Financing Activities:

Financing activities generated Rs. 1.402 billion in cash flows in 2025, reflecting higher short-term borrowings of Rs. 3.5 billion, partially offset by repayments of long-term financing facilities. The increase in short term borrowings reflect higher working capital demand during the year.

Statement of Value Addition and its Distrubution

	2025		2024	
	Rupees in 000'	%	Rupees in 000'	%
Wealth generated				
Sales including sales tax	66,379,827		70,025,184	
Other operating income	883,893		555,227	
Brought-in-material & services	(48,153,945)		(51,142,572)	
	19,109,775	100%	19,437,839	100%
Wealth distribution				
To Employees				
Salaries, benefit and other cost	11,950,564	62.54%	10,943,964	56.30%
To Government				
Final tax, Income tax, sales tax, excise duty and others	815,337	4.27%	1,298,161	6.68%
To Society				
Donation towards education and health	31,368	0.16%	29,686	0.15%
To Provider of capital				
Cash dividend to shareholder	0.00%		3,546,752	18.25%
Finance cost	3,068,248	16.06%	3,835,632	19.73%
To Company				
Depreciation, amortization & retained profit	3,244,258	16.98%	(216,536)	-1.11%
	19,109,775	100%	19,437,839	100%

Dupont Analysis



* Net Cost = Total costs net of other income

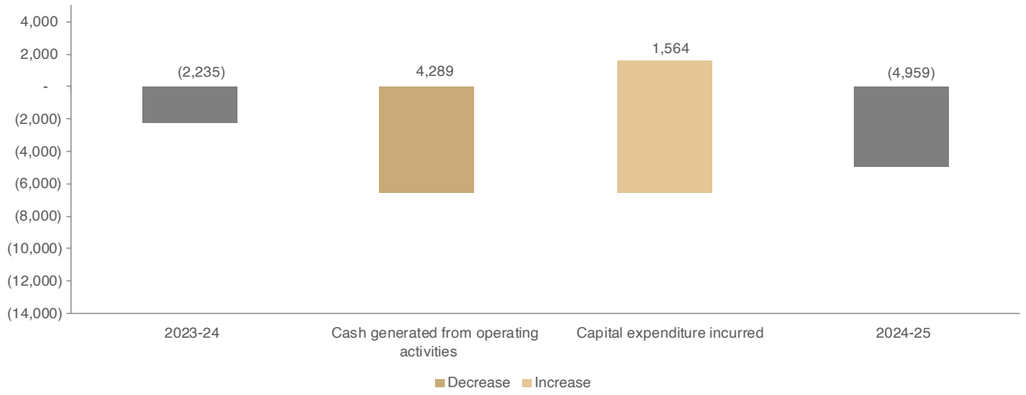
Year	ROE	Profit Margin	Total Asset Turnover	Equity Multiplier
2025	0.29%	0.15%	0.79	2.48
2024	1.70%	0.82%	0.88	2.40
2023	24.45%	15.72%	0.81	2.11
2022	11.39%	6.95%	0.86	2.14
2021	17.63%	10.13%	0.90	2.12
2020	13.89%	9.41%	0.81	2.05

Comments on DuPont Analysis

- Profit margin of the Company decreased in the current year on account of increasing raw material cost, reduction in sales amid slower economic growth in export markets.
- The asset base of the Company has improved during the current year mainly on account of completion of civil infrastructure at one of the manufacturing location and routine capital expenditure.
- The Financial Leverage ratio of the Company has increased due to short-term loans obtained to finance working capital requirement.

Free Cash Flow

	2025	2024
	------- Rupees in '000 -------	
Cash generated from operating activities	(1,131,556)	3,157,286
Less: Capital expenditure incurred	(3,827,890)	(5,391,969)
	(4,959,446)	(2,234,683)



Statement of Cash Flow Direct Method

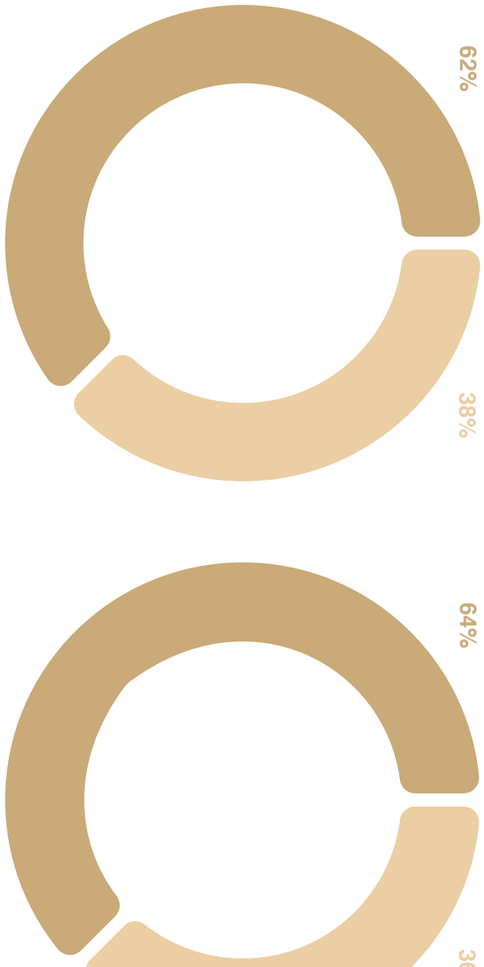
	2025	2024
	---------- Rupees in '000 ----------	
CASH FLOWS FROM OPERATING ACTIVITIES		
Proceed from customers	67,948,344	67,821,459
Proceed from Government refundable	588,639	728,721
	68,536,983	68,550,180
Payment to suppliers / service providers etc.	(53,390,576)	(49,477,157)
Payment to employees	(11,505,372)	(10,987,894)
Finance costs paid	(3,273,129)	(3,917,954)
Income taxes paid	(1,453,420)	(738,064)
Long-term deposits	49,229	(147,051)
Gratuity paid	(95,271)	(124,774)
	(69,668,539)	(65,392,894)
Net cash (used in) / generated from operating activities	(1,131,556)	3,157,286
CASH FLOWS FROM INVESTING ACTIVITIES		
Fixed capital expenditure	(3,827,890)	(5,391,969)
Proceeds from disposal of operating fixed assets	61,655	17,343
Short-term investments encashed	2,729,534	1,876,560
Interest received on bank deposit	19,714	54,250
Net cash used in investing activities	(1,016,987)	(3,443,816)
CASH FLOWS FROM FINANCING ACTIVITIES		
Dividends paid	(47)	(3,546,513)
Long-term financing – net	(1,790,400)	(1,040,449)
Short-term borrowings – net	3,554,094	4,835,654
Lease rentals paid	(361,524)	(244,026)
Net cash generated from financing activities	1,402,123	4,666
Net increase in cash and cash equivalents	(746,420)	(281,864)
Cash and cash equivalents at the beginning of the year	1,054,766	1,336,630
Cash and cash equivalents at the end of the year	308,346	1,054,766

Quarterly Performance

Particualar	1st Quarter		2nd Quarter		3rd Quarter		4th Quarter		Annual	
	Rupees in '000	%	Rupees in '000	%	Rupees in '000	%	Rupees in '000	%	Rupees in '000	%
Sales	15,702,909	100.0%	12,545,882	100.0%	19,080,702	100.0%	18,781,038	100.0%	66,110,531	100.0%
Cost of sales	(13,548,514)	-86.3%	(11,223,986)	-89.5%	(16,011,647)	-83.9%	(16,286,668)	-86.7%	(57,070,815)	-86.3%
Gross profit	2,154,395	13.7%	1,321,896	10.5%	3,069,055	16.1%	2,494,370	13.3%	9,039,716	13.7%
Administrative costs	(379,891)	-2.4%	(351,453)	-2.8%	(360,530)	-1.9%	(312,851)	-1.7%	(1,404,726)	-2.1%
Distribution costs	(1,175,998)	-7.5%	(732,760)	-5.8%	(1,318,803)	-6.9%	(1,389,218)	-7.4%	(4,616,779)	-7.0%
Other expenses	(21,816)	-0.1%	(17,495)	-0.1%	(22,912)	-0.1%	(140,136)	-0.7%	(202,359)	-0.3%
	(1,577,705)	-10.0%	(1,101,708)	-8.8%	(1,702,245)	-8.9%	(1,842,205)	-9.8%	(6,223,864)	-9.4%
	576,690	3.7%	220,188	1.8%	1,366,810	7.2%	652,165	3.5%	2,815,852	4.3%
Other income	538,479	3.4%	234,634	1.9%	(49,790)	-0.3%	160,570	0.9%	883,893	1.3%
Operating Profit	1,115,169	7.1%	454,822	3.6%	1,317,020	6.9%	812,735	4.3%	3,699,745	5.6%
Finance costs	(910,243)	-5.8%	(778,580)	-6.2%	(681,650)	-3.6%	(697,775)	-3.7%	(3,068,248)	-4.6%
Profit before taxation	204,926	1.3%	(323,758)	-2.6%	635,370	3.3%	114,960	0.6%	631,497	1.0%
Final Taxes and Levies	(202,232)	-1.3%	(53,436)	-0.4%	(247,184)	-1.3%	(29,622)	-0.2%	(532,474)	-0.8%
Profit after taxation	2,694	0.0%	(377,194)	-3.0%	388,186	2.0%	85,337	0.5%	99,023	0.1%
Earning per share	0.01		(0.94)		0.97		0.21		0.25	

Composition of Imported Material vs. Local Raw Material and Sensitivity Analysis

For the year ended June 30, 2025



The Company is a leading manufacturer and exporter of textile products in the Country. Its raw materials include fibers, yarns, dyes and chemicals, packing materials, and various commercial services. For the year ended June 30, 2025, imported and locally sourced raw materials accounted for 62% and 38% of the cost of sales respectively, compared to 64% and 36% in the previous year.

The Company's cost of sales is expected to rise or fall by 4.3% and 8.5% respectively if foreign currency fluctuations are 10% and 20%. This indicates a high sensitivity to such fluctuations, as they significantly impact the overall cost of sales. This analysis assumes that all other variables, particularly interest rates, remain unchanged.

Analysis on Financial & Non - Financial Performance

Financial Performance

I. Financial Performance in comparison with Prior year

In the fiscal year being reviewed, the Company achieved a net sales revenue of PKR 66,110 million, reflecting a reduction of 5% from the previous year. However, the Company faced various challenges including increased energy costs, elevated finance cost and pressure on selling prices. As a result, the bottom line was negatively impacted compared to the previous year to PKR 99 million, from PKR 572million.

The comprehensive analysis of the Company's financial performance in comparison to the prior year has been reported in the financial and operations overview section of Directors' Report. Further details can also be viewed in the section six years analysis of financial statement of this Annual Report.

II. Financial performance in comparison with Budget

The management diligently adheres to the practice of establishing and managing budgets. This commitment ensures that the financial, operational, and capital plans crafted and approved during the budgeting process are successfully implemented. Once budgets are in place, they are monitored closely to maintain accountability in expenditures. Additionally, this continuous and detailed monitoring allows management to evaluate service delivery, verify that new initiatives are progressing as intended, and identify trends that may impact future operations.

This year performance is overall in line with the Budget.

Key Performance Indicators

Key Performance Indicator (KPI) is a measurable value that illustrates how effectively the Company is achieving its key business objectives. The Company employs KPIs at various levels to assess its success in meeting these targets.Below, we have outlined the specific KPIs used to evaluate progress against objectives:



Non - Financial Indicators

Capital Form	Objective	KPI Monitored
Manufactured Capital	Customer Satisfaction	Maintaining strong product quality at every stage of production ensures our offerings consistently meet customer expectations.
	Process improvement and innovation	Applying Kaizen techniques across various levels of the organization has resulted in several notable improvements.
Human Capital	Employee's engagement	The Company has regularly organized activities and events aimed at promoting employee well-being, skill development, and personal growth.
	Health & Safety	Health and safety are integral to the Company's core philosophy, with regular refresher sessions conducted to ensure employee well-being and safety.
Natural Capital	Adopting and promoting environmental good practices	The Company has introduced several initiatives to embrace the principles of Reduce, Reuse, and Recycle (the 3Rs). These efforts focus on minimizing natural resource consumption and reducing harmful emissions before release, with the ultimate goal of lowering the Company's environmental footprint.
Financial Capital	Maximizing market share and expanding customer base	Steady growth in sales revenue has allowed the Company to reinforce its position in the Country's terry exports market while broadening it's customer base.
Social and Relationship Capital	Responsibility & contribution towards society	The Company has actively engaged in and contributed meaningfully to a range of CSR initiatives.
Intellectual Capital	Recruitment, retention and development of employee competencies	As a core Company value, diverse training sessions have been organized to enhance employee skills and support development at all levels.

Budget

The Company places strong emphasis on its non-financial objectives and has allocated a budget for enhancing its manufactured, human, social, and relationship capital in the coming year. Management consistently monitors these KPIs and investigates any significant deviations from the previous year to implement corrective measures.

Methods and Assumptions used in compiling the Key Performance Indicators

A key performance indicator reflects the parameters and factors that can significantly influence a company's financial and non-financial performance. The Company employs various methods and assumptions when compiling its financial and non-financial indicators. All indicators are developed based on the fundamental assumptions outlined below and are reviewed and monitored regularly.

The key assumptions used in compiling non-financial indicators include export market trends, customer relationship management, stakeholder expectations, and process improvements driven by technological advancements.

The key assumptions used for compiling financial indicators are below:

Financial Position

- Appropriateness of capital mix in the Company.
- Change in operating cycle.
- Monitoring current ratio.

Financial performance

- Growth in export sales performance.
- Exploring opportunities to source best quality raw materials on competitive prices.
- Monitoring key components of variable cost.
- Initiating and maintaining techniques for optimal fixed cost absorption.

Liquidity Position

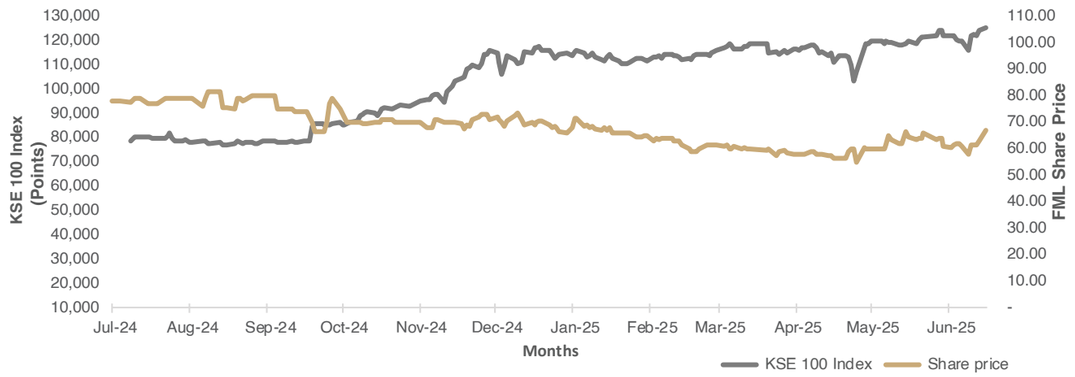
- Monitoring on funds used in / generated from operating, investing and financial cash flow activities.
- Reviewing funds used in working capital management.

Share Price Information and Sensitivity analysis

Share Price sensitivity analysis

Share prices are influenced by various factors, such as overall market performance, investor confidence in the economy and specific sectors, the company's fundamental health, availability of cost-effective raw materials, and government policies or regulations. Positive market sentiment and news can also contribute to share price fluctuations.

As a responsible and compliant organization, Feroze1888 ensures that it disseminates price-sensitive information to the stock exchange in accordance with listing regulations in a timely manner. On July 1, 2024, FML's share price was PKR 82.33, which decreased to PKR 66.88 by June 30, 2025. As illustrated in the graph, during this period, the share price fluctuated, reaching a low of PKR 55.05 on May 09, 2025, and a high of PKR 82.33 on July 1, 2024.





Strength Through People

Our greatest strength lies in our people. By fostering talent, building leaders, and creating a culture of collaboration, we empower individuals to achieve more — together.

