

International Knitwear Limited



**CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE HALF YEAR ENDED
DECEMBER 31, 2024**



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International Knitwear Limited

COMPANY INFORMATION

BOARD OF DIRECTORS	Mr. Khalid Jamil Siddiqi Mr. Naeem Shafi Mr. Waseem Shafi Mr. Javed Khan Mr. Abdullah Ahsan Saleem Ms. Saleha Majid Mr. Muhammad Shafi	Chairman Chief Executive
CHIEF FINANCIAL OFFICER	Mr. Javed Khan	
COMPANY SECRETARY	Mr. Salik Sultan - FCA	
AUDIT COMMITTEE	Mr. Abdullah Ahsan Saleem Mr. Khalid Jamil Siddiqi Ms. Saleha Majid	Chairman
HR & REMUNERATION COMMITTEE	Mr. Khalid Jamil Siddiqi Mr. Naeem Shafi Mr. Javed Khan	Chairman
AUDITORS	RSM Avais Hyder Liaquat Nauman Chartered Accountants	
LEGAL ADVISOR	Ali Associates	
BANKERS	Bank Al Habib Limited Habib Bank Limited Bank Alfalah Dubai Islamic Bank Faysal Bank Limited	
REGISTERED OFFICE & FACTORY	F-2A/(L), S.I.T.E., Karachi-75730	
REGISTRAR	CDC Registrar Services Limited CDC House, 99-B, Block 'B', S.M.C.H.S. Main Shahra-e-Faisal, Karachi-74400	
WEBSITE	www.internationalknitwear.com	



International Knitwear Limited

Directors' Report

The Board of Directors of International Knitwear Limited (INKL) is pleased to present the company's unaudited financial statements for the half year ended December 31, 2024.

FINANCIAL PERFORMANCE

	Un-Audited	
	July-December 2024	July- December 2023
	Rupees	Rupees
Profit or Loss		
Net Sales	572,378,150	405,123,434
Cost of goods sold	(533,979,605)	(337,334,608)
Gross profit	38,398,545	67,788,826
Profit before taxation	17,209,558	35,057,996
Profit after taxation	10,923,146	23,537,009
Earnings per share	1.13	2.43

PROFIT AND LOSS ANALYSIS

In the reviewed period, the company's net sales revenue has increased by 41.28% to Rs. 572.37 million compared to the previous year's Rs. 405.12. The company recorded a gross profit of Rs. 38.39 million during the period under review against Rs. 67.78million showing a decrease of Rs.29.39 million which is43.36% as compared to the previous year. Earnings per share (EPS) for the period were Rs. 1.13 compared to Rs. 2.43 for the corresponding period.

REVIEW OF OPERATION

The company has achieved a notable improvement in sales volume for both Export and Local markets during this period compared to last year (SPLY). Export sales increased from Rs. 257.84 million to Rs. 348.91 million, reflecting a growth of Rs. 91.06 million or 35.31%. Similarly, Local sales rose from Rs. 147.27 million to Rs. 223.46 million, an increase of Rs. 76.18 million or 51.73%. This growth in turnover can be attributed to higher product prices and expanded capacity in the value-added segment.

This commendable sales performance results from timely strategic actions by the management and targeted customer outreach efforts. However, despite the increase in sales, profit margins have come under pressure due to rising costs. A significant factor was the decision to honour our commitment to an export buyer by shipping their order via air, which resulted in substantial freight and related costs amounting to Rs. 21.30 million, negatively affecting overall profitability.

The Company's investment portfolio is expected to contribute positively to profitability. Other income is mainly comprised of dividends from equity investments.

FUTURE OUTLOOK

While exports are rising, margins of textile companies involved in the export of goods remain subdued due to the high cost of production. Interest costs and energy prices in Pakistan remain higher than in competitor countries which are pressuring margins.

To address escalating energy costs, the company has successfully launched a 100 KW rooftop solar power project and an additional 150 KW rooftop system is in the final stages of implementation anticipated to be operational by February FY25. This strategic initiative is designed to lessen reliance on expensive traditional energy sources and highlights the company's dedication to sustainability.