Adoption and Statement of Adherence with the International Integrated Report Framework (IIRF)

Feroze1888 is working with a strategy of value creation for the organization and its stakeholders. Achieving sustainable corporate value by focusing economic, societal, technological and environmental factors and their impacts is Company's core strength. For users of this report, it is imperative to ensure, that the information is presented in such a way that it enables the stakeholders to better understand the activities of the Company. It also assures that the Company concisely reports material information depicting how well it is performing in non-financial dimensions that affect the quality of the Company's formulated strategy and its execution. The Company has adopted the Integrated Reporting Framework to give an overview of its philosophy to explain connection between financial and non-financial information. The business strategy information is linked directly to business activities and non-financial information, and provides explanations accordingly. Integration of financial, social and environmental information is one of the most effective way for an organization to report its performance and activities and to demonstrate, to the market and society, the importance of linking sustainability issues to business strategies.

Management Approach:

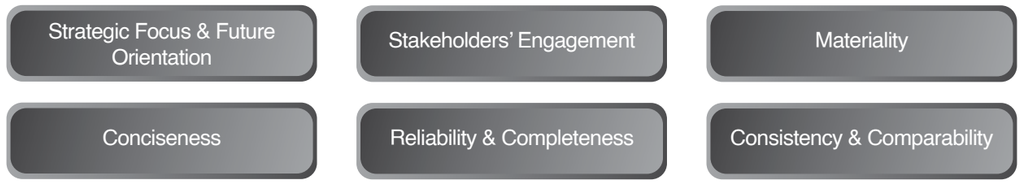
Feroze1888 is in the process of adopting the International Integrated Reporting Framework (IIRF) and is committed to upholding best practices in corporate governance. This framework necessitates a strong commitment from the Company's management, which is ultimately responsible for the messages conveyed to all stakeholders. Connectivity of the information is another aspect which needs to be addressed properly. Thus, the stakeholders are made aware of the Company's philosophy and attitude towards achieving the enhanced stakeholders' value and customer satisfaction. The management believes that maximizing stakeholder value can be achieved through increased revenue and effective cost control measures.

Application of the Integrated Reporting Framework:

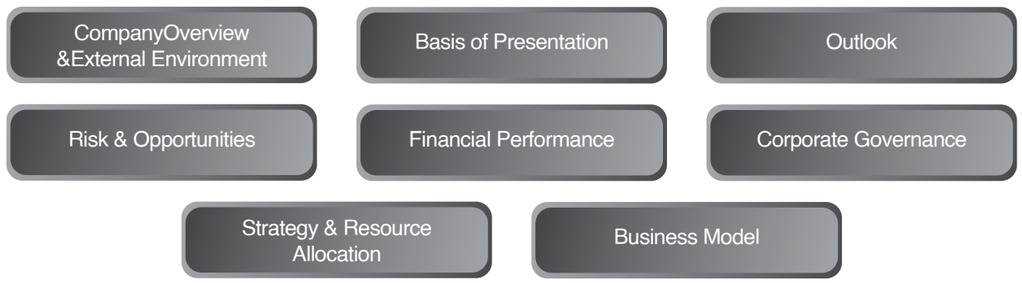
The Company adheres to the proper application of the International Integrated Reporting Framework which is divided into two major segments:

- Guiding Principle of this Report
- Content Element of this Report

Guiding Principle of this Report



Content Element of this Report



Statement of Unreserved Compliance

of International Financial Reporting Standards (IFRSs)

The Financial Statements of the Company have been prepared in accordance with the International Financial Reporting Standards issued by International Accounting Standards Board (IASB) as notified under the Companies Act, 2017.

Further, there are certain standards and interpretations which are yet to be effective in Pakistan and certain standards not adopted by SECP, as disclosed in note 2.4 of the financial statements. However, the management believes that these standards and interpretation do not have any material impact on the financial statements of the Company.

Grant Thornton

Independent Auditors' Report

To the members of Feroze 1888 Mills Limited
Report on the Audit of the Financial Statements

Grant Thornton Anjum Rahman
1st & 3rd Floor,
Modern Motors House,
Beaumont Road,
Karachi, Pakistan.

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INDEPENDENT AUDITOR'S REPORT

To the members of Feroze1888 Mills Limited

Report on the Audit of financial statements

Opinion

We have audited the annexed financial statements of Feroze1888 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 and the statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policies 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 confirm 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, total 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:

Key audit matter	How the matter was addressed in our audit
First year audit	
We have been engaged to perform the audit of the Company for the first time i.e., for the year ended 30 June 2025. Initial audit engagements involve a number of considerations not associated with recurring audits. Additional planning activities and considerations necessary to establish an appropriate audit strategy and audit plan include gaining an initial understanding of the Company and its business, obtaining sufficient audit evidence regarding the opening balances including the selection and application of accounting principles and communicating with the previous auditors.	We performed various procedures to obtain sufficient appropriate audit evidence regarding opening balances including the following: - reviewed the predecessor auditor's work papers and made additional inquiries from predecessor auditors about matters that may affect our audit in the current year. - evaluated the key accounting matters from prior years. - evaluated whether accounting policies reflected in the opening balances have been consistently applied in the current year's financial statements and adequately presented and disclosed in accordance with the financial reporting standards.
Inventory valuation	
As disclosed in note 9 to the financial statements, stock in trade amounted to Rs. 21,268.341 million which constitutes approximately 25% of the total assets of the Company. These are valued at lower of cost or Net Realizable Value (NRV). Given the significance of stock in trade to the Company's total assets and the level of judgement and estimates involved, we have identified it as a key audit matter.	Our procedures, amongst others, included the following: - obtained an understanding of controls over purchases and valuation of stock-in-trade and tested, on a sample basis, their design, implementation and operating effectiveness. - performed observation of inventory counts and physical inspection of the stock held as of the reporting date. - assessed the NRV of stock in trade by comparing management's estimation of future selling prices for the products with the selling process achieved subsequent to the reporting period. - assessed the adequacy and appropriateness of disclosures for compliance with the requirements of applicable financial reporting framework.

Key audit matter	How the matter was addressed in our audit
Revenue recognition	
As disclosed in note 23 to the financial statements the Company generates revenue from local and export sale of towels. We identified revenue recognition and its reporting in the financial statements as a key audit matter primarily due it being a key performance indicator, inherent risk of material misstatement and the amount of audit efforts in relation to this area.	Our procedures, amongst others, included the following: - obtained an understanding of the Company's processes in place for revenue recognition and tested key controls. - performed analytical review procedures and other test of details over revenue including cut-off procedures to check that revenue has been recognized in the appropriate accounting period. - assessed the adequacy and appropriateness of disclosures for compliance with the requirements of applicable financial reporting framework.

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 of the Company are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs as applicable in Pakistan will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs as applicable in Pakistan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

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

We communicate with the Board of Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Board of directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the Board of directors, we determine those matters that were of most significance in the audit of the financial statements of the current year 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) zakat deductible at source under the Zakat and Ushr Ordinance, 1980 (XVIII of 1980), was deducted by the Company and deposited in the Central Zakat Fund established under section 7 of that Ordinance.

Other Matter

The financial statements of the Company for the year ended 30 June 2024 were audited by EY Ford Rhodes who expressed an unmodified opinion on those statements dated 4 October 2024.

The engagement partner on the audit resulting in this independent auditor's report is **Khurram Jameel**.

Chartered Accountants
Place: Karachi
Date: 26 September 2025
UDIN: AR202510093Yz1n7w2BI

Financial Statements

STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE 2025

	Note	2025	2024
		----------(Rupees in '000)----------	
ASSETS			
Non-current assets			
Property, plant and equipment	5	37,400,223	36,480,872
Intangible assets	6	206,496	67,320
Long-term deposits	7	184,846	234,075
		37,791,565	36,782,267
Current assets			
Stores and spares	8	2,599,521	2,953,568
Stock-in-trade	9	21,268,341	16,698,257
Trade debts	10	14,298,043	15,967,407
Advances, deposits, prepayments and other receivables	11	6,411,790	4,516,359
Taxation - net		1,139,409	218,463
Short-term investments		-	2,688,956
Cash and bank balances	12	308,346	1,054,766
		46,025,450	44,097,776
TOTAL ASSETS		83,817,015	80,880,043
EQUITY AND LIABILITIES			
Share capital and reserves			
Authorised share capital			
400,000,000 ordinary shares of Rs 10/- each		4,000,000	4,000,000
Issued, subscribed and paid-up capital	13	3,994,090	3,994,090
Reserves	14	29,762,073	29,663,050
		33,756,163	33,657,140
LIABILITIES			
Non-current liabilities			
Deferred liabilities	15	316,972	1,718,644
Long-term financing	16	4,916,936	6,573,385
Lease liabilities	17	908,925	143,596
		6,142,833	8,435,625
Current liabilities			
Trade and other payables	18	12,285,805	10,809,785
Provisions	19	4,811,404	4,402,049
Short-term borrowings	20	24,289,748	20,735,654
Accrued mark-up	21	383,780	588,661
Current portion of deferred liabilities	15.1	102,166	113,326
Current portion of long-term financing	16	1,806,845	1,827,050
Current portion of lease liabilities	17	235,901	308,336
Unclaimed dividend		2,370	2,417
		43,918,019	38,787,278
Contingencies and commitments	22		
TOTAL EQUITY AND LIABILITIES		83,817,015	80,880,043

The annexed notes 1 to 40 form an integral part of these financial statements.

JAVERIA SIDDIQUI
Chief Financial Officer

REHAN RAHMAN
Chief Executive Officer

AMINAH ZAHID ZAHEER
Director

STATEMENT OF PROFIT OR LOSS

FOR THE YEAR ENDED 30 JUNE 2025

	Note	2025	2024
		----------(Rupees in '000)----------	
Sales	23	66,110,531	69,757,601
Cost of sales	24	(57,070,815)	(57,925,400)
Gross profit		9,039,716	11,832,201
Administrative costs	25	(1,404,726)	(1,376,943)
Distribution costs	26	(4,616,779)	(5,062,989)
Other expenses	27	(202,359)	(564,144)
		(6,223,864)	(7,004,076)
		2,815,852	4,828,125
Other income	28	883,893	555,227
Operating profit		3,699,745	5,383,352
Finance costs	29	(3,068,248)	(3,835,632)
Profit before levies and income tax		631,497	1,547,720
Levies			
Minimum tax		(672,495)	-
Final tax		(5,945)	(966,316)
		(678,440)	(966,316)
(Loss) / profit before income tax		(46,943)	581,404
Taxation			
Current		-	-
Prior		145,966	(9,063)
	30	145,966	(9,063)
Net profit for the year		99,023	572,341
		----------(Rupees in '000)----------	
Earnings per share - basic and diluted	31	0.25	1.43

The annexed notes 1 to 40 form an integral part of these financial statements.

JAVERIA SIDDIQUI
Chief Financial Officer

REHAN RAHMAN
Chief Executive Officer

AMINAH ZAHID ZAHEER
Director

STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 30 JUNE 2025

	Note	2025	2024
		----------(Rupees in '000)----------	
Net profit for the year		99,023	**572,341**
Other comprehensive income			
Items that will not be subsequently reclassified to statement of profit or loss			
Actuarial loss on defined benefit obligation		-	**(54,330)**
Total comprehensive income for the year		99,023	**518,011**

The annexed notes 1 to 40 form an integral part of these financial statements.

JAVERIA SIDDIQUI
Chief Financial Officer

REHAN RAHMAN
Chief Executive Officer

AMINAH ZAHID ZAHEER
Director

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 30 JUNE 2025

	Issued, subscribed and paid-up capital	Capital reserves			Revenue reserve	Total
		Merger reserve	Share premium	Revaluation surplus on land	Accumulated profit	
	----------(Rupees in '000)----------					
Balance as at 30 June 2023	3,994,090	543,413	1,571,733	3,010,172	27,566,473	36,685,881
Net profit for the year	-	-	-	-	572,341	572,341
Other comprehensive loss	-	-	-	-	(54,330)	(54,330)
Total comprehensive income for the year	-	-	-	-	518,011	518,011
Final cash dividend for the year ended 30 June 2023 at Rs. 8.88 /- per share	-	-	-	-	(3,546,752)	(3,546,752)
Balance as at 30 June 2024	3,994,090	543,413	1,571,733	3,010,172	24,537,732	33,657,140
Net profit for the year	-	-	-	-	99,023	99,023
Other comprehensive loss		-		-	-	-
	-		-			
Total comprehensive income for the year	-	-	-	-	99,023	99,023
Balance as at 30 June 2025	3,994,090	543,413	1,571,733	3,010,172	24,636,755	33,756,163

The annexed notes 1 to 40 form an integral part of these financial statements.

JAVERIA SIDDIQUI
Chief Financial Officer

REHAN RAHMAN
Chief Executive Officer

AMINAH ZAHID ZAHEER
Director

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30 JUNE 2025

	Note	2025	2024
CASH FLOWS FROM OPERATING ACTIVITIES		----------(Rupees in '000)----------	
Profit before levies and income tax		631,497	1,547,720
Adjustments for:			
Depreciation on operating fixed assets	5.4	2,889,410	2,504,125
Depreciation on right-of-use assets	5.7.1	250,459	247,993
Amortisation on intangible assets	24.1	5,366	5,937
Operating fixed assets written off	27	26,005	18,481
Loss on disposal of operating fixed assets	27	844	490
Allowance for ECL	28 & 27	1,344	(835)
Loss / (gain) on derivative financial instruments	28 & 27	89,512	(53,539)
Finance costs	29	3,068,248	3,835,632
Provision for gratuity	18.3	416,299	373,669
Exchange gain - net	28 & 27	(797,898)	418,987
Interest on bank accounts	28	(19,714)	(54,250)
Dividend income	28	(40,578)	(202,929)
Advances written off		-	1,873
		5,889,297	7,095,634
Working capital changes:			
Stores and spares		354,047	(1,164,502)
Stock in trade		(4,570,084)	(1,248,673)
Trade debts		1,669,364	(1,577,081)
Advances, deposits, prepayments and other receivables		(1,948,970)	1,787,305
Trade and other payables		1,386,508	1,680,803
Provisions		409,355	(36,077)
		(2,699,780)	(558,225)
Cash generated from operations		3,821,014	8,085,129
Finance costs paid		(3,273,129)	(3,917,954)
Income tax and levies paid		(1,453,420)	(738,064)
Gratuity paid		(275,250)	(124,774)
Long-term deposits - net		49,229	(147,051)
Net cash (used in) / generated from operating activities		(1,131,556)	3,157,286
CASH FLOWS FROM INVESTING ACTIVITIES			
Capital expenditure during the year		(3,827,890)	(5,391,969)
Proceeds from disposal of operating fixed assets	5.5	61,655	17,343
Short-term investments encashed		2,729,534	4,362,587
Short-term investments made		-	(2,486,027)
Interest received on bank accounts		19,714	54,250
Net cash used in investing activities		(1,016,987)	(3,443,816)
CASH FLOWS FROM FINANCING ACTIVITIES			
Dividend paid		(47)	(3,546,513)
Lease rentals paid		(361,524)	(244,026)
Short-term borrowings - net		3,554,094	4,835,654
Long term financing - net		(1,790,400)	(1,040,449)
Net cash generated from financing activities		1,402,123	4,666
Net decrease in cash and cash equivalents		(746,420)	(281,864)
Cash and cash equivalents at the beginning of the year		1,054,766	1,336,630
Cash and cash equivalents at the end of the year	12	308,346	1,054,766

The annexed notes 1 to 40 form an integral part of these financial statements.

JAVERIA SIDDIQUI
Chief Financial Officer

REHAN RAHMAN
Chief Executive Officer

AMINAH ZAHID ZAHEER
Director

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 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.

1.1 Geographical location and address of business units

Particulars	Location	Total area (in acres)
Corporate Office	Plot # 160, Bangalore Town, Shahrah-e-Faisal Road, Darwaish Colony, Karachi	
Production plants	H-23/4A, H-23/4-B, H-23/4-B1 and H-23/3-II, Scheme No. 3, Landhi Industrial Area, Karachi	34.47
	Survey no. 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	124.23
	Plot # D-12 to D-20, K-1 to K-3, M-30 (Survey 564) and M34 (Survey # 564, 84/1, 85, 86 & 89/1, 94/1) HITE, Hub, Lasbela, Balochistan	28.86
	Plot # 342/A, Haroonabad, SITE, Karachi	0.04
	Plot # B-4/A, A-5/D, A-5/D1, C-3 and C-31, SITE, Karachi	
	Plot # PL-15 and ST-03, North Karachi Industrial Area, Karachi	

2 BASIS OF PREPARATION

2.1 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 (IFRS) issued by the International Accounting Standard Board (IASB) as notified under the Companies Act, 2017 (the Act); and
- Provisions of and directives issued under the Act.