The management expects the sales revenue to grow during the year ending June 30, 2025, and the liquidity position will further strengthen to run the operations of the Company sustainably. Going forward, we remain committed to improving our operations, to be more innovative, efficient and profitable to deliver sustainable returns to our shareholders.

ACKNOWLEDGEMENT

We extend our gratitude to the unwavering support of our customers, financial institutions, shareholders, esteemed Board of Directors and to our dedicated employees.

For and on behalf of the Board

NAEEM SHAFI
Chief Executive Officer

JAVED KHAN
Director & Chief Financial Officer

karachi: February 26, 2025



**INDEPENDENT AUDITOR'S REVIEW REPORT
TO THE MEMBERS OF INTERNATIONAL KNITWEAR LIMITED
REPORT ON REVIEW OF INTERIM FINANCIAL STATEMENTS**

Introduction

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

Scope of Review

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

Conclusion

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

Other matter

The figures for the quarters ended December 31, 2024 and December 31, 2023 in the condensed interim statement of profit or loss and condensed interim statement of comprehensive income have not been reviewed and we do not express a conclusion on them.

The engagement partner on the engagement resulting in this independent auditor's review report is Syed Naveed Abbas.

Chartered Accountants

Karachi

Dated: February 27, 2025

UDIN: RR202410239QRuFW1Gdy

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International Knitwear Limited

CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION AS AT DECEMBER 30, 2024

		(Un-Audited) DECEMBER 2024 Rupees	(Audited) JUNE 2024 Rupees
ASSETS	Note		
Non-Current Assets			
Property, plant and equipment	5	83,967,682	73,514,795
Long term deposits		1,500,000	1,500,000
Loan and advances	9	1,426,000	861,000
Long term investments	6	34,391,023	28,025,260
		121,284,705	103,901,055
Current Assets			
Stock in trade	7	160,391,995	243,547,295
Short term investments	6	40,331,762	32,485,208
Trade debts - considered good	8	32,182,827	53,207,686
Short term loans and advances	9	11,483,147	6,306,459
Other receivables	10	26,506,636	25,279,007
Taxation - net		16,534,830	14,609,852
Cash and bank balances	11	1,144,089	3,272,247
		288,575,286	378,707,754
TOTAL ASSETS		409,859,991	482,608,809
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorised Capital			
20,000,000 Ordinary shares of Rs. 10 each		200,000,000	200,000,000
Issued, subscribed & paid-up capital	12	96,750,000	96,750,000
Revenue Reserves			
Unappropriated profit		65,071,189	61,404,293
		161,821,189	158,154,293
Capital Reserves			
Unrealized gain on revaluation of investments - FVTOCI		15,523,331	9,157,568
		177,344,520	167,311,861
Non-Current Liabilities			
Current Liabilities			
Short term finance under mark-up arrangement - Secured	14	43,398,669	142,299,173
Creditors, accrued and other liabilities	15	185,407,046	170,699,762
Unclaimed dividend		3,709,756	2,298,013
		232,515,471	315,296,948
Contingencies and Commitments	16	-	-
TOTAL EQUITY AND LIABILITIES		409,859,991	482,608,809

The annexed notes 1 to 20 form an integral part of these financial statements.

Khalid Jamil Siddiqi
Chairman

Naeem Shafi
Chief Executive

Javed Khan
Director / CFO



International Knitwear Limited

CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS FOR THE HALF YEAR ENDED DECEMBER 31, 2024 (UN-AUDITED)