Where provisions of and directives issued under the Act differ from IFRS, the provisions of and directives issued under the Act have been followed.

2.2 Accounting convention

These financial statements have been prepared under the historical cost convention except as otherwise disclosed in note 4 to these financial statements.

2.3 Functional and presentation currency

These financial statements are prepared in Pakistani Rupees, which is the functional and presentation currency of the Company.

2.4 New standards and asmendments to approved accounting standards

Accounting standards effective for the year

There are certain new standards and amendments that are mandatory for the Company's accounting period beginning on 01 July 2024, but are considered either to be not relevant or to not have any significant effect on the Company's operations and are, therefore, not detailed in these financial statements.

Standards and amendments to approved accounting standards that are not yet effective

There are certain new standards and amendments to the approved accounting standards that will be mandatory for the Company's accounting periods beginning on / after 01 July 2025. However, the Company expects that these standards will not have any material impact on the future financial statements of the Company.

3 SIGNIFICANT ACCOUNTING JUDGMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of these financial statements in conformity with approved accounting standards as applicable in Pakistan requires management to make estimates, judgments and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities and assets, at the end of the reporting period. However, uncertainty about these estimates and judgements could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in future periods. The management continually evaluates estimates, judgments and assumptions which are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under current circumstances. Revisions to accounting estimates are recognized prospectively.

In the process of applying the accounting policies, management has made the following estimates, judgments and assumptions which are significant to the financial statements:

Property, plant and equipment

The estimates for revalued amounts of freehold and leasehold land are based on valuation performed by external professional valuer while estimates of useful life and residual value are based on recommendation of in house technical department of the Company. The Company reviews appropriateness of these estimates on an annual basis. Further, where applicable, an estimate of the recoverable amount of assets is made for possible impairment on an annual basis. In making these estimates, the Company uses the technical resources available to the Company. Any change in the estimates in the future might affect the carrying amount of respective item of operating property, plant and equipment, with corresponding effects on the depreciation charge and impairment.

Inventories

The Company reviews the Net Realisable Value (NRV) based on estimated selling price in the ordinary course of business less the estimated costs of completion and estimated costs necessary to make the sale of stock-in-trade and stores and spares to assess any diminution in the respective carrying values and also review the inventories for obsolescence according to degree of ageing based on a specific criteria.

Provisions

Provisions are recognised when the Company has a present 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 obligation and a reliable estimate of the obligation can be made. Provisions are reviewed at each statement of financial position date and adjusted to reflect current best estimate. The Company, based on the availability of the latest information, estimates the value of provision to be recorded in the financial statements, which may differ on the occurrence / non-occurrence of the uncertain future event(s).

Taxation

Current / levies

In applying the estimate for income tax payable, the Company takes into account the applicable tax laws and the decision by appellate authorities on certain issues in the past. Any instance 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 contingency.

Deferred

Deferred tax is provided in full using the liability method on temporary differences arising at the statement of financial position between the tax bases of the assets, the liabilities and their carrying amounts. Deferred tax liabilities are generally recognized for all taxable temporary differences and deferred tax assets are recognized for all deductible temporary differences including unused tax losses and unused tax credits to the extent that it is probable that sufficient future taxable profits will be available against which these 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 statement of financial position date. Deferred tax is charged or credited to statement of profit or loss.

4 MATERIAL ACCOUNTING POLICY INFORMATION

4.1 Property, plant and equipment

Operating fixed assets

These are stated at cost less accumulated depreciation and impairment loss, if any, except for land which is stated at revalued amount less impairment, if any. Depreciation is charged to statement of profit or loss applying the reducing balance method except for lease hold improvement and major overhauling cost of turbine and generators which are depreciated on straight line basis.

Maintenance and repairs are charged to statement of profit or loss as and when incurred. Major overhauling which increases asset's remaining useful economic life or the performance beyond the current estimated levels are capitalized and the assets so replaced, if any, are retired.

The assets residual values, useful lives and depreciation methods are reviewed and adjusted if appropriate, at each financial year end.

Revaluation of land is carried out on each asset class separately with sufficient regularity so that the fair value and carrying value do not differ materially at the statement of financial position date. Any revaluation increase arising on the revaluation of each asset is credited in 'revaluation surplus on land' account. A decrease in the carrying amount arising on revaluation of each asset is charged to profit or loss to the extent that it exceeds the balance, if any, held in the 'revaluation surplus on land' account.

Capital work-in-progress

These are stated at cost less accumulated impairment losses, 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 specific categories of property, plant and equipment as and when these are available for use.

Right-of-use assets

The Company recognises a right-of-use asset at the commencement date of the lease. These are measured at cost less any accumulated depreciation and impairment losses and adjusted for any remeasurement of lease liabilities. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term or the estimated useful lives of the assets.

4.2 Intangible assets

Operating intangible assets are carried at cost less accumulated amortisation and accumulated impairment losses, if any.

Intangibles under development are stated at cost less accumulated impairment losses. All expenditure connected with specific assets incurred during implementation and development period are carried under capital work-in-progress. These are transferred to operating intangible assets as and when these are available for use.

4.3 Stores and spares

These are valued at lower of moving average cost and NRV, except items in-transit, which are valued at cost comprising invoice value plus other charges incurred thereon up to the date of statement of financial position.

4.4 Stock-in-trade

These are valued at lower of cost and NRV except items in transit, which are valued at cost comprising invoice value plus other charges incurred thereon up to the date of statement of financial position.. Cost of raw material is determined using weighted average cost comprising invoice price plus other charges incurred thereon up to the statement of financial position date. Cost in relation to finished goods and work-in-process comprises of the cost of direct material, direct labour and relevant manufacturing expenses that have been incurred in bringing the inventories to their present location and condition.

4.5 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

4.5.1 Financial assets

Initial recognition and measurement

Financial assets are recognized initially at fair value and transaction cost, if any, except for financial assets at fair value through profit or loss (FVPL), in which case, transaction cost is charged to profit or loss.

Subsequent measurement

Financial assets are subsequently measured as follows:

- **At amortized cost**

  These are subsequently measured using the Effective Interest Rate (EIR) method and are subject to impairment. Gains and losses are recognised in statement of profit or loss when the asset is derecognised, modified or impaired.

- **At FVPL**

  These are subsequently measured at fair value with net changes in fair value recognised in statement of profit or loss. This category includes derivative instruments which the Company had not irrevocably elected to classify at FVOCI.

Derecognition

A financial asset is primarily derecognised when the right to receive cash flows from the asset have expired.

Impairment

ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Company expects to receive. The shortfall is then discounted at an approximation to the asset's original effective interest rate. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows. However, in certain cases, the Company may also consider a financial asset to be in default when internal or external information indicates that the Company is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancement held by the Company. At each reporting date, the Company assesses whether financial assets are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred. The Company uses the standard's simplified approach and calculates ECL based on life time ECL on its financial assets. The Company has established a provision matrix that is based on the Company's historical credit loss experience, adjusted for forward-looking factors specific to the financial assets and the economic environment.

4.5.2 Financial liabilities

Initial recognition and measurement

Financial liabilities are recognised initially at fair value and, in case of liabilities at amortized cost, net of directly attributable transaction costs.

Subsequent measurement

Financial liabilities are subsequently measured as follows:

- **At amortized cost**

  These are subsequently measured using the EIR method. Gains and losses are recognised in statement of profit or loss when the liability is derecognised or modified.

- **At FVPL**

  These are subsequently measured at fair value with net changes in fair value recognised in statement of profit or loss.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. Gains and losses on derecognition are recognised in statement of profit or loss.

4.5.3 Offsetting of financial assets and liabilities

Financial assets and liabilities are offset and the net amount reported in the statement of financial position if, and only if, there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis or to realize the assets and settle liabilities simultaneously. Incomes and expenses arising from such assets and liabilities are also offset accordingly.

4.6 Government grants

Government grant related to an expense item is netted off with the related finance cost in the statement of profit or loss on a systematic basis.

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

4.7 Leases

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. In calculating the present value of lease payments at the lease commencement date the Company uses its incremental borrowing rate (IBR). After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made.

4.8 Foreign currency transactions and translation

Transactions in foreign currencies are accounted for in Pakistan Rupees at the rates prevailing on the date of transaction. Monetary assets and liabilities in foreign currencies are translated into Rupees at the exchange rates which approximate those prevailing at the statement of financial position date. Exchange differences are recognised in the statement of profit or loss.

4.9 Revenue from contract with customers

Sale of goods

Revenue from sale of goods is recognized when or as control of goods have been transferred to a customer either over time or at a point in time, when the performance obligations are met. It is recorded at net of trade discounts and rebates.

Other income

a) Profit on bank accounts is recognized on accrual basis using an effective interest rate method.

b) Dividend income is recognized when the right to receive such payment is established.

c) Other revenues are accounted when performance obligations are met.

4.10 Taxation

Current / Levies

The charge for current taxation is computed in accordance with Income Tax Ordinance, 2001 (the Ordinance).The Company has elected to designate the amount computed in accordance with the Ordinance as an income tax within the scope of IAS 12 'Income Taxes' and recognize it as current income tax expense. Any excess over the amount designated as income tax is recognized as a levy.

Deferred

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date. Deferred tax liabilities are recognized for all taxable temporary differences and deferred tax assets are recognized for all deductible temporary differences, unused tax losses and unused tax credits to the extent that it is probable that future taxable profits will be available against which these can be utilized. The carrying amount of deferred tax assets is reviewed at each statement of financial position date and adjusted to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax assets to be utilized.

4.11 Dividend and appropriation to reserves

Dividend is recognised in the financial statements in which these are approved. Dividend approved subsequent to the statement of financial position date is considered as a non-adjusting event and is recognised in the subsequent financial statements.

	Note	2025	2024
		----------(Rupees in '000)----------	
5 PROPERTY, PLANT AND EQUIPMENT			
Operating fixed assets	5.1	30,456,744	29,460,698
Capital work-in-progress	5.6	5,825,134	6,666,574
Right-of-use assets	5.7	1,118,345	353,600
		37,400,223	36,480,872

5.1 Operating fixed assets

	Freehold land	Building on freehold land	Leasehold land	Building on leasehold land	Leasehold improve-ments	Plant and machinery	Electric fittings / equipment	Office equipment	Computers	Furniture and fixtures	Vehicles	Total
	---------- (Rupees in '000) ----------											
As at 01 July 2023												
Cost / revalued amount	548,729	148,250	3,836,428	9,031,231	235,024	23,369,757	981,724	313,722	206,298	171,364	186,133	39,028,660
Accumulated depreciation	-	(119,834)	-	(2,242,697)	(230,909)	(9,131,308)	(279,756)	(127,642)	(148,732)	(54,035)	(93,376)	(12,428,289)
Net book value	548,729	28,416	3,836,428	6,788,534	4,115	14,238,449	701,968	186,080	57,566	117,329	92,757	26,600,371
Year ended 30 June 2024												
Opening net book value	548,729	28,416	3,836,428	6,788,534	4,115	14,238,449	701,968	186,080	57,566	117,329	92,757	26,600,371
Additions / transfers during the year	-	-	-	1,157,001	-	3,920,861	211,523	39,446	42,127	15,413	14,395	5,400,766
Disposals / write offs												
Cost	-	-	-	-	-	(164,662)	(1,909)	(6,479)	(7,811)	(4,480)	(7,848)	(193,189)
Accumulated depreciation	-	-	-	-	-	134,050	1,516	4,362	7,456	3,775	5,716	156,875
Net book value	-	-	-	-	-	(30,612)	(393)	(2,117)	(355)	(705)	(2,132)	(36,314)
Depreciation for the year	-	(2,842)	-	(770,049)	(360)	(1,570,180)	(73,632)	(27,575)	(25,735)	(13,581)	(20,171)	(2,504,125)
Closing net book value	548,729	25,574	3,836,428	7,175,486	3,755	16,558,518	839,466	195,834	73,603	118,456	84,849	29,460,698
As at 30 June 2024												
Cost / revalued amount	548,729	148,250	3,836,428	10,188,232	235,024	27,125,956	1,191,338	346,689	240,614	182,297	192,680	44,236,237
Accumulated depreciation	-	(122,676)	-	(3,012,746)	(231,269)	(10,567,438)	(351,872)	(150,855)	(167,011)	(63,841)	(107,831)	(14,775,539)
Net book value	548,729	25,574	3,836,428	7,175,486	3,755	16,558,518	839,466	195,834	73,603	118,456	84,849	29,460,698
Year ended 30 June 2025												
Opening net book value	548,729	25,574	3,836,428	7,175,486	3,755	16,558,518	839,466	195,834	73,603	118,456	84,849	29,460,698
Additions / transfers during the year	-	-	78,625	1,156,720	-	2,554,851	126,540	29,161	29,461	10,130	33,880	4,019,368
Surplus on revaluation												
Disposals / write offs												
Cost						(349,725)	(10,964)	(12,316)	(41,850)	(76,350)	(8,734)	(499,939)
Accumulated depreciation						264,769	7,475	10,124	38,859	38,966	5,834	366,027
Net book value	-	-	-	-	-	(84,956)	(3,489)	(2,192)	(2,991)	(37,384)	(2,900)	(133,912)
Depreciation for the year	-	(2,557)	-	(804,658)	(359)	(1,891,885)	(93,256)	(40,553)	(25,210)	(10,600)	(20,332)	(2,889,410)
Closing net book value	548,729	23,017	3,915,053	7,527,548	3,396	17,136,528	869,261	182,250	74,863	80,602	95,497	30,456,744
As at 30 June 2025								(2)	-			
Cost / revalued amount	548,729	148,250	3,915,053	11,344,952	235,024	29,331,082	1,306,914	363,534	228,225	116,077	217,826	47,755,666
Accumulated depreciation	-	(125,233)	-	(3,817,404)	(231,628)	(12,194,554)	(437,653)	(181,284)	(153,362)	(35,475)	(122,329)	(17,298,922)
Net book value	548,729	23,017	3,915,053	7,527,548	3,396	17,136,528	869,261	182,250	74,863	80,602	95,497	30,456,744
Annual rates of depreciation		10%		10%	40% - 65%	Note 5.1.1	10%	15%	30%	10%	20%	

5.1.1 Depreciation is charged based on expected useful life of asset at the rate, ranging from 10% to 35% on reducing balance method except for major overhauling cost of turbine and generators which are depreciated at the rate of 33% on straight line basis.

5.2 The latest valuation was carried out by an independent valuer - M/s. Iqbal A. Nanjee & Co. (Private) Limited on June 30, 2022 on the basis of present market values for similar sized plots in the vicinity of land. There has been no material change in the value of land in the current year. Had there been no revaluation, the net book value of freehold and leasehold land would have been Rs.181.79 million (2024: Rs.105.83 million) and Rs. 1,347.77 million (2024: Rs. 1,269.15 million) respectively. The fair value of the land subject to revaluation model falls under level 3 of fair value hierarchy.

5.3 Forced sale value as per the last revaluation report as of 30 June 2022 of freehold and lease hold land is Rs.535.67 million and Rs.3,514.13 million respectively.