	QUARTER ENDED		HALF YEAR ENDED	
	December	December	December	December
	2024	2023	2024	2023
	----- (Rupees) -----		----- (Rupees) -----	
Note				
Sales - net	230,479,572	164,785,839	572,378,150	405,123,434
Cost of goods sold	(215,718,624)	(144,093,103)	(533,979,605)	(337,334,608)
Gross profit	14,760,948	20,692,736	38,398,545	67,788,826
Administrative and selling expenses	(9,986,647)	(7,883,880)	(19,211,027)	(17,751,838)
Operating profit	4,774,301	12,808,856	19,187,518	50,036,988
Other income	3,771,587	1,620,129	4,256,000	(609,237)
Unrealized gain on revaluation of investments through P&L	5,207,155	2,567,640	7,346,350	2,633,062
	8,978,742	4,187,769	11,602,350	2,023,825
	13,753,044	16,996,625	30,789,868	52,060,813
Financial charges	(5,664,900)	(4,955,756)	(12,304,845)	(14,404,534)
Other charges	(558,081)	(830,820)	(1,275,466)	(2,598,283)
	(6,222,981)	(5,786,576)	(13,580,311)	(17,002,817)
Profit before income taxes and final taxes	7,530,062	11,210,049	17,209,558	35,057,996
Taxation - Final taxes	(580,979)	(656,313)	(607,604)	(685,634)
Profit before income tax	6,949,083	10,553,736	16,601,954	34,372,362
Taxation - Income tax				
Current - for the year	(2,871,754)	(1,719,151)	(5,678,808)	(5,725,697)
Prior year	-	(5,109,656)	-	(5,109,656)
Deferred Tax	-	-	-	-
	(2,871,754)	(6,828,807)	(5,678,808)	(10,835,353)
Profit after Income tax	4,077,329	3,724,929	10,923,146	23,537,009
Earning per share-basic and diluted	0.42	0.39	1.13	2.43

The annexed notes 1 to 20 form an integral part of these financial statements.

Khalid Jamil Siddiqi
Chairman

Naeem Shafi
Chief Executive

Javed Khan
Director / CFO



International Knitwear Limited

CONDENSED INTERIM STATEMENT OF OTHER COMPREHENSIVE INCOME FOR THE HALF YEAR ENDED DECEMBER 31, 2024

	QUARTER ENDED		HALF YEAR ENDED	
	December 2024	December 2023	December 2024	December 2023
	----- (Rupees) -----		----- (Rupees) -----	
Profit for the period	4,077,330	3,724,929	10,923,146	23,537,009
Other comprehensive income				
Items that will not be reclassified subsequently to profit or loss				
Unrealised gain on remeasurement of investments classified as fair value through OCI	6,727,760	3,016,007	6,365,763	2,654,010
Reclassification of OCI on disposal of fair value through OCI investment directly into equity	-	-	-	-
	6,727,760	3,016,007	6,365,763	2,654,010
Total comprehensive income for the period	10,805,090	6,740,936	17,288,909	26,191,019

The annexed notes 1 to 20 form an integral part of these financial statements.

Khalid Jamil Siddiqi
Chairman

Naeem Shafi
Chief Executive

Javed Khan
Director / CFO



International Knitwear Limited

CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY FOR THE HALF YEAR ENDED DECEMBER 31, 2024 (UN-AUDITED)

	-----Reserves-----			Total
	--Capital Reserve--	--Revenue Reserve--		
	Issued, Subscribed and Paid up Share Capital	Unrealized gain / (loss) on revaluation of investments	Unappropriated profit	
	----- Rupees -----			
Balance as at July 01, 2023	96,750,000	1,521,192	60,035,753	158,306,945
Total comprehensive income:				
Profit for six months ended December 31, 2023	-	-	23,537,009	23,537,009
Fair value adjustment on investment classified as FVTOCI	-	2,654,010	-	2,654,010
Transaction with owners:				
10% cash dividend paid for the year ended June 30, 2023	-	-	(9,675,000)	(9,675,000)
Balance as at December 31, 2023 (Un-Audited)	96,750,000	4,175,202	73,897,762	174,822,964
Total comprehensive income:				
Loss for six months ended June 30, 2024			(12,493,469)	(12,493,469)
Reclassification on disposal of FVTOCI directly into equity		4,980,193		4,980,193
Fair value adjustment on investment classified as FVTOCI		2,173		2,173
Balance as at June 30, 2024 (Audited)	96,750,000	9,157,568	61,404,293	167,311,861
Total comprehensive income:				
Profit for six months ended December 31, 2024	-	-	10,923,146	10,923,146
Fair value adjustment on investment classified as FVTOCI	-	6,365,763	-	6,365,763
Transaction with owners:				
7.5% cash dividend paid for the year ended June 30, 2024	-	-	(7,256,250)	(7,256,250)
Balance as at December 31, 2024 (Un-Audited)	<u>96,750,000</u>	<u>15,523,331</u>	<u>65,071,189</u>	<u>177,344,520</u>

The annexed notes 1 to 20 form an integral part of these financial statements.

Khalid Jamil Siddiqi
Chairman

Naeem Shafi
Chief Executive

Javed Khan
Director / CFO



**CONDENSED INTERIM STATEMENT OF CASH FLOWS
FOR THE HALF YEAR ENDED DECEMBER 31, 2024 (UN-AUDITED)**

	31-Dec-24 Rupees	31-Dec-23 Rupees
CASH FLOW FROM OPERATING ACTIVITIES		
Profit before income taxes and final taxes	17,209,558	35,057,996
Adjustment for non cash items:		
Depreciation	5,373,476	4,279,689
Gain on sale of property, plant and equipment	(95,800)	(16,000)
Other income	(4,160,200)	(2,007,825)
Unrealized gain on remeasurement of investment	(7,346,350)	(2,654,010)
Finance cost	12,304,845	14,404,534
	<u>6,075,971</u>	<u>14,006,388</u>
Profit before changes in working capital	23,285,528	49,064,383
Decrease/ (increase) in current assets		
Stock in trade	83,155,300	(42,270,809)
Trade debts	21,024,859	(10,801,287)
Loans and advances	(5,741,688)	2,748,455
Other receivables	(1,227,629)	(13,962,719)
	<u>97,210,842</u>	<u>(64,286,359)</u>
Increase in current liabilities		
Creditors, accrued and other liabilities	14,707,284	26,644,683
	<u>14,707,284</u>	<u>26,644,683</u>
Cash proceed from Sales tax	11,680,119	-
Financial charges paid	(11,942,622)	(13,047,917)
Taxes paid	(8,211,390)	(4,915,924)
	<u>(8,473,893)</u>	<u>(17,963,840)</u>
Net cash generated from/ (used) in operating activities	126,729,761	(6,541,134)
CASH FLOW FROM INVESTING ACTIVITIES		
Capital expenditure	(16,069,964)	(5,296,718)
Additions in investment	(15,162,786)	(21,294,852)
Disposal of investment	950,469	17,487,479
Proceeds from sale of property, plant and equipment	227,100	16,000
Net cash used in investing activities	(30,055,181)	(9,088,091)
CASH FLOW FROM FINANCING ACTIVITIES		
Cash proceeds from short term finance under markup arrangement	132,344,782	136,863,843
Repayment of short term finance under markup arrangement	(231,256,752)	(116,252,140)
Dividend paid	(5,870,844)	(9,323,060)
Net cash (used in)/ generated from financing activities	(104,782,814)	11,288,643
Net decrease in cash and cash equivalents	(8,108,233)	(4,340,581)
Cash and cash equivalents at the beginning of the year	3,272,247	1,613,678
Cash and cash equivalents at the end of the period	(4,835,986)	(2,726,903)
Cash and cash equivalent at the end of the period		
Cash and bank balances	1,144,089	3,080,011
Running finance facility	(5,980,075)	(5,806,914)
	<u>(4,835,986)</u>	<u>(2,726,903)</u>

The annexed notes 1 to 20 form an integral part of these financial statements.

Khalid Jamil Siddiqi
Chairman

Naeem Shafi
Chief Executive

Javed Khan
Director / CFO



**NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE HALF YEAR ENDED DECEMBER 31, 2024 (UN-AUDITED)**

1 STATUS AND NATURE OF THE BUSINESS

International Knitwear Limited (hereinafter referred as the "Company" or "INKL") is incorporated in Pakistan and is listed on Pakistan Stock Exchange Limited. The geographical location and address of the head office and manufacturing plant of the Company is Plot # F-2A/L, SITE, Karachi, Pakistan.

We are leaders in creating, developing and manufacturing knitted and woven apparel products right from basic to highly fashioned garments. We are engaged in the export of quality garments. We have established a name of credentials owing to the projected commitments, working speed and quality practices. Our operating philosophy is to provide buyers with products that meet their specification, and are reliably delivered at a reasonable price in domestic and international markets.