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

	Note	2025	2024
		----------(Rupees in '000)----------	
Cost of sales	24.1	2,821,350	2,438,635
Administrative costs	25	68,060	65,490
		2,889,410	2,504,125

5.5 The details of disposals / write offs of operating fixed assets having net book value of more than Rs. 500,000 during the year are as follows:

Particulars of assets	Cost	Accumulated depreciation	Net book value	Sale proceeds	Gain / (loss)	Mode of disposal	Particulars of purchasers
	----------Rupees in '000 ----------						
Air Compressor	82,916	65,839	17,077	26,498	9,420	Insurance Claim	IGI Insurance Limited
Suzuki Alto	1,398	819	579	2,000	1,421	Insurance Claim	IGI Insurance Limited
Honda Civic 1.8 i-VTEC	3,548	2,424	1,124	1,163	38	Company policy	Rehan Rehman - CEO
Pressure Regulating Panel	8,591	5,666	2,925	2,049	(876)	Negotiation	Usman Ali
Boiler DDFC-1205 Fire Tube	16,813	14,006	2,806	4,098	1,292	Negotiation	Mubarak Industries
Complete Natural Gas Compressor	11,873	9,531	2,342	2,049	(292)	Negotiation	Usman Ali
Natural Gas Storage Skid 11 Tubes	50,176	33,094	17,082	12,295	(4,787)	Negotiation	Usman Ali
Paper Reel Cutting Machine	1,894	877	1,017	129	(887)	Negotiation	Muhammad Bilal
Lace & Band Knitting Machine	1,765	873	892	424	(468)	Negotiation	Mustafa Enterprises
Recycling Mother Baby Machine	1,450	889	561	270	(292)	Negotiation	M. Sultan Rajput
Diesel Generator Cummins Engine	5,463	4,917	546	820	273	Negotiation	Shahzaib
Economizer 5 TPH Gas Fired Boiler	1,050	520	530	246	(284)	Negotiation	Faraz Nasir
Pressure Regulating Panel CNG	9,845	5,817	4,028	-	(4,028)	Write Off	-
J-Box Bleaching Machine	9,997	7,964	2,034	-	(2,034)	Write Off	-
Chiller Plant	3,254	1,683	1,571	-	(1,571)	Write Off	-
Cylindrical Pressure SteamPrinting Machines	3,725	2,317	1,408	-	(1,408)	Write Off	-
Softener Padder Machine	2,600	1,583	1,017	-	(1,017)	Write Off	-
Terry Auxiliary Machine	10,155	9,206	949	-	(949)	Write Off	-
Boiler Exhaust Recovery Unit	1,931	1,134	797	-	(797)	Write Off	-
Control Device	2,323	1,809	514	-	(514)	Write Off	-
Sliver Can	13,629	10,322	3,306	-	(3,306)	Write Off	-
Chairs	1,761	918	844	-	(844)	Write Off	-
Workstations	2,743	1,429	1,314	-	(1,314)	Write Off	-
Mild Steel Tables	1,208	560	648	-	(648)	Write Off	-
	250,108	184,197	65,911	52,041	(13,872)		
Items having net book value of less than Rs. 500,000	249,831	181,830	68,001	9,614	(58,387)		
2025	499,939	366,027	133,912	61,655	(72,259)		
2024	193,189	156,875	36,314	17,343	(18,971)		

		Note	2025	2024
			----------(Rupees in '000)----------	
5.6	**Capital work-in-progress**			
	Building on leasehold land		3,058,539	2,751,352
	Plant and machinery		2,634,896	3,148,726
	Furniture and fixtures		38,316	33,258
	Office equipment		93,383	733,238
			5,825,134	6,666,574
5.6.1	**The movement in capital work-in-progress is as follows:**			
	Balance at the beginning of the year		6,666,574	6,668,148
	Capital expenditure during the year		3,461,279	5,225,325
	Transferred to operating fixed assets		(4,135,730)	(5,199,137)
	Written-off durng the year		(166,989)	(27,762)
	Balance at the end of the year		5,825,134	6,666,574
5.7	**Right-of-use assets - premises**			
	Balance at the beginning of the year:			
	Cost		1,280,940	1,280,940
	Accumulated depreciation		(927,340)	(679,347)
	Net book value		353,600	601,593
	Movement in carrying value for the year:			
	Opening net book value		353,600	601,593
	Lease re-assessments during the year		1,043,274	-
	Lease terminated during the year		(28,070)	-
	Depreciation charge for the year	5.7.1	(250,459)	(247,993)
	Closing net book value		1,118,345	353,600
	Balance at the end of the year			
	Cost		2,296,144	1,280,940
	Accumulated depreciation		(1,177,799)	(927,340)
	Net book value		1,118,345	353,600

5.7.1 Depreciation charge for the year on right-of-use assets has been allocated as follows:

	Note	2025	2024
		----------(Rupees in '000)----------	
Cost of sales	24.1	199,051	196,585
Administrative costs	25	51,408	51,408
		250,459	247,993

5.7.2 The right-of-use assets are depreciated over a life of 2 - 5 years.

6 INTANGIBLE ASSETS

	Note	2025	2024
		----------(Rupees in '000)----------	
Operating assets		230	5,596
Capital work-in-progress	6.1	206,266	61,724
		206,496	67,320

6.1 Represents capital expenditure in respect of implementation and development of Enterprise Resource Planning.

7 LONG-TERM DEPOSITS

	Note	2025	2024
		----------(Rupees in '000)----------	
Related parties			
UTI Industries (Private) Limited		11,318	11,318
Nigehban (Private) Limited		23,673	21,518
M&N Impex (Private) Limited		22,266	20,246
Frieden Management (Private) Limited		17,587	17,053
		74,844	70,135
Other than related parties		110,002	163,940
		184,846	234,075

8 STORES AND SPARES

	Note	2025	2024
		----------(Rupees in '000)----------	
General stores		572,004	547,975
Chemicals		547,978	639,166
Packing stores		1,230,339	1,448,380
	8.1	2,350,321	2,635,521
Stores and spares in transit		249,200	318,047
		2,599,521	2,953,568

8.1 Include items costing Rs. 48.51 million (2024: Rs. 55.41 million) which have been valued at their NRV of Rs. 8.99 million (2024: Rs. 14.44 million).

9 STOCK-IN-TRADE

	Note	2025	2024
		----------(Rupees in '000)----------	
Raw materials			
in hand		7,586,598	4,407,269
in transit		2,176,790	2,482,302
		9,763,388	6,889,571
Work-in-progress	9.1	7,051,448	5,648,309
Finished goods		4,453,505	4,160,377
	9.2	21,268,341	16,698,257

9.1 Include inventory of Rs. 282.14 million (2024: Rs. 234.80 million) held with various parties for processing.

9.2 Include items costing Rs. 833.88 million (2024: Rs. 1507.02 million) which have been valued at their NRV of Rs. 436.14 million (2024: Rs. 835.45 million).

10 TRADE DEBTS

	Note	2025	2024
		----------(Rupees in '000)----------	
Considered good			
Export			
Secured	10.1	3,482,171	6,247,007
Unsecured	10.2	10,618,058	9,562,565
		14,100,229	15,809,572
Local			
Unsecured		197,814	157,835
		14,298,043	15,967,407
Considered doubtful		69,799	68,455
Allowance for ECL		(69,799)	(68,455)
		-	-
		14,298,043	15,967,407

10.1 These are secured by way of letters of credit.

10.2 Include due from the following related parties. These are neither past due nor impaired:

	Note	2025	2024
		(Rupees in '000)	
1888 Mills LLC		1,491,336	1,557,421
Premier 1888 Limited		970,374	100,387
		2,461,710	1,657,808

10.3 The maximum aggregate amount outstanding from the related parties at any time during the year calculated with reference to month end balances is as follows:

	Note	2025	2024
		(Rupees in '000)	
1888 Mills LLC		1,757,263	1,811,066
Premier 1888 Limited		970,374	100,387

11 ADVANCES, DEPOSITS, PREPAYMENTS AND OTHER RECEIVABLES

	Note	2025	2024
		(Rupees in '000)	
Considered good			
Advances			
Suppliers		736,378	408,958
Employees		3,097	2,202
		739,475	411,160
Deposits		20,427	8,009
Prepayments		61,404	27,354
Other receivables			
Derivative financial instruments		-	53,539
Export rebate		1,212,776	898,010
Drawback of local taxes and levies receivable		637,742	641,624
Technology upgradation fund scheme		89,278	89,278
Accrued markup		172,115	162,645
Sales tax refundable		3,121,210	2,006,484
Due from related parties	11.1	208,021	134,597
Others		149,342	83,659
		5,590,484	4,069,836
		6,411,790	4,516,359
Considered doubtful		24,323	24,323
Allowance for ECL		(24,323)	(24,323)
		-	-
		6,411,790	4,516,359

11.1 **Due from related parties**

Represent interest free current account balances which are neither past due nor impaired from the following related parties:

	Note	2025	2024
		(Rupees in '000)	
1888 Mills LLC		160,334	69,161
Premier 1888 Limited		47,687	65,436
		208,021	134,597

The above amounts represent maximum aggregate amount outstanding from the related parties at anytime during the year.

12 CASH AND BANK BALANCES

	Note	2025	2024
		(Rupees in '000)	
Conventional - current accounts			
Local currency		61,775	672,980
Foreign currency		87,374	66,870
		149,149	739,850
Conventional - savings account			
Local currency	12.1	16,468	105,242
		165,617	845,092
Islamic - current accounts			
Local currency		36,733	129,998
Foreign currency		30,026	21,178
		66,759	151,176
		232,376	996,268
Cash in hand			
Local currency		5,824	5,415
Foreign currency		70,146	53,083
		75,970	58,498
		308,346	1,054,766

12.1 This carries interest at the rate of 9.5% (2024: 20.5%) per annum.

13 ISSUED, SUBSCRIBED AND PAID-UP CAPITAL

2025	2024		2025	2024
Number of Shares			(Rupees in '000)	
		Ordinary shares of Rs. 10/- each		
116,728,612	116,728,612	- Issued as fully paid in cash	1,167,286	1,167,286
859,020	859,020	- Issued as bonus shares	8,590	8,590
259,213,336	259,213,336	- Issued against consideration other than cash (operating fixed asset)	2,592,133	2,592,133
22,608,058	22,608,058	- Issued as right shares	226,081	226,081
399,409,026	399,409,026		3,994,090	3,994,090

13.1 Voting rights, board selection, right of first refusal and block voting are in proportion to their shareholding.

	Note	2025	2024
		----------(Rupees in '000)----------	
14 RESERVES			
Capital reserve:			
Share premium		1,571,733	1,571,733
Merger reserve	14.1	543,413	543,413
Revaluation surplus on land		3,010,172	3,010,172
		5,125,318	5,125,318
Revenue reserve:			
Accumulated profit		24,636,755	24,537,732
		29,762,073	29,663,050

14.1 Merger reserve represents surplus created at the time of merger between Feroze1888 Mills Limited and Feroze Textile Industries (Private) Limited in the year 2011-2012.

	Note	2025	2024
		----------(Rupees in '000)----------	
15 DEFERRED LIABIILITIES			
Gratuity payable	18.3	-	1,299,086
Government grant	15.1	316,972	419,558
		316,972	1,718,644

15.1 Government grant

	Note	2025	2024
		----------(Rupees in '000)----------	
Balance at beginning of the year		532,884	641,319
Amortization during the year		(113,746)	(108,435)
Balance at end of the year		419,138	532,884
Current portion		(102,166)	(113,326)
		316,972	419,558

16 LONG-TERM FINANCING - secured

	Note	2025	2024
		----------(Rupees in '000)----------	
Conventional:			
Long Term Finance Facility	16.1	1,620,749	2,617,010
Temporary Economic Refinance Facility	16.2	3,330,598	3,882,793
Renewable solar financing scheme	16.3	595,194	556,223
Current portion		(1,603,187)	(1,630,256)
		3,943,354	5,425,770
Islamic:			
Long Term Finance Facility (LTFF)	16.1	17,080	76,980
Temporary Economic Refinance Facility (TERF)	16.2	1,047,160	1,154,429
Renewable solar financing scheme	16.3	113,000	113,000
Current portion		(203,658)	(196,794)
		973,582	1,147,615
		4,916,936	6,573,385

16.1 Represent financing facilities obtained from various conventional and Islamic banks under LTFF Scheme by State Bank of Pakistan (SBP) repayable in five to ten years through half yearlyl and quarterly instalments latest by October 2032. These carry mark-up at the SBP rate plus spread ranging from 0.45% to 1% per annum (2024:0.45% to 1% per annum). These facilities are secured against specific charge on plant and machinery of the Company.

16.2 Represent financing facilities obtained from various conventional and Islamic banks under TERF Scheme by SBP repayable in six to ten years through semi-annual and quarterly instalments latest by September 2032 and have been recognized at present value discounted at the effective rate of interest. These carry mark-up at the SBP rate plus spread ranging from 0.75% to 1% per annum (2024:0.75% to 1% per annum). The differential mark-up has been recognized as government grant which will be amortized over the period of facility. These facilities are secured against specific charge on plant and machinery of the Company.

16.3 Represent financing facilities obtained from various conventional and Islamic banks under SBP financing scheme for renewable solar financing repayable in ten years through half yearly and quaterly instalments. These carry mark-up at the SBP rate plus spread ranging from 0.50% to 4% (2024: 0.50% to 4%) per annum. These are secured against specific hypothecation charge over plant and machinery of the Company.

	Note	2025	2024
		----------(Rupees in '000)----------	
17 LEASE LIABILITIES			
Lease liabilities		1,144,826	451,932
Current portion of lease liabilities		(235,901)	(308,336)
		908,925	143,596

17.1 Reconciliation of the carrying amount is as follows:

	Note	2025	2024
Balance at the beginning of the year		451,932	695,958
Lease re-assessments during the year		1,043,274	-
Lease terminated during the year		(38,220)	-
Interest charge	29	49,364	83,915
Lease rentals paid		(361,524)	(327,941)
Balance at the end of the year		1,144,826	451,932
Current portion		(235,901)	(308,336)
		908,925	143,596

17.2 The amount of future payment under the lease arrangements and the period in which these payments will become due are as follows:

	Note	2025	2024
		----------(Rupees in '000)----------	
Undiscounted lease payments:			
Not later than one year		351,940	356,705
Later than one year but not later than five years		1,122,164	161,034
Total undiscounted lease payments		1,474,104	517,739
Total finance charges		(329,278)	(65,807)
Present value of lease liabilities		1,144,826	451,932

	Note	2025	2024
		----------(Rupees in '000)----------	
18 TRADE AND OTHER PAYABLES			
Creditors	18.1	7,890,624	7,863,483
Derivative financial instruments		89,512	-
Accrued liabilities	18.2	2,596,672	2,616,208
Gratuity payable	18.3	1,440,135	-
Workers' Profits Participation Fund	18.4	33,239	33,028
Workers' Welfare Fund		68,363	55,908
Contract liabilities		88,823	114,206
Refund liabilities		14,571	58,000
Payable to Provident Fund	18.5	33,409	36,210
Others		30,457	32,742
		12,285,805	10,809,785

18.1 Include an amount of Rs. 1,388.10 million (2024: Rs. 1,172.99 million) due to 1888 Mills LLC (a related party).

18.2 Include an amount of Rs. 56.78 million (2024: Rs. 186.49 million) due to 1888 Mills LLC (a related party).

18.3 The Company operated approved gratuity fund for its eligible employees till 30th June 2025 and accordingly, gratuity payable is recorded on the basis of last drawn salaries of respective employees. The movement in gratuity payable is as follows:

	Note	2025	2024
		(Rupees in '000)	
Opening balance (deferred liabilities)		1,299,086	973,501
Provision during the year		416,299	450,359
Payments made during the year		(275,250)	(124,774)
Closing balance (deferred liabilities)		1,440,135	1,299,086

18.4 **Workers' Profits Participation Fund**

	Note	2025	2024
		(Rupees in '000)	
Balance at the beginning of the year		33,028	450,751
Interest on Workers' Profits Participation Fund	29	319	2,796
Charge for the year	27	33,239	33,028
		66,586	486,575
Payments made during the year		(33,347)	(453,547)
Balance at the end of the year		33,239	33,028

18.5 Investments out of Provident Fund have been made in accordance with the provisions of section 218 of the Act and the rules formulated for this purpose.

19 PROVISIONS

	Note	2025	2024
		(Rupees in '000)	
Legal provisions		2,685,355	1,845,662
Gas Infrastructure Development Cess (GIDC) provision		1,524,979	1,524,979
Gas tariff provision		155,653	510,126
Regasified Liquefied Natural Gas (RLNG) provision		300,646	300,646
Others		144,771	220,636
		4,811,404	4,402,049

19.1 Movement of provisions is as follows:

	Legal provisions (note 19.1.1)	GIDC (note 19.1.2)	Gas Tariff	RLNG	Others	Total
	Rupees in '000					
Balance at the beginning of the year	1,845,662	1,524,979	510,126	300,646	220,636	4,402,049
Provisions made during the year - net	839,693	-	(354,473)	-	(11,163)	474,057
Utilized during the year	-	-	-	-	(64,702)	(64,702)
Balance at the end of the year	2,685,355	1,524,979	155,653	300,646	144,771	4,811,404

19.1.1 Represent provisions for certain legal claims raised by the regulatory authorities. The outcome of these legal claims are not expected to give rise to material obligations beyond those provided for.