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2 STATEMENT OF COMPLIANCE

2.1 These condensed interim financial information of the Company for the period ended December 31, 2024 have been prepared in accordance with the requirements of the International Accounting Standard 34 - "Interim Financial Reporting" and provisions of the Companies Act, 2017 and directives issued by the Securities and Exchange Commission of Pakistan (SECP). Wherever the requirements differ, the provisions of the Companies Act, 2017 and the said directives have been followed.

2.2 These condensed interim financial information do not include all the information and disclosures required in the Annual Financial Statements, and should be read in conjunction with the Company's Annual Financial Statements for the year ended June 30, 2024.

2.3 The figures included in the condensed interim statement of profit or loss and other comprehensive income for the quarters ended December 31, 2024 and 2023 and in the notes forming part thereof have not been reviewed by the auditors of the Company, as they have reviewed the accumulated figures for the half years ended December 31, 2024 and 2023.

3 MATERIAL ACCOUNTING POLICIES

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

3.2 Change in accounting standards, interpretations and amendments to the accounting and reporting standards

a) Standards and amendments to accounting and reporting standards which became effective during the half year ended December 31, 2024

There were certain amendments to accounting and reporting standards which became mandatory for the Company's annual accounting period which began on July 1, 2024. However, these do not have any significant impact on the Company's financial reporting and, therefore, have not been detailed in these condensed interim financial statements.

b) Standards and amendments to accounting and reporting standards that are not yet effective

There is a new standard an interpretation and certain amendments to the accounting and reporting standards that will be mandatory for the Company's annual accounting periods beginning on or after July 1, 2024. However, these will not have any significant impact on the financial reporting of the Company and, therefore, have not been disclosed in these condensed interim financial statements.

4 ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of interim financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts. Actual results may differ from these judgements, estimates and assumptions.

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



**NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE HALF YEAR ENDED DECEMBER 31, 2024 (UN-AUDITED)**

	Note	(Un-audited) December 31, 2024	(Audited) June 30, 2024
------(Rupees)-----			
5 PROPERTY, PLANT & EQUIPMENT			
Property and equipment - at cost less accumulated depreciation	5.1	82,114,254	73,514,795
Capital work in progress	5.4	1,853,429	-
		<u>83,967,682</u>	<u>73,514,795</u>
5.1 Operating assets			
Opening book value		73,514,795	60,017,214
Additions during the period	5.2	14,216,535	22,766,231
Disposals during the period at book value	5.3	(243,600)	(108,625)
Depreciation charged during the period		(5,373,476)	(9,160,026)
		<u>82,114,254</u>	<u>73,514,795</u>
5.2 Additions during the period/year			
Factory building		-	5,851,211
Plant and machinery		10,543,000	10,045,500
Computers		252,000	747,000
Furniture Fitting		86,000	196,000
Office equipment		231,000	586,520
Motor vehicles		3,104,535	5,340,000
		<u>14,216,535</u>	<u>22,766,231</u>
5.3 Disposal / write-off / adjustments at book value - period/year			
Office equipment		44,750	43,292
Motor vehicles		198,850	65,333
		<u>243,600</u>	<u>108,625</u>
5.4 Movement in Capital Work in Progress			
Opening balances		-	-
Add: Additions during the period - Building		1,853,429	5,851,211
Less: Transfer to operating assets		-	(5,851,211)
		<u>1,853,429</u>	<u>-</u>
6 INVESTMENTS			
Long Term Investments			
At fair value through other comprehensive income (FVTOCI)			
Equity securities - listed	6.1	34,391,023	28,025,260
Short Term Investments			
At fair value through profit or loss (FVTPL)			
Equity securities - listed	6.2	20,273,471	14,544,578
Mutual funds - listed	6.3	20,058,291	17,940,630
		<u>40,331,762</u>	<u>32,485,208</u>
		<u>74,722,784</u>	<u>60,510,468</u>



**NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE HALF YEAR ENDED DECEMBER 31, 2024 (UN-AUDITED)**

	Note	(Un-audited) December 31, 2024	(Audited) June 30, 2024
------(Rupees)-----			
6.1 Long Term Investments			
Equity Securities - listed			
Name of Shares			
- Engro fertilizer Limited.		5,411,035	4,404,830
- Engro Corporation Limited		445,280	332,000
-The Hub Power Company Limited		1,897,905	2,364,660
- Pakistan Oilfields Limited		25,580,610	19,842,570
- Millat Tractors Limited		1,056,193	1,081,200
		<u>34,391,023</u>	<u>28,025,260</u>
6.2 Short Term Investments			
Equity securities - listed			
Name of Shares			
- Attock Petroleum Limited		1,386,100	965,600
- Engro Fertilizers Limited.		6,125,700	4,980,600
- Pakistan Oilfields Limited		5,431,932	4,213,484
- Pakistan State Oil Co. Limited		5,464,556	2,061,004
-The Hub Power Company Limited		1,865,183	2,323,890
		<u>20,273,471</u>	<u>14,544,578</u>
6.3 Short Term Investments			
Mutual Funds - listed			
Name of the Fund			
AKD Islamic Fund		729,476	667,337
Faysal Funds		1,368,266	1,259,112
MCB Cash Management Optimizer Fund		961,815	879,942
UBL Al-Ameen Islamic Cash Fund		4,889,597	4,015,367
UBL Cash Fund		297	261
UBL Liquidity Plus Fund		12,108,727	11,118,537
UBL Money Market Fund		112	74
		<u>20,058,290</u>	<u>17,940,630</u>
7 STOCK IN TRADE			
Raw material		7,977,982	39,891,589
Work-in-process		116,096,988	164,940,280
Finished goods	7.1	36,317,025	38,715,426
		<u>160,391,995</u>	<u>243,547,295</u>
7.1 Finished goods			
Finished stock		21,759,164	1,492,762
Finished stock in transit		9,894,911	30,287,083
Scrap / Left over stock		4,662,950	6,935,581
		<u>36,317,025</u>	<u>38,715,426</u>
8 TRADE DEBTS - CONSIDERED GOOD			
Foreign - secured, considered good		10,034,148	18,723,463
Gain/(loss) on translation of export debtors		5,401	(21,632)
		10,039,549	18,701,831
Local - unsecured			
- Considered good		22,143,278	34,505,855
- Considered doubtful		523,270	523,270
		22,666,549	35,029,125
Less: Provision for doubtful debts		(523,270)	(523,270)
		<u>32,182,827</u>	<u>53,207,686</u>



**NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE HALF YEAR ENDED DECEMBER 31, 2024 (UN-AUDITED)**

	Note	(Un-audited)	(Audited)
		December 31, 2024	June 30, 2024
----- (Rupees) -----			
9 LOANS AND ADVANCES			
Loans and advances to employees - Long term portion - unsecured, considered good			
Loan to employees		1,982,000	1,997,733
Less: current portion of loan to employees		(556,000)	(1,136,733)
		<u>1,426,000</u>	<u>861,000</u>
Short term Loans and advances - unsecured, considered good			
Advance to contractor and supplier		10,927,147	5,169,726
Current portion of advances to employees		556,000	1,136,733
		<u>11,483,147</u>	<u>6,306,459</u>
10 OTHER RECEIVABLES			
Sales tax refundable		16,317,791	17,656,462
Export rebate receivables		6,583,946	5,047,766
Research and development receivable		2,574,779	2,574,779
Receivable from Bank BAH/SBP		1,030,120	-
		<u>26,506,636</u>	<u>25,279,007</u>
11 CASH AND BANK BALANCES			
Cash in hand		110,528	200,000
With banks in:			
Treasuries call accounts (deposit accounts)		1,852,303	3,802,721
Saving account		73,201	381,494
Current accounts		608,057	388,032
		2,533,561	4,572,247
Security deposit		(1,500,000)	(1,500,000)
		<u>1,144,089</u>	<u>3,272,247</u>
11.1 Deposit and savings accounts carry profit of 10% to 19% per annum (June 30, 2024: 18.50% to 20.50% per annum)			
12 Share capital			
Authorized share capital			
		December 31, 2024	June 30, 2024
		----- (Rupees) -----	
	Number of Shares	20,000,000	20,000,000
		20,000,000	20,000,000
		<u>20,000,000</u>	<u>20,000,000</u>
Issued, subscribed and paid-up share capital			
		December 31, 2024	June 30, 2024
		----- (Rupees) -----	
	Number of Shares	3,000,000	3,000,000
		30,000,000	30,000,000
		225,000	225,000
		64,500,000	64,500,000
		<u>9,675,000</u>	<u>96,750,000</u>
The Company has one class of ordinary shares which carries no right to fixed income. The holders are entitled to receive dividends as declared from time to time and are entitled to one vote per share at company. All Share rank equal with regards to the company's residual assets.			
13 OTHER INCOME			
		(Un-audited)	
		Quarter ended	
		December 2024	December 2023
		----- (Rupees) -----	
	Income From Financial Assets		
	Exchange loss -Net	(201,306)	(444,478)
	Profit on bank accounts	168,451	404,014
	Dividend Income	3,751,160	1,465,692
	Gain on disposal of investment	-	134,171
	Gain on translation of foreign currency debtors	5,401	44,731
	Income From Non-Financial Assets		
	Gain / (loss) on disposal of property, plant and equipment	37,500	16,000
		<u>3,761,206</u>	<u>1,620,130</u>
		(Un-audited)	
		Half year ended	
		December 2024	December 2023
		----- (Rupees) -----	
	Income From Financial Assets		
	Exchange loss -Net	(411,045)	(6,467,002)
	Profit on bank accounts	392,766	735,688
	Dividend Income	4,173,079	4,762,787
	Gain on disposal of investment	-	343,290
	Gain on translation of foreign currency debtors	5,401	-
	Income From Non-Financial Assets		
	Gain / (loss) on disposal of property, plant and equipment	95,800	16,000
		<u>4,256,000</u>	<u>(609,237)</u>
14 SHORT TERM FINANCE UNDER MARK-UP ARRANGEMENT			
Running finance facility		5,980,075	5,968,608
Export refinance facility		19,000,000	10,000,000
Short term finance - Local sales		5,000,000	-
Short term finance - Against Raw Material Local		13,418,593	-
Finance against Twinco Capital Management		-	126,330,565
		<u>43,398,668</u>	<u>142,299,173</u>



**NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE HALF YEAR ENDED DECEMBER 31, 2024 (UN-AUDITED)**

14.1 Running finance facility

Secured from Bank Al Habib Limited against hypothecation charge over stocks and equitable mortgage over factory property at Plot # F-2A/L, SITE, Karachi amounting to Rs.405.76 million (2023: Rs. 405.76 million) (with 50% margin), and lien over export documents and personal guarantees of Directors of the Company. The rate of mark-up is equal to 3 Months KIBOR + 2.5% p.a (June 30, 2024: 3 Months KIBOR + 2.5% p.a). The facility is renewable and is valid till June 30, 2025. The facility for running finance as at December 31, 2024 amounts to Rs. 6 million (June 30, 2024: Rs. 6 million) of which amount remaining unutilized at the period end was Rs. 0.02 million (June 30, 2024 : Rs. 0.031 million)

14.2 Export refinance facility

Secured from Bank Al Habib Limited against hypothecation charge over stocks and equitable mortgage over factory property at Plot # F-2A/L, SITE, Karachi amounting to Rs.405.76 million (June 30, 2024: Rs. 405.76 million) (with 50% margin), and lien over export documents and personal guarantees of directors of the Company. The rate of mark-up is equal to 3 months' KIBOR + 1.0% p.a (June 30, 2024: 3 Months KIBOR + 1.0% p.a). The facility is renewable and is valid till June 30, 2025. The facility for export refinance as at December 31, 2024 amounts to Rs. 29.0 million (June 30, 2024: Rs. 29 million) of which amount remaining unutilized at the period end was Rs. 10.0 million. (June 30, 2024: Rs. 19.0 million)