19.1.2 In 2021, the Honorable Supreme Court of Pakistan (SCP) upheld the Gas Infrastructure Development Cess Act, 2015 to be constitutional and intra vires allowing settlement of GIDC over a period of forty-eight monthly installments. However, the Company filed an appeal before the Honorable High Court of Sindh (the Court) on the grounds that the burden of GIDC had not been passed to its customers and thus, the Company is not liable to pay GIDC under GIDC Act, 2015. The Court vide its order dated September 18, 2020 granted stay to the Company. The Company without prejudice to the suit filed, has booked a provision under the relevant accounting standards.

20 SHORT-TERM BORROWINGS - secured

	Note	2025	2024
		(Rupees in '000)	
Export re-finance:			
Conventional		12,820,000	14,729,000
Islamic		6,450,000	5,166,000
	20.1	19,270,000	19,895,000
Foreign exchange loans:			
Conventional		2,448,917	840,654
Islamic		2,570,831	-
	20.2	5,019,748	840,654
		24,289,748	20,735,654

20.1 Represent export re-finance facilities from various conventional and Islamic banks carrying mark-up at the rates ranging from SBP export re-finance rate plus spread ranging from 0.50% to 1% per annum and KIBOR minus spread of 0.2% per annum. These are secured against first pari-passu charge over stock-in-trade, receivables and other current assets of the Company. As of the reporting date, unutilized portion for these facilities is Rs 1,798 million (2024 Rs. 1,855 million)

20.2 Represent foreign exchange loans from various conventional and Islamic banks carrying mark-up at the rates ranging from 4.8% to 7.5% per annum and will expire by November 2025. These are secured against first pari-passu charge over stock-in-trade, receivables and other current assets of the Company. As of the reporting date, unutilized portion for these facilities is Rs. 644 million (2024: Rs. 810 million).

20.3 As of the reporting date, the Company has various unutilized running finance facilities of Rs. 2,751 million (2024: Rs. 2,500 million).

21 ACCRUED MARK-UP

	Note	2025	2024
		(Rupees in '000)	
Long-term financing			
Conventional		36,824	44,402
Islamic		5,784	1,680
		42,608	46,082
Short-term borrowings			
Conventional		246,918	303,305
Islamic		94,254	239,274
		341,172	542,579
		383,780	588,661

22 CONTINGENCIES AND COMMITMENTS

22.1 **Contingencies**

There are no material contingencies as at the statement of financial position date which require disclosure in these financial statements.

22.2 **Commitments**

	Note	2025	2024
		(Rupees in '000)	
Outstanding letters of credit	22.2.1	2,460,407	4,994,152
Outstanding letters of guarantee	22.2.1	3,373,345	2,970,509
Capital expenditure		352,915	561,651
Post dated cheques		16,825,896	17,441,448

22.2.1 Total facilities for letters of credit amount to Rs. 11,300 million (2024: 9,400 million) and for letters of guarantee amount to Rs. 4,621 million (2024: 3,321 million).

23 SALES - net

	Note	2025	2024
		(Rupees in '000)	
Local		1,699,963	1,760,642
Export	23.1	63,879,802	67,396,833
		65,579,765	69,157,475
Export rebate		818,385	877,570
		66,398,150	70,035,045
Sales tax		(269,296)	(267,583)
Trade discounts		(18,323)	(9,861)
		(287,619)	(277,444)
		66,110,531	69,757,601

23.1 Represent sales made to the following geographical regions:

North America	45,075,997	50,195,024
South America	61,359	44,499
Europe	16,110,024	15,326,568
Asia	2,238,440	1,579,109
Africa	271,445	156,541
Australia	122,537	95,092
	63,879,802	67,396,833

23.2 Revenue recognised during the year from contract liabilities as at the beginning of the year amounted to Rs. 114.2 million (2024: Rs. 92.5 million).

24 COST OF SALES

	Note	2025	2024
		(Rupees in '000)	
Opening stock of finished goods		4,160,377	3,087,914
Cost of goods manufactured	24.1	57,363,943	58,997,863
		61,524,320	62,085,777
Closing stock of finished goods	9	(4,453,505)	(4,160,377)
		57,070,815	57,925,400

24.1 Cost of goods manufactured

Raw material consumed	24.1.1	29,952,096	32,571,326
Stores and spares consumed		7,143,211	7,438,448
Salaries, wages and other benefits	24.1.2	10,604,627	9,601,178
Fuel, power and water		7,248,451	7,429,559
Insurance		88,714	82,908
Repairs and maintenance		348,480	301,316
Communication and transportation		206,610	220,840
Rent		9,190	14,298
Depreciation on operating fixed assets	5.4	2,821,350	2,438,635
Depreciation on right-of-use assets	5.7.1	199,051	196,585
Amortisation on intangible assets		5,366	5,937
Quality control and inspection		99,663	139,553
Others		40,273	33,356
		58,767,082	60,473,939
Opening work-in-progress		5,648,309	4,172,233
Closing work-in-progress	9	(7,051,448)	(5,648,309)
		57,363,943	58,997,863

24.1.1 Raw material consumed

	Note	2025	2024
		(Rupees in '000)	
Opening stock		6,889,571	8,189,437
Purchases during the year		32,825,913	31,271,460
		39,715,484	39,460,897
Closing stock	9	(9,763,388)	(6,889,571)
		29,952,096	32,571,326

24.1.2 Include an amount of Rs. 127.63 million (2024: Rs. 144.02 million) in respect of provident fund and Rs. 416.29 million (2024: Rs. 373.67million) in respect of gratuity.

25 ADMINISTRATIVE COSTS

	Note	2025	2024
		(Rupees in '000)	
Directors' meeting fee		16,282	19,477
Salaries and benefits	25.1	839,790	797,178
Utilities		124,838	135,988
Repairs and maintenance		42,628	54,425
Communication		12,961	10,871
Rent, rates, taxes and license fee		36,903	8,390
Conveyance and traveling		70,900	120,016
Legal and professional		22,240	15,643
Fees and subscriptions		36,630	38,778
Depreciation on operating fixed assets	5.4	68,060	65,490
Depreciation on right-of-use assets	5.7.1	51,408	51,408
Security and janitorial services		40,665	16,309
Training and development expense		8,936	13,112
Others		32,485	29,858
		1,404,726	1,376,943

25.1 Include amount of Rs. 31.8 million (2024: Rs.30.7 million) in respect of provident fund.

26 DISTRIBUTION COSTS

	Note	2025	2024
		(Rupees in '000)	
Salaries and benefits	26.1	472,908	493,103
Freight and insurance		1,027,695	1,045,071
Inspection and forwarding charges		494,693	482,534
Marketing and other related expenses		2,365,447	2,808,414
Export development surcharge		166,656	155,729
Others		89,380	78,138
		4,616,779	5,062,989

26.1 Include amount of Rs.19.67 million (2024: Rs.21.33 million) in respect of provident fund.

27 OTHER EXPENSES

	Note	2025	2024
		(Rupees in '000)	
Operating fixed assets written off		26,005	18,481
Loss on disposal of operating fixed asset - net		844	490
Workers' Profit Participation Fund	18.4	33,239	33,028
Workers' Welfare Fund		13,567	55,199
Allowance for ECL		1,344	-
Advances written off		-	1,873
Exchange loss - net		-	418,987
Loss on derivative financial instruments		89,512	-
Donations	27.1 & 27.2	31,368	29,686
Auditors' remuneration	27.3	6,480	6,400
		202,359	564,144

27.1 Donation exceeding higher of Rs. 1 million or 10% of total donations are as follows:

Name of Donee	2025	2024
	(Rupees in '000)	
Pakistan Textile Council	2,500	1,250
The Indus Hospital & Health Network	5,000	5,000
Karachi Down Syndrome Program	2,000	3,500
Karachi Vocational Training Center	3,900	2,573
Kiran Foundation	698	1,500
Pakistan Eye Bank Society	2,000	2,000
Burns Center	1,500	1,500
Family Education Services Foundation	1,500	1,500
Health Care and Social Welfare Association	1,500	1,625
Bait ul Sukoon	2,000	-
Network of Organizations Working forPeople With Disabilities Pakistan (NOWPDP)	1,000	1,000
	23,598	21,448

27.2 Include the following in which directors were interested:

Name of Directors	Name and address of donee	Interest in Donee
Zain Ashraf Mukaty	NOWPDP Bungalow no. 83/1, Rizvi Shaheed Road, Saddar, Karachi	Advisor to Board
Khaleequr Rehman	The Indus Hospital & Health Network Plot C-76, Sector 31/5, opposite Darussalam Society, Korangi Crossing, Karachi.	Chairman Endowment Committee

27.3 Auditors' remuneration

	2025	2024
	(Rupees in '000)	
Audit fee	3,643	3,643
Half yearly review	1,228	1,228
Other certifications	792	792
Out of pocket expenses	337	337
Sales tax	480	400
	6,480	6,400

28 OTHER INCOME

	2025	2024
	(Rupees in '000)	
Income from financial assets:		
Interest on bank accounts - conventional	19,714	54,250
Dividend income - shariah compliant	40,578	202,929
Reversal of allowance for ECL	-	835
Exchange gain - net	797,898	-
Gain on derivative financial instruments	-	53,539
	858,190	311,553
Income from non-financial assets:		
Insurance claim	10,874	37,674
Gain on termination of lease	10,151	-
Reversal of legal provisions	4,678	206,000
	25,703	243,674
	883,893	555,227

29 FINANCE COSTS

	Note	2025	2024
		(Rupees in '000)	
Markup / interest on:			
Long-term financing:			
- Conventional		176,524	189,255
- Islamic		32,443	29,439
		208,967	218,694
Short-term borrowings:			
- Conventional		1,789,016	2,390,341
- Islamic		751,167	996,831
		2,540,183	3,387,172
Lease liabilities	17.1	49,364	83,915
Workers' Profits Participation Fund	18.4	319	2,796
		2,798,833	3,692,577
Bank charges		269,415	143,055
		3,068,248	3,835,632

30 TAXATION

30.1 Tax reconciliation is not presented in the financial statements, as provision made during the current year represents the aggregate of minimum taxes & final taxes, amounting to Rs. 678.4 million (2024: Rs. 975.4 million FTR) calculated under the relevant provisions of the Income Tax Ordinance, 2001.

30.2 The Ordinance was amended vide Finance Act 2024 and the exporters were removed from the Final Tax Regime and are now subject to minimum tax under the Normal Tax Regime. Accordingly, the Company has carried out an assessment of deferred taxation on temporary differences as at the statement of financial position date. However, in accordance with its accounting policy, the Company has not recognized a net deferred tax asset of Rs. 5,997 million in these financial statements.

31 EARNINGS PER SHARE – basic and diluted

	2025	2024
	(Rupees in '000)	
Net profit for the year	99,023	572,341
	(Number of shares)	
Weighted average number of ordinary shares in issue	399,409,026	399,409,026
	Rupees	
Earnings per share - basic and diluted	0.25	1.43

31.1 There is no dilutive effect on the basic earnings per share of the Company.

32 REMUNERATION OF CHIEF EXECUTIVE OFFICER, DIRECTORS AND EXECUTIVES

Particular	2025			2024		
	Chief Executive Officer	Executives	Total	Chief Executive Officer	Executives	Total
	Rupees in '000					
Managerial remuneration	69,984	1,741,674	1,811,658	69,984	1,934,146	2,004,130
Bonus	8,748	213,264	222,012	8,748	232,407	241,155
Retirement benefits	4,640	107,670	112,310	4,640	116,901	121,541
Leave encashment	-	-	-	-	44,903	44,903
Other benefits	2,916	3,348	6,264	6,156	108,567	114,723
	86,288	2,065,956	2,152,244	89,528	2,436,924	2,526,452
Numbers	1	519	520	1	586	587

32.1 The Chief Executive Officer and certain Executives are provided with Company maintained work related cars and are also covered under Company's health insurance plans along with their dependents.

33 TRANSACTIONS WITH RELATED PARTIES

Related parties of the Company comprise of companies with common directorship, directors (including their relatives), major shareholders of the Company, key management personnel and retirement benefit funds. Details of transactions with related parties during the year, other than those which have been disclosed elsewhere in these financial statements are as follows:

	2025	2024
Associated companies (common directorship)	----------(Rupees in '000)----------	
Sales	6,468,929	6,687,110
Purchases	11,668	33,040
Marketing fee	2,100,314	2,483,240
Lease rentals paid	265,873	242,771
Rent expense	9,190	11,013
Dividends paid	-	1,069,951
Donation	6,000	6,000
Directors		
Dividends paid	-	2,287,536
Meeting fee	16,282	19,477
Key management personnel		
Remuneration paid	126,334	108,853
Post-employment benefits	6,907	6,308
Other related parties		
Contribution to Provident Fund	179,132	192,356

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

33.1 Following are the related parties with whom the Company has entered into transactions or have arrangement / agreement in place.

Particular	Relationship	Aggregate % of shareholding
1888 Mills LLC	Common Directorship	1.09%
Premier 1888 Limited	Common Directorship	-
Indus Hospital Health Network	Common Directorship	-
M&N Impex (Private) Limited	Common Directorship	-
Frieden Management (Private) Limited	Common Directorship	0.10%
Nigehban (Private) Limited	Common Directorship	-
UTI Industries (Private) Limited	Common Directorship	-
Liberty Mills Limited	Common Directorship	9.21%
Frieden Farms	Common Directorship	-
NOWPDP	Entity under significant influence of Director	-
Grangeford USA Inc	Common Directorship	9.81%
GMI Fund, LLC	Common Directorship	0.60%
Feroze1888 Mills Limited - Provident Fund	Retirement benefit fund	-
Feroze1888 Mills Limited - Gratuity Fund	Retirement benefit fund	-
Mr. Rehan Rahman	Chief Executive / Director	2.24%
Mr. Abdul Rahman Yaqub	Director	-
Mr. Khaleequr Rahman	Director	12.97%
Mr. Shabbir Ahmed	Director	19.29%
Mr. Perwez Ahmed	Director	14.48%
Mr. Anas Rahman	Director	15.00%
Mr. Zain Ashraf Mukaty	Director	-
Mr. Temoor Ashraf Mukaty	Director	-
Mr. Moin M. Fudda	Director	0.0001%
Ms. Huma Pasha	Director	0.0001%
Ms. Aminah Zahid Zaheer	Director	0.0001%
Ms. Javeria Siddiqui	Key Management Personnel	-
Mr. Faizan Zafar	Key Management Personnel	-

* Shareholding of directors include shares held by their relatives.

33.2 None of the key management personnel had any agreements with the Company other than the employment contract.

33.3 **Associated companies incorporated outside Pakistan**

Name	Country of Incorporation
Premier 1888 Limited	Bangladesh
1888 Mills LLC	United States of America
GMI Fund, LLC	United States of America
Grangeford USA Inc	United States of America

34 FINANCIAL INSTRUMENTS BY CATEGORY

	2025	2024
	----------(Rupees in '000)----------	
Financial assets		
At amortised cost		
Trade debts	14,298,043	15,967,407
Other receivables	380,957	241,850
Cash and bank balances	308,346	1,054,766
	14,987,346	17,264,023
At FVPL		
Derivative financial instruments	-	53,539
Short-term investments	-	2,688,956
	-	2,742,495
	14,987,346	20,006,518
Financial liabilities		
At amortised cost		
Long-term financing	6,723,781	8,400,435
Lease liabilities	1,144,826	451,932
Trade and other payables	10,532,324	10,570,433
Short-term borrowings	24,289,748	20,735,654
Accrued mark-up	383,780	588,661
Unclaimed dividend	2,370	2,417
	43,076,829	40,749,532
At FVPL		
Derivative financial instruments	89,512	-
	43,166,341	40,749,532

35 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Company's activities expose it to a variety of financial risks i.e., market 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.The senior management of the Company oversees the management of these risks and provides policies for overall risk management, as well as policies covering specific areas. The Board of Directors review and agree policies for managing each of these risks which are summarized below:

35.1 Market risk

It is the risk that fair value of future cash flows will fluctuate because of changes in market prices. There has been no change in the Company's exposure to market risk or the manner in which this risk is managed and measured.

35.1.1 Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of the financial instruments will fluctuate because of changes in the market interest rates. At the statement of financial position date, the interest rate profile of the Company's interest-bearing financial instruments is as follows:

	Note	2025	2024
		----------(Rupees in '000)----------	
Long-term financing	16	6,723,781	8,400,435
Lease liabilities	17	1,144,826	451,932
Short-term borrowings	20	24,289,748	20,735,654
Savings account	12	16,468	105,242

The Company analyses its interest rate exposure on a regular basis by monitoring existing facilities against prevailing market interest rates and taking into account various other financing options available.

The following figures demonstrate the sensitivity of variable rate instruments to a reasonably possible change in interest rate, with all other variables held constant on the Company's profit before levies and income tax:

	Increase / decrease in basis points	Effect on profit before levies and income tax Rs' in 000
2025	± 100	242,733
2024	± 100	206,304

35.1.2 Currency risk

Currency risk is the risk that the value of financial assets or financial liabilities will fluctuate due to a change in the foreign exchange rates. It arises mainly where receivables and payables exist due to transactions in foreign currency. The Company's exposure to the risk of changes in foreign exchange rates relate primarily to the Company's operating activities (when revenue or expenses are denominated in a different currency from the Company's functional currency).

The Company's exposure to foreign currency risk is as follows:

	2025	2024
	---------- AED in '000 ----------	
Trade and other payables	(0.76)	(1.76)

	2025	2024
	--------(Rupees in '000)---------	
Closing exchange rate	77.27	75.78
Average exchange rate	76.06	77.12

	2025	2024
	--------(EUR in '000)---------	
Trade debts	107.37	0.23
Foreign currency cash balances	0.79	-
Trade and other payables	-	(72.82)
	108.16	(72.59)

	--------(Rupees)---------	
Closing exchange rate	332.66	297.69
Average exchange rate	303.96	306.38

	2025	2024
	---------- USD in '000 ----------	
Trade debts	49,810	57,053
Foreign currency bank balances	529	316
Foreign currency cash balances	246	191
Trade and other payables	(4,358)	(5,898)
	46,227	51,662

	---------- Rupees ----------	
Closing exchange rate	283.76	278.34
Average exchange rate	279.35	283.24

The sensitivity of the Company's profit before income tax and levies to a reasonably possible change in the exchange rates, with all other variables held constant is as follows:

	Increase / decrease in exchange rate	Effect on profit before levies and income tax Rs' in 000
2025	± 10%	1,315,330
2024	± 10%	1,435,786

The Company manages its currency risk by close monitoring of currency markets.

35.1.3 Equity price risk

Equity price risk is the risk that the fair value of future cash flows of financial instruments will fluctuate because of changes in market prices other than those arising from currency risk or interest rate risk. As of the reporting date, the Company is not exposed to such risk.

35.2 Credit risk

Credit risk is the risk which arises with the possibility that one party to a financial instrument will fail to discharge its obligation and cause the other party to incur a financial loss. The management of the Company regularly conducts detailed analysis of its credit risk.

The Company seeks to minimize the credit risk exposure through having exposures only to customers considered credit worthy. The maximum exposure to credit risk at the statement of financial position date is as follows:

	Note	2025	2024
		(Rupees in '000)	
Trade debts	10	10,815,872	9,720,400
Other receivables		380,957	241,850
Short-term investments		-	2,688,956
Bank balances	12	232,376	996,268
		11,429,205	13,647,474

Credit quality of financial assets

The credit quality of financial assets that can be assessed by reference to external credit ratings or the historical information about counter party default rates are as follows:

	2025	2024
	(Rupees in '000)	
Bank balances		
A1+	227,878	984,336
A1	4,498	11,932
	232,376	996,268
Derivative financial instruments		
A1+	89,512	57,425

Trade debts

The aging of trade debts at the statement of financial position date is as follows:

	Neither past due nor impaired	Past due 1-60 days	Past due 61- 90 days	Past due More than 90 days	Total
	Rupees in '000				
2025	13,881,784	397,435	18,266	70,357	14,367,842
2024	15,339,746	618,005	7,521	70,590	16,035,862

35.3 Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company applies prudent liquidity risk management by maintaining sufficient cash and the availability of funding through an adequate amount of committed credit facilities.

The table below summarizes the maturity profile of the Company's financial liabilities based on contractual undiscounted payments:

2025	Up to 1 year	1 – 5 years	More than 5 years	Total
	Rupees in '000			
Long-term financing	1,806,845	5,160,764	175,310	7,142,919
Lease liabilities	351,940	1,122,164	-	1,474,104
Trade and other payables	10,621,836	-	-	10,621,836
Short-term borrowings	24,289,748	-	-	24,289,748
Accrued mark-up	383,780	-	-	383,780
Unclaimed dividend	2,370	-	-	2,370
	37,456,519	6,282,928	175,310	43,914,757

2024	Up to 1 year	1 – 5 years	More than 5 years	Total
	Rupees in '000			
Long-term financing	1,827,050	4,879,628	2,226,641	8,933,319
Lease liabilities	356,705	161,034	-	517,739
Trade and other payables	10,671,523	-	-	10,671,523
Short-term borrowings	20,735,654	-	-	20,735,654
Accrued mark-up	588,661	-	-	588,661
Unclaimed dividend	2,417	-	-	2,417
	34,182,010	5,040,662	2,226,641	41,449,313

35.3.1 Changes in liabilities from financing activities

	01 July 2024	Net cash flows	Non cash item	30 June 2025
	Rupees in '000			
Long-term financing	8,400,435	(1,885,621)	208,967	6,723,781
Short-term borrowings	20,735,654	1,013,911	2,540,183	24,289,748
Lease liabilities	451,932	(361,524)	1,054,418	1,144,826
Unclaimed dividend	2,417	(47)	-	2,370
	29,590,438	(1,233,281)	3,803,568	32,160,725

35.4 Capital risk management

The primary objective of the Company's capital management is to maintain healthy capital ratios, strong credit rating and optimal capital structures in order to ensure ample availability of finance for its existing and potential investment projects, to maximize shareholders value and reduce the cost of capital.

The Company manages its capital structure and makes adjustment to it in light of changes in economic conditions. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividend paid to shareholders, return capital to shareholders or issue new shares.

The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. Net debt is calculated as total loans and borrowings including any finance cost thereon, less cash and cash equivalents.

The gearing ratio as at statement of financial position date is as follows:

	Note	2025	2024
		----------(Rupees in '000)----------	
Long-term financing		4,916,936	6,573,385
Current portion of long-term financing		1,806,845	1,827,050
Lease liabilities		908,925	143,596
Current portion of lease liabilities		235,901	308,336
Short-term borrowings		24,289,748	20,735,654
Accrued mark-up		383,780	588,661
Total debt		32,542,135	30,176,682
Cash and bank balances		(308,346)	(1,054,766)
Net debt		32,233,789	29,121,916
Share capital		3,994,090	3,994,090
Reserves		29,762,031	29,663,050
Total capital		33,756,121	33,657,140
Capital and net debt		65,989,910	62,779,056
Gearing ratio		48.85%	46.39%

The Company finances its operations through equity, borrowings and management of its working capital with a view to maintaining an appropriate mix between various sources of finance to minimize risk.

35.5 Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

Below table shows fair value of the assets analysed based on the following:

Level 1: Quoted prices in active markets for identical assets or liabilities,

Level 2: Those involving inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices); and

Level 3: Those whose inputs for the asset or liability that are not based on observable market data (unobservable inputs).

35.5.1 During the year, there were no transfers between level 1 and level 2 fair value measurements, and no transfers into and out of level 3 fair value measurement.

35.5.2 The carrying values of all other financial assets and liabilities reflected in these financial statements approximate fair values.

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

36 PRODUCTION CAPACITY

	2025	2024
Spinning		
Total number of spindles installed	78,792	78,792
Average number of spindles worked	74,903	59,080
Total number of rotors installed	3,312	3,312
Average number of rotors worked	3,238	3,312
Weaving		
Total number of looms installed	451	451
Average number of looms worked	412	432

The production capacity and its comparison with actual production of processing and stitching is impracticable to determine due to varying manufacturing processes, run length of order lots and various other factors.

37 OPERATING SEGMENTS

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

Revenue from export sales represents 97.81% (2024: 97.45%) of the total gross revenue of the Company.

All non-current assets of the Company at 30 June 2025 are located in Pakistan.

Sales made by the Company to two major customers constitute 33.96% (2024: 29.13%) and 13.47% (2024: 21.70%) of the total sales.

38 DATE OF AUTHORIZATION FOR ISSUE

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

39 NUMBER OF PERSONS EMPLOYED

Number of persons employed as at 30 June 2025 were 11,432 (2024: 12,483) and average number of persons employed during the year were 11,958 (2024: 11,696).

40 GENERAL

40.1 All figures in these financial statements are rounded off to the nearest thousand, unless otherwise stated.

40.2 Disclosures in relation to shariah compliance as per the requirements of the Fourth Schedule to the Act have been made in the respective notes to these financial statements.

JAVERIA SIDDIQUI
Chief Financial Officer

REHAN RAHMAN
Chief Executive Officer

AMINAH ZAHID ZAHEER
Director

Shaping a Stronger Tomorrow

We move forward with clarity and purpose. Through focused strategies, future-ready capabilities, and a commitment to sustainability, we are shaping a tomorrow that is resilient and full of promise.

Calendar of notable events

Calendar of Corporate Events July 2024 to June 2025

July 2024	77th BOD for Annual Budget for the year 2024-25	Tuesday, July 23, 2024
September 2024	78th BOD for Annual Financial Statements June 30 2024	Thursday, 12th September 2024
October 2024	79th BOD for 1st Quarter Ended September 30, 2024	Tuesday, October 29, 2024
November 2024	Corporate Briefing Session	Friday, November 22, 2024
February 2025	80th BOD for 2nd Quarter/Half Year Ended December 31, 2024	Thursday, February 27, 2025
April 2025	81st BOD for for 3rd Quarter Ended March 31, 2025	Tuesday, April 29, 2025

Calendar of other events

July-2024 to June-2025

August 2024	Independence Day Celebration (*)	Wednesday, August 14, 2024
September 2024	Bowling Event (04)	Wednesday, September 04, 2024
	Defense Day (06) (*)	Friday, September 06, 2024
	Eid Milad Un Nabi (16) (*)	Monday, September 16,2024
	Market Week (New York)	Monday, September 16, 2024 to Thursday, September 19, 2024
	International Sign Language Day (23) (**)	Monday, September 23, 2024
	World Heart Day (29) (**)	Sunday, September 29, 2024
	The KIN – Company's 1st Quarter Magazine	Monday, September 30, 2024
October 2024	World Mental Health Day (10) (*)	Thursday, October 10, 2024
	World Sight Day (10) (**)	Thursday, October 10, 2024
	Breast Cancer Awareness (13) (**)	Sunday, October 13,2024
November 2024	World Quality Day (11) (**)	Monday, November 11, 2024
	World Diabetes Day (14) (**)	Thursday, November 14, 2024
December 2024	International Day Of Person With Disabilities (3) (**)	Tuesday, December 10,2024
	Human Rights Day (10) (*)	Tuesday, December 10, 2024
	Quaid e Azam Day (25) (*)	Wednesday, December 25,2024
	The KIN – Company's 2nd Quarter Magazine	Tuesday, December 31, 2024
January 2025	Heimtex Germany Textile Fair	Tuesday, January 14, 2025 to Friday, January 17, 2025
February 2025	World Cancer Day (04) (*)	Tuesday, February 04, 2025
March 2025	International Women's Day	Saturday, March 08, 2025
	World Water Day (22) (*)	Saturday, March 22, 2025
	Pakistan Day (23) (*)	Sunday, March 23, 2025
	The KIN – Company's 3rd Quarter Magazine	Monday, March 31, 2025
April 2025	World Health Day (07) (**)	Monday, April 07, 2025
	Earth Day (22) (*)	Tuesday, April 22, 2025
	Health & Safety Day (28) (*)	Monday, April 28, 2025
May 2025	Labor Day (01) (*)	Thursday, May (01), 2025
	World Firefighters Day (04) (**)	Sunday, May 04, 2025
	Mother's Day (08) (*)	Thursday, May 08, 2025
	World Hypertension Day (17) (**)	Saturday, May 17, 2025
	World No Tobacco Day (31) (**)	Saturday, May 31, 2025
	Weaving A Better World Day (**)	
June 2025	World Environment Day (05) (**)	Thursday, June 05, 2025
	Eid Ul Adha (06) (*)	Friday, June 06, 2025
	World Blood Donor Day (14) (**)	Saturday, June 14, 2025
	Father's Day (15) (*)	Sunday, June 15, 2025
	The KIN – Company's 4th Quarter Magazine	Monday, June 30, 2025

* Flyer
** Activity / Flyer

Pattern of holdings of the shares held by the Shareholders as at 30 June 2025

No of Shareholders		Shareholdings			Total shares held
642	From	1	to	100	14,811
248	From	101	to	500	71,124
119	From	501	to	1,000	97,200
149	From	1,001	to	5,000	346,666
45	From	5,001	to	10,000	340,139
10	From	10,001	to	15,000	119,431
9	From	15,001	to	20,000	166,600
6	From	20,001	to	25,000	138,765
6	From	25,001	to	30,000	174,986
1	From	30,001	to	35,000	35,000
1	From	40,001	to	45,000	44,900
3	From	45,001	to	50,000	150,000
1	From	50,001	to	55,000	52,000
1	From	70,001	to	75,000	72,000
1	From	75,001	to	80,000	78,000
1	From	80,001	to	85,000	84,191
1	From	120,001	to	125,000	123,282
1	From	145,001	to	150,000	145,055
1	From	175,001	to	180,000	178,250
1	From	195,001	to	200,000	200,000
1	From	300,001	to	305,000	304,500
1	From	390,001	to	395,000	393,913
1	From	530,001	to	535,000	531,171
1	From	880,001	to	885,000	883,000
1	From	1,480,001	to	1,485,000	1,481,000
1	From	1,590,001	to	1,595,000	1,590,338
1	From	1,660,001	to	1,665,000	1,660,907
1	From	2,075,001	to	2,080,000	2,079,019
1	From	2,375,001	to	2,380,000	2,378,056
2	From	2,745,001	to	2,750,000	5,500,000
1	From	3,175,001	to	3,180,000	3,180,000
1	From	4,230,001	to	4,235,000	4,230,566
1	From	4,335,001	to	4,340,000	4,337,654
1	From	4,995,001	to	5,000,000	5,000,000
1	From	6,565,001	to	6,570,000	6,565,231
1	From	6,880,001	to	6,885,000	6,880,032
2	From	6,890,001	to	6,895,000	13,780,790
1	From	7,345,001	to	7,350,000	7,347,618
2	From	7,370,001	to	7,375,000	14,747,592
1	From	7,625,001	to	7,630,000	7,625,688
1	From	8,005,001	to	8,010,000	8,009,796
1	From	8,285,001	to	8,290,000	8,286,796
1	From	8,960,001	to	8,965,000	8,963,796
1	From	10,030,001	to	10,035,000	10,033,785
1	From	10,540,001	to	10,545,000	10,541,494
1	From	11,490,001	to	11,495,000	11,491,135
1	From	13,105,001	to	13,110,000	13,105,422
1	From	14,040,001	to	14,045,000	14,044,901
1	From	14,915,001	to	14,920,000	14,917,699
1	From	14,995,001	to	15,000,000	15,000,000
1	From	18,445,001	to	18,450,000	18,447,546
1	From	36,785,001	to	36,790,000	36,787,800
1	From	37,395,001	to	37,400,000	37,400,000
1	From	39,190,001	to	39,195,000	39,192,607
1	From	60,055,001	to	60,060,000	60,056,774
1285					399,409,026

Pattern of Shareholding

As at 30 June 2025

Categories of Shareholders	Number of shareholders	Shares Held	Percentage
Directors, Chief Executive Officer and their Spouse	14	129,329,016	32.38
Associated Companies, undertakings and related parties	6	120,490,030	30.17
NIT, Mutual Funds and Investment Companies	1	13	0.00
Banks, Development Financial Institutions, Non-Banking Financial Institutions Insurance & Others	16	414,435	0.10
Joint Stock Companies	5	6,634,018	1.66
Individuals	1243	142,541,514	35.69
	1,285	399,409,026	100.00

Pattern of Shareholding

As at 30 June 2025

Shareholders' Category		Number of Shareholders	Number of Shares held
Directors, Chief Executive Officer and their Spouse(s)			
Mr. Abdul Rehman Yaqub	Director/Chairman	-	-
Mr. Rehan Rahman	Chief Executive	1	8,963,796
Mr. Khaleequr Rahman	Director	1	13,105,422
Mr. Shabbir Ahmed	Director	1	60,056,774
Mr. Perwez Ahmed	Director	1	10,541,494
Mr. Zain Ashraf Mukaty	Director	-	-
Mr. Anas Rahman	Director	1	6,565,231
Mr. Temoor Ashraf Mukaty	Director	-	-
Mr. Moin M. Fudda	Director	1	500
Ms.Huma Pasha	Director	1	530
Ms. Aminah Zahid Zaheer	Director	1	530
Mrs. Shahnaz Rahman	Spouse	1	8,286,796
Mrs. Saba Perwez	Spouse	1	14,917,699
Mrs. Sana Rehan	Spouse	1	6,890,244
Associated Companies, undertaking and related parties		6	120,490,030
NIT, Mutual Funds and Investment Companies			
M/s. Shirazi Investment Ltd		1	13
Banks, Development Financial Institutions, Non-Banking Financial Institutions Insurance & Others		16	414,435
Joint Stock Companies		5	6,634,018
Executives		3	26,098,234
Shareholders holding 5% or more voting interest:			
M/s. Grangeford USA Inc		1	39,192,607
M/s. Liberty Mills Limited		1	36,787,800
M/s. Liberty Power Tech Limited		1	37,400,000
Mr. Shabbir Ahmed		1	60,056,774

Notice of 53rd Annual general meeting

Notice is hereby given to the Members that the 53rd Annual General Meeting of the Company will be held on Thursday, 23 October 2025 at 10:00 a.m. at the Institute of Chartered Accountants of Pakistan (ICAP) Auditorium, Chartered Accountants Avenue, Clifton, Karachi / video link to transact the following business:

ORDINARY BUSINESS:

1. To confirm the minutes of Annual General Meeting of the Company held on Monday, 28 October 2024.

2. To receive, consider and adopt the Annual Audited Financial Statements of the Company for the year ended 30 June, 2025 together with the Chairman's Review, Directors' and Auditors' report thereon.

   In accordance with Section 223 of the Companies Act, 2017and SRO 389(I)/2023 dated 21 March 2023, the Financial Statements of the Company have been uploaded on the Company's website and can be downloaded from the following link and QR enabled code:

   https://feroze1888.com/wp-content/uploads/2025/09/Annual-Report-2025.pdf

3. To appoint statutory auditors for the year ending 30 June 2026 and to fix their remuneration. The present Auditors M/s. Grant Thornton Anjum Rahman, Chartered Accountants have retired and, being eligible, have offered themselves for re-appointment.

ANY OTHER BUSINESS:

4. To transact any other business with the permission of the Chair.

By order of the Board
Faizan Zafar
Company Secretary

Karachi:
1st October 2025

NOTES:

1. Share Transfer Books of the Company will remain closed from Thursday, 16th October 2025 to Thursday, 23 October 2025 (both days inclusive). Transfers received at the office of Share Registrar at the close of business on Wednesday, 15 October 2025 will be considered in time to attend and vote at the meeting and for the purpose of above entitlement to the transferees.

2. A member of the Company entitled to attend and vote at the meeting may appoint a proxy to attend, speak and vote instead of him/her. A proxy must be a member of the Company. For an instrument appointing a proxy and the Power of Attorney/Board Resolution under which it is signed, or a notarially certified copy of such Power of Attorney/Board Resolution, to be valid, it must be received at the Registered Office of the Company or at the Office of the Share Registrar not later than 48 hours before the time for the Meeting. A member shall not be entitled to appoint more than one proxy. If a member appoints more than one proxy and more than one instruments of proxies are deposited by a member with the Company, all such instruments shall be rendered invalid. The proxy shall produce his/her Original National Identity Card or Passport to prove his/her identity.

3. Members are requested to submit copies of their CNICs and promptly notify any change in their address by writing to the office of the share registrar.

4. Members should quote their Folio/CDC number in all correspondence and at the time of attending the Meeting.

5. The shareholders interested in attending the General Meeting through Zoom video link facility, are requested to get themselves registered with the Company Secretary office at least two working days before the holding of the time of the AGM at secretary@feroze1888.com or through share registrar of the company M/s. FAMCO Share Registration Services (Pvt.) Ltd, 8-F, Next to Hotel Faran, Nursery Block-6, PECHS, Shahrah-e-Faisal, Karachi by providing the following details:

Name of Shareholders	CNIC No.	Folio / CDC	Cell No.	Email Address

   - Upon receipt of the above information from interested shareholders, the Company will send the login details at their email addresses.
   - On the day of meeting, the shareholders will be able to login and participate in the proceedings through their smart phone or computer devices from any convenient location.
   - The login facility will be opened twenty (20) minutes before the meeting time to enable the participants to join the meeting after identification and verification process.

6. Members are requested to have their updated email addresses and cell phone numbers incorporated in their physical folio with the Share Registrar of the Company and with their Participant or Broker / CDC Investor Account Services for shares held in electronic form.

7. Section 242 of the Companies Act, 2017 mandates all listed companies to pay dividend only by way of electronic mode directly into the bank account of entitle shareholder designated by them. Therefore, all shareholders are requested to update their bank account details in the Central Depository System through respective participants. In case of shareholders holding physical shares, they must provide bank account details to Company's Share Registrar, M/s. FAMCO Share Registration Services (Pvt.) Ltd.

   Please note that all dividends declared by the Company will only be remitted to designated bank accounts and not otherwise, so please ensure an early update of your particulars to avoid any inconvenience.

8. Shareholders are informed that the Government of Pakistan has made certain amendments in Section 150 of the Income Tax Ordinance, 2001 whereby different rates are prescribed for deduction of withholding tax on the amount of dividend paid by the Companies. These tax rates are as under:

   i) Rate of tax deduction for persons who are appearing in the active taxpayers list: 15%.
   ii) Rate of tax deduction for persons who are not appearing in the active taxpayers list: 30%.

   Shareholders are advised to provide their valid and updated CNIC/NTN to CDC Participants and our Share Registrar for availing the benefit of withholding tax rate applicable to filers.

   In case of joint account, shareholders are requested to please furnish the shareholding ratio details of themselves as Principal shareholder and their Joint Holders to the Company's Share Registrar enabling the Company to compute withholding tax of each shareholder accordingly. The required information must reach the Company's Share Registrar by Wednesday, 15 October 2025, otherwise each shareholder will be assumed to have equal proportion of shares and the tax will be deducted accordingly.

9. Section 72 of the Companies Act 2017 (the 'Act') requires all companies to replace shares issued in physical form to book-entry form within four years of the promulgation of the Act. The shareholders having physical shares are encouraged to convert their shares into book-entry form at the earliest. The shareholders of the Company may contact the Share Registrar, namely M/s. FAMCO Share Registration Services (Pvt.) Ltd for the conversion of physical shares into book-entry form.

10. In compliance of section 244 of the Companies Act, 2017, an updated list for unclaimed shares/dividends declared by the Company are appearing on the Company's website at https://feroze1888.com/investor/investor-relations/others/. Claims can be lodged either at the Company's Office or submitted to the Company's Share Registrar, M/s. FAMCO Share Registration Services (Pvt.) Ltd for receipt of dividend / shares.

11. In compliance with SRO 452(I)/2025, the Notice of General Meeting and Annual Audited Financial Statements will be sent to members via email.

12. As per SECP Circular No. 2 of 2018 and Section 185 of the Companies Act, 2017, companies are strictly prohibited from offering gifts or incentives to shareholders at General Meetings. Furthermore, in compliance with SECP's S.R.O. 452(1)/2025 dated March 17, 2025, no gifts will be distributed at the AGM.

13. Notice of the Annual General Meeting of the Company for the year ended 30th June 2025 has been placed on the website of the Company, https://feroze1888.com/investor/investor-relations/notices/.

14. The audited financial statements of the Company for the year ended June 30, 2025 have been placed on the website of the Company https://feroze1888.com/investor/financial-information/.

    Notwithstanding the above, the Company will provide hard copies of the audited financial statements, to any Member on their request, at their registered address, free of cost, within one (1) week of receiving such request.

15. Shareholders are requested to follow the code of conduct prescribed under sub-regulation (2) of Regulation 55 of the Companies Regulations, 2024 while attending the Annual General Meeting.

16. GUIDELINES FOR CDC ACCOUNT HOLDERS ISSUED BY SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN

For attending the Meeting:

I. I. In case of individual, 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/her identity by showing his/her original National Identity Card at the time of attending the meeting.

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 the meeting.

For appointing proxy

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 must be witnessed by two persons whose names, addresses and Computerized National Identity Card (CNIC) number shall be mentioned on the form.

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

IV. The proxy shall produce his/her Original CNIC 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 shall be submitted (unless is has been provided earlier) alongwith proxy form to the Company.

Registered Office
Feroze1888 Mills Limited
H-23/4A, Scheme # 3
Landhi Industrial Area, Karachi
www.feroze1888.com
Email: secretary@feroze1888.com
Phone # +92 21 35083643

Share Registrar
FAMCO Share Registration Services (Pvt.) Ltd
8-F, Next to Hotel Faran, Nursery
Block-6 PECHS, Shahrah-e-Faisal, Karachi
www.famcosrs.com
Email: info. shares@famcosrs.com
Phone # +92 21 34380101-5

6. ممبران سے درخواست کی جاتی ہے کہ وہ اپنے ای میل پتہ اورفون نمبر برائے فزیکل فولیو اور بروکر / سی ڈی سی انویسٹر اکاؤنٹ سروسز جن کے حصص الیکٹرانک شکل میں رکھے گئے ہیں کمپنی کے شیئر رجسٹرار کے ساتھ اپڈیٹ کروالیں۔

7. کمپنیز ایکٹ2017ء کی شق242 کے تحت یہ لازمی ہے کہ تمام فہرست شدہ کمپنیوں کو ان کی جانب سے نامزدکردہ حقدارشیئر ہولڈر کے بینک اکاؤنٹ میں براہ راست الیکٹرونک طریقے سے ڈیویڈنڈ ادا کئے جائیں ،لہٰذا تمام شیئر ہولڈرز سے درخواست کی جاتی ہے کہ اپنے متعلقہ شرکاء کے ذریعے سینٹرل ڈپازیٹری سسٹم میں اپنے بینک اکاؤنٹ کی تفصیلات اپ ڈیٹ کرلیں جن شیئر ہولڈر کے پاس فزیکل شیئرز ہیں ان کو لازمی بینک اکاؤنٹ کی تفصیلات کمپنی شیئر رجسٹرار میسرز فیمکو شیئر رجسٹریشن سروسز (پرائیوٹ) لمیٹڈ کوفراہم کریں۔

برائے مہربانی نوٹ فرمائیں کہ کمپنی کے اعلانیہ ڈیویڈنڈز صرف نامزدکردہ بینک اکاؤنٹس میں جمع کروائے جائینگے، برائے مہربانی زحمت سے بچنے کے لیے اپنی تفصیلات جلداز جلد اپ ڈیٹ کرالیں۔

8. شیئر ہولڈرز کو مطلع کیا جاتا ہے کہ حکومتِ پاکستان نے انکم ٹیکس آرڈی ننس2001ء کی دفعہ150 میں چند ترمیمات کی ہیں جس کے ذریعہ کمپنیز کی جانب سے ادا کیا جانے والا منافع منقسمہ کی رقم پر ود ہولڈنگ ٹیکس کی منہائی کیلئے مختلف ریٹ مقرر کئے گئے ہیں۔ یہ ٹیکس ریٹس مندرجہ ذیل ہیں

a) ان افراد کے لیے ٹیکس کٹوتی کی شرح جو فعال ٹیکس دہندگان کی فہرست میں شامل ہیں	15%
b) ان افراد کے لیے ٹیکس کٹوتی کی شرح جو فعال ٹیکس دہندگان کی فہرست میں ظاہر نہیں ہورہے ہیں	30%

شیئر ہولڈرز کو ہدایت کی جاتی ہے کہ وہ فائلرز کیلئے قابل اطلاق ود ہولڈنگ ٹیکس ریٹ کا فائدہ حاصل کرنے کے لیے CDC کے شرکاء اور ہماری کمپنی کے شیئر رجسٹرار کو اپنا درست اور اپ ڈیٹ CNIC/NTN فراہم کریں۔

مشترکہ اکاؤنٹ کی صورت میں شیئر ہولڈرز سے درخواست ہے کہ وہ اپنے پاس موجود شیئر ہولڈنگ کے تناسب کی تفصیل بطور پرنسپل شیئر ہولڈرز اور ان کے مشترکہ ہولڈرز کمپنی کے شیئر رجسٹرار کو فراہم کردیں تا کہ کمپنی اس کے مطابق ہر ایک شیئر ہولڈر کے ود ہولڈنگ ٹیکس کا تعین کرسکے۔ مطلوبہ معلومات بدھ 15 اکتوبر 2025 کمپنی کے شیئر رجسٹرار تک موصول ہونی چاہیے بصورت دیگر ہر شیئر ہولڈر کے پاس حصص کا مساوی تناسب فرض کیا جائے گا اور اس کے مطابق ٹیکس کاٹ لیا جائیگا۔

9. کمپنیز ایکٹ2017 کا سیکشن 72 تمام کمپنیوں سے مطالبہ کرتا ہے کہ وہ ایکٹ کے نفاذ کے چار سالوں کے اندر فزیکل فارم میں جاری کردہ شیئرز کو بک انٹری فارم میں اندراج کروائیں فزیکل شیئرز رکھنے والے شیئر ہولڈرز کی حوصلہ افزائی کی جاتی ہے کہ وہ اپنے شیئرز کو جلد از جلد بک انٹری فارم میں تبدیل کریں۔ کمپنی کے شیئر ہولڈرز شیئر رجسٹرار فیمکو شیئر رجسٹریشن سروسز (پرائیوٹ) لمیٹڈ یعنی فزیکل شیئرز کو بک انٹری فارم میں تبدیل کرنے کے لئے رابطہ کرسکتے ہیں۔

10. بحوالہ کمپنیز ایکٹ 2017 کے سیکشن 244 کے تحت غیر دعوے دار حصص/ڈیویڈنڈ کی تازہ ترین فہرست اور تفصیلات کمپنی کی ویب سائٹ **https://feroze1888.com/investor/investor-relations/others/** پر جاری کر دی گئی ہیں۔ حصص /ڈیویڈنڈ کی وصولی و رسید کے لیے دعوے یا تو کمپنی کے دفتر یا پھر کمپنی کے شیئر رجسٹرار، میسرز فیمکو شیئر رجسٹریشن سروسز (پرائیوٹ) لمیٹڈ، میں جمع کرائے جا سکتے ہیں۔

11. ایس آر او 452/(I)2025 کی تعمیل میں، جنرل میٹنگ کا نوٹس اور سالانہ آڈٹ شدہ مالیاتی گوشوارے شیئر ہولڈرز کو ای میل پتہ کے ذریعے بھیجے جائے گے۔۔

12. ایس ای سی پی سرکلر نمبر 2 برائے سال 2018 اور کمپنیز ایکٹ 2017 کی دفعہ 185 کمپنیوں کو جنرل میٹنگز میں حصص یافتگان کو تحائف یا مراعات دینے سے سختی سے منع کیا گیا ہے۔ مزید برآں ایس آر او 452(1)/2025 بتاریخ 17 مارچ 2025 کی تعمیل میں حصص یافتگان کو سالانہ اجلاس میں کوئی تحائف تقسیم نہیں کئے جائیں گے

13. کمپنی کے سالانہ اجلاس عام کا نوٹس برائے سال 30 جون 2025 کمپنی کی ویب سائٹ **https://feroze1888.com/investor/investor-relations/notices/** پر موجود ہے

14. 30 جون 2025 کو ختم ہونے والے سال کے لیے کمپنی کی سالانہ رپورٹ کمپنی کی ویب سائٹ **https://feroze1888.com/investor/financial-information/** پر موجود ہیں۔ اس کے باوجود کمپنی کسی بھی ممبر کی درخواست پر ان کے رجسٹرڈ پتہ پر آڈٹ شدہ مالیاتی اسٹیٹمینٹس کی ہارڈ کاپی بغیر کسی قیمت ایک ہفتہ کے اندر فراہم کرے گی۔

15. حصص یافتگان سے درخواست کی جاتی ہے کہ وہ سالانہ اجلاس عام میں شرکت کے دوران کمپنیز ریگولیشنز 2024 کے ریگولیشن 55 کی ذیلی شق نمبر (2) کے تحت مقرر کردہ ضابطہ اخلاق پر عمل کریں۔

16. **سیکیوریٹیز اینڈ ایکسچینج کمیشن کی جانب سے سی ڈی سی اکاؤنٹ ہولڈرز کے لیے جاری کردہ ھدایات:۔**

اجلاس میں شرکت کیلئے :۔

(i) انفرادی حیثیت میں اکاؤنٹ ہولڈر یا سب ہولڈر اور/ یا وہ فرد جس کی سیکورٹیز گروپ اکاؤنٹ میں ہوں اور اس کی رجسٹریشن کی تفصیلات قواعد وضوابط کے مطابق اپ لوڈ ہوں، وہ اجلاس میں شرکت کے وقت اپنا اصل شناختی کارڈ پیش کر کے اپنی شناخت کو ثابت کرسکتا / کرسکتی ہے۔

(ii) کاروباری ادارے کی صورت میں اجلاس کے وقت بورڈ آف ڈائریکٹرز کی قرارداد/مختارنامہ، نامزد کردہ شخص کے دستخط کے نمونے کیساتھ (اگر پہلے فراہم نہ کیا ہو) پیش کرنا ہوگا۔

پراکسیز نامزد کرنے کے لئے:۔

(i) انفرادی حیثیت میں اکاؤنٹ ہولڈر یا سب اکاؤنٹ ہولڈر اور/یا ایسا فرد جس کی سیکورٹیز گروپ اکاؤنٹ میں ہوں اور اس کی رجسٹریشن کی تفصیلات قواعد وضوابط کے مطابق اپ لوڈڈ ہوں، کو درج بالا مطلوبہ شرائط کے تحت پراکسی فارم جمع کرانا ہوگا۔

(ii) پراکسی فارم کی دو افراد کی جانب سے گواہی دی گئی ہو جن کا نام، پتہ اور کمپیوٹرائزڈ قومی شناختی کارڈ نمبر فارم میں درج کرنا ہوگا۔

(iii) بینیفیشل اونرز اور پراکسی کے کمپیوٹرائزڈ قومی شناختی کارڈ یا پاسپورٹ کی مصدقہ نقول پراکسی فارم کے ہمراہ پیش کرنی ہوں گی۔

(iv) اجلاس کے وقت اصل کمپیوٹرائزڈ قومی شناختی کاڈر یا اصل پاسپورٹ پیش کرنا ہوگا۔

(v) کاروباری ادارے کی صورت میں بورڈ آف ڈائریکٹرز کی قرارداد /مختار نامہ، نامزد کردہ شخص کے دستخط کے نمونے کیساتھ (اگر پہلے فراہم نہ کیا گیا ہوتو) کمپنی کو پراکسی فارم کے ہمراہ پیش کرنا ہوگا۔

رجسٹرڈ آفس:
فیروز1888 ملز لمیٹڈ
H-23/4، اسکیم نمبر 3
لانڈھی انڈسٹریل ایریا، کراچی
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شیئر رجسٹرار:
فیمکو شیئر رجسٹریشن سروسز (پرائیوٹ) لمیٹڈ
8-F فاران ہوٹل کے فوری بعد، نرسری،
بلاک۔6، PECHS، شاہراہِ فیصل، کراچی
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فیروز1888ملز لمیٹڈ

53واں سالانہ اجلاس عام کا نوٹس

بذریعہ ہذا مطلع کیا جاتا ہے کہ کمپنی کے ممبران کا **53** واں سالانہ اجلاس عام بروز جمعرات **23** اکتوبر **2025** بوقت صبح **10:00** بجے بمقام انسٹی ٹیوٹ آف چارٹرڈ اکاؤنٹنٹس آف پاکستان (آئی کیپ) آڈیٹوریم چارٹرڈ اکاؤنٹنٹس ایونیو، کلفٹن، کراچی/ویڈیو لنک کے ذریعے مندرجہ ذیل امور کی انجام دہی کے لئے منعقد کیا جائیگا۔

عمومی امور:

1. 28 اکتوبر 2024ء کو منعقدہ کمپنی کے سالانہ اجلاسِ عام کی کاروائی کی توثیق۔
2. 30 جون 2025ء کو ختم شدہ سال کے لیے کمپنی کے سالانہ آڈٹ شدہ مالیاتی اسٹیٹمنٹس بشمول ان پر چیئرمین کا جائزہ، ڈائریکٹرز اور آڈیٹرز کی رپورٹ وصول کرنا، غور کرنا اور اختیار کرنا۔

کمپنیز ایکٹ 2017 کے سیکشن 223 اور SRO389(I)/2023 مورخہ 21 مارچ 2023 کے مطابق کمپنی کے مالیاتی اسٹیٹمنٹس کو کمپنی کی ویب سائٹ پر اپ لوڈ کر دیا گیا ہے جس کو مندرجہ ذیل لنک کے ذریعے ڈاؤن لوڈ کیا جا سکتا ہے یا (QR) فعال کوڈ کے ذریعے رسائی حاصل کی جا سکتی ہے:

https://feroze1888.com/wp-content/uploads/2025/09/Annual-Report-2025.pdf

3. 30 جون 2026ء کو ختم ہونے والے سال کے لیے قانونی آڈیٹرز کا تقرر اور ان کا اعزازیہ مقرر کرنا۔ موجودہ آڈیٹرز میسرز گرانٹ تھارنٹن انجم رحمان، چارٹرڈ اکاؤنٹنٹس ریٹائر ہو رہے ہیں۔ اور دوبارہ تقرری کے لئے اہل ہونے کے ناطے اپنی خدمات پیش کر چکے ہیں۔

دیگر امور:

4. چیئرمین مجلس کی اجازت سے دیگر امور پر کاروائی۔

حسب الحکم بورڈ
فیضان ظفر
کمپنی سیکرٹری

کراچی: **1** اکتوبر **2025**ء

نوٹس

1. کمپنی کی شیئر ٹرانسفر بکس جمعرات 16 اکتوبر 2025ء تا جمعرات 23 اکتوبر 2025ء (بشمول دونوں ایام) بند رہیں گی، شیئر رجسٹرار کے آفس میں بدھ 15 اکتوبر 2025ء کو کاروبار کے اختتام پر موصول ہونے والے ٹرانسفر اجلاس میں شرکت اور ووٹ دینے اور ٹرانسفر فریز کے مندرجہ بالا استحقاق کے مقصد کے لیے بروقت تصور ہوں گے۔
2. کمپنی کا ایک رکن جو اجلاس ہذا میں شرکت اور ووٹ دینے کا حقدار ہوگا، وہ اپنی جگہ اجلاس میں شرکت، گفتگو اور ووٹ دینے کے لئے کسی دوسرے کو اپنا مجاز مقرر کر سکتا ہے، مجاز فرد لازمی طور پر کمپنی ممبر ہونا چاہئے، مجاز مقرکئے جانے والے دستاویز اور پاور آف اٹارنی یا بورڈ کی قرارداد جس کی جانب سے وہ دستخط شدہ ہو یا اس پاور آف اتھارٹی کی notarially سرٹیفائیڈ کاپی اجلاس کے مقررہ وقت سے 48 گھنٹے قبل کمپنی کے رجسٹرڈ آفس یا شیئر رجسٹرار کے دفتر میں لازمی موصول ہو جانی چاہئے، ایک رکن ایک سے زائد مجاز مقرر کرنے کا حقدار نہیں، اگر کوئی رکن ایک سے زائد مجاز مقرر کرے گا یا مجاز فرد سے متعلق ایک سے زائد دستاویز کمپنی میں جمع کرائے گا ایسی تمام دستاویز ناقابلِ عمل تصور ہوں گی۔ مجاز فرد کو اپنی شناخت ثابت کرنے کے لیے اپنا اصل شناختی کارڈ یا پاسپورٹ پیش کرنا ہوگا۔
3. اراکین سے درخواست ہے کہ وہ اپنی کمپیوٹرائزڈ شناختی کارڈ کی نقل جمع کروائیں اور اپنے پتے میں کسی بھی تبدیلی کی صورت میں شیئر رجسٹرار آفس میں فوری طور پر مطلع کریں۔
4. اراکین کو مراسلت کے لیے اور اجلاس میں شرکت کے وقت اپنا فولیو/سی ڈی سی نمبر درج کرنا ہوگا۔
5. شیئر ہولڈرز جو اجلاسِ عام (اے جی ایم) میں ویڈیو لنک سہولت (زوم) کے ذریعے شرکت کرنے کے خواہشمند ہیں ان سے درخواست ہے کہ کمپنی سیکریٹری کے آفس میں (اے جی ایم) کے انعقاد سے کم از کم دو کاروباری روز قبل ای میل secretary@feroze1888.com پر یا کمپنی کے شیئر رجسٹرار فیمکو شیئر رجسٹریشن سروسز (پرائیوٹ) لمیٹڈ واقع F-8 متصل ہوٹل فاران، نرسری بلاک PECHS6 شاہراہِ فیصل کراچی میں مندرجہ ذیل تفصیلات فراہم کر کے اپنا اندراج کرالیں:

شیئر ہولڈر کا نام	CNIC نمبر	فولیو/سی ڈی سی	موبائل نمبر	ای میل پتہ

- ✓ خواہشمند شیئر ہولڈرز سے مذکورہ بالا تفصیلات کی وصولی کے بعد کمپنی لاگ ان تفصیلات ان کے ای میل ایڈریس پر ارسال کردے گی۔
- ✓ میٹنگ کے دن شیئر ہولڈرز بذریعہ اپنے اسمارٹ فون اور کمپیوٹر آلات کے ذریعے لاگ ان اور کاروائی میں حصہ لے سکیں گے۔
- ✓ لاگ ان سہولت اجلاس کے وقت سے 20 منٹ قبل کھول دی جائیگی تا کہ شناخت اور تصدیق کے عمل کے بعد شرکاء کی اجلاس میں شرکت کو یقینی بنایا جا سکے۔

PROXY FORM

PROXY FORM (Option 1)

I/We

Of

being a member of Feroze1888 Mills Limited holding

Ordinary shares as per the Share Register Folio No. and/or CDC

Participant I. D. No. and Account/Sub-Account No.

hereby appoint of

or failing him/her

PROXY FORM E-voting (Option 2)

I/We

Of

being a member of Feroze1888 Mills Limited holding

Ordinary shares as per the Share Register Folio No. and/or CDC

Participant I. D. No. and Account/Sub-Account No.

hereby appoint of

or failing him/her

as my/our Proxy to vote for me and on my/our behalf at the Annual General Meeting of the Company to be held at Institute of Chartered Accountants of Pakistan, ICAP Auditorium, Chartered Accountants Avenue, Clifton, Karachi on Thursday, 23 October 2025 at 10:00 a.m. and at any adjournment thereof.

Signature of Member	Signature on Revenue Stamp of Rs. 5/-
Name of Member	
Folio No./CDC No.	

WITNESSES:

1. Signature	2. Signature
Name	Name
Address	Address
CNIC/Passport No.	CNIC/Passport No.

NOTES:

- A member entitled to attend and vote at the meeting may appoint a proxy in writing to attend the meeting and vote on the member's behalf. A Proxy should be a member of the Company.
- If a member is unable to attend the meeting, he/she/they may complete and sign this form and send it to the Company Secretary at the Registered Office so as to reach not less than 48 hours before the time appointed for holding the meeting.
- For CDC Account Holders / Corporate Entities

In addition to the above the following requirements have to be met:

(i) he proxy form shall be witnessed by two persons whose names, addresses and CNIC numbers shall be stated on the form

(ii) Attested copies of CNIC or the passport of the beneficial owner(s) and the proxy shall be proved with the proxy form.

(iii) The proxy shall produce his/her CNIC or original passport at the time of the meeting.

(iv) In case of a corporate entity, the Board of Directors' resolution/power of attorney with specimen signature shall be submitted (unless it has been provided earlier) along with proxy form to the Company.

پراکسی فارم

پراکسی فارم (آپشن 1)

میں/ہم _____

پتہ _____

بحیثیت ممبر/ ممبران فیروز1888 ملز لمیٹڈ حصص _____

عمومی حصص شیئر رجسٹر کے فولیو نمبر کے تحت _____ اور / یا سی ڈی سی _____

ممبر/ممبران کی آئی ڈی نمبر _____ اور اکاؤنٹ/سب اکاؤنٹ نمبر _____

نامزدکرتا ہوں _____ پتہ _____

یا ان کے نا جانے پر _____

پراکسی فارم ای۔ووٹنگ (آپشن2)

میں/ہم _____

پتہ _____

بحیثیت ممبر/ ممبران فیروز1888 ملز لمیٹڈ حصص _____

عمومی حصص شیئر رجسٹر کے فولیو نمبر کے تحت _____ اور/یا سی ڈی سی _____

ممبر/ممبران کی آئی ڈی نمبر _____ اور اکاؤنٹ /سب اکاؤنٹ نمبر _____

نامزدکرتا ہوں _____ پتہ _____

یا ان کے نا جانے پر _____

بطور پراکسی وہ میری/ہماری جگہ اور میری/ہماری طرف سے کمپنی کے **سالانہ اجلاسِ عام** بمقام انسٹی ٹیوٹ آف چارٹرڈ اکاؤنٹنٹس آف پاکستان (آئی کیپ) آڈیٹوریم، چارٹرڈ اکاؤنٹنٹس ایونیو کلفٹن، کراچی بروز جمعرات **23** اکتوبر **2025** بوقت صبح **10:00** منعقد ہورہا ہے، اس میں یا اس کے کسی ملتوی شدہ اجلاس میں شرکت کرے اور ووٹ ڈالے۔

ممبر دستخط _____

ممبر کا نام: _____

فولیو نمبر سی ڈی سی نمبر _____

ریونیو اسٹامپ پر دستخط
رقم-/5 روپے

گواہان

۱)

دستخط _____

نام _____

پتہ _____

شناختی کارڈ نمبر/ _____

پاسپورٹ نمبر _____

۲)

دستخط _____

نام _____

پتہ _____

شناختی کارڈ نمبر/ _____

پاسپورٹ نمبر _____

نوٹس:

- ایک رکن جو اجلاسِ عام میں شرکت کرنے اور ووٹ دینے کا اہل ہے وہ تحریری طور پر کسی دوسرے فرد کو بطور پراکسی اپنی جانب سے شرکت کرنے اور ووٹ دینے کیلئے مقرر کرسکتا ہے۔ پراکسی کمپنی کا ممبر ہونا چاہئے۔
- اگر کوئی رکن اجلاس میں شرکت کرنے کے قابل نہیں ہے تو وہ یہ فارم مع دستخط مکمل کر کے کمپنی سیکریٹری کو رجسٹرڈ آفس پر اجلاس کے مقررہ وقت سے 48 گھنٹے قبل بھجوائیں۔
- CDC اکاؤنٹ ہولڈرز/ کارپوریٹ انٹیٹیس

مندرجہ بالا شقوں کے علاوہ مندرجہ ذیل تقاضوں کو پورا کریں:

(I) پراکسی فارم میں دو گواہان کے نام دستخط نیز ان کے پتے اور شناختی کارڈ نمبر کا اندراج بھی لازمی ہے۔

(II) پراکسی فارم کیساتھ رکن اور پراکسی کی تصدیق شدہ قومی شناختی کارڈ یا پاسپورٹ کی نقول بھی منسلک کریں۔

(III) پراکسی کیلئے لازم ہے کہ وہ اجلاس کے وقت اصل قومی شناختی کارڈ یا پاسپورٹ تصدیق کیلئے فراہم کرے۔

(IV) کارپوریٹ ادارے کی صورت میں بورڈ آف ڈائریکٹرز کی قرارداد/پاور آف اٹارنی مع نمونہ دستخط کیساتھ (اگر پہلے ہی جمع کروادی گئی ہے) پراکسی فارم کے ہمراہ کمپنی کو جمع کروائیں۔