14.3 Short term finance - local sales

The Finance secured from Bank Al Habib Limited against invoice of KHAADI (80% of invoice amount) The rate of mark-up is equal to 3 Months KIBOR + 2.5% p.a (June 30, 2024: 3 Months KIBOR + 2.5% p.a). The facility is renewable and is valid till June 30, 2025. The facility for Short term finance - local sales as at December 31, 2024 amounts to Rs. 5 million (June 30, 2024: 5 million) of which amounts remaining unutilized at the period end was nil. (June 30, 2024 : 5.0)

14.4 Short term finance - Against Raw Material Local

The Finance secured from Bank Al Habib Limited against purchase of raw material for export orders. The rate of mark-up is equal to 3 Months KIBOR + 2.5% p.a (June 30, 2024: 3 Months KIBOR + 2.5% p.a). The facility is renewable and is valid till June 30, 2025. The facility for Short term finance - against local sales as at December 31, 2024 amounts to Rs. 35.0 million (June 30, 2024: 35.0 million) of which amounts remaining unutilized at the period end was Rs. 21.58 million. (June 30, 2024 : 35.0)

14.5 Finance against Foreign documentary bills

This facility is secured from Bank Al Habib Limited provided to negotiate (purchase) Foreign Documentary bills/documents submitted by the company on export made against export L/C denominated in Foreign Currency. The rate of mark-up 3 Month KIBOR + 2.5 % p.a (June 30, 2024: 3 Month KIBOR + 2.5 % p.a). The facility is renewable and valid till June 30, 2025. The facility for Short term finance - local sales as at December 31, 2024 amounts to Rs. 95.0 million (June 30, 2024: 95.0 million) of which amounts remaining unutilized at the period end was Rs. 95.0 million . (June 30, 2024 : 95.0 million)

14.6 Finance against local documentary bills

This facility is secured from Bank Al Habib Limited provided to negotiate (purchase) local Documentary bills/documents submitted by the company on local sales made against local L/C. The rate of mark-up 3 Month KIBOR + 2.5 % p.a (June 30, 2024: 3 Month KIBOR + 2.5 % p.a). The facility is renewable and valid till June 30, 2024. The facility for Short term finance against local sales as at December 31, 2024 amounts to Rs. 102.50 million (June 30, 2024: 102.5 million) of which amounts remaining unutilized at the period end was Rs. 102.50 million . (June 30, 2024 : 102.50 million)

14.7 Finance against Twinco Capital Management

This finance from Twinco Capital Management against Purchase order of El Corte Ingles 50% of such value Under Mark-up 4.27% for 6 Month .The facility utilized at the period end was nil. (June 30, 2024: 126.33 million)

14.8 Letter of credit Sight

This finance against import of packing and raw materials. Payment is made by the bank upon verification of documents. This facility for import as at December 31, 2024 amounts to 2 million. (June 30, 2024: 2 million) of which the amount remaining unutilised at the period end was Nil. (June 30, 2024: Nil)

Note	(Un-audited)	(Audited)
	December 31, 2024	June 30, 2024
	------(Rupees)-----	
15 CREDITORS, ACCRUED AND OTHER PAYABLES	152,037,338	146,599,026
Creditors	17,824,954	14,660,873
Accrued expenses	2,911,356	2,559,329
Compensated absences payable	1,363,728	683,456
Other fund payable	2,360,510	1,438,259
Workers' profit participation fund	3,845,332	3,494,117
Workers' welfare fund	463,549	443,657
Advance from customers	4,600,278	821,045
Others		
	<u>185,407,046</u>	<u>170,699,762</u>



**NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE HALF YEAR ENDED DECEMBER 31, 2024 (UN-AUDITED)**

16 CONTINGENCIES AND COMMITMENTS

16.1 Contingencies

For tax year 2008, an amended assessment order has been passed under section 122(5A) of the Income Tax Ordinance, 2001 by the Additional Commissioner Inland Revenue (ACIR) against which the company filed an appeal with Commissioner Inland Revenue Appeals-II who passed an order with certain amendments. In pursuance of such order, Company filed an appeal in 2011 before Appellate Tribunal and matter is pending for hearing as reported in the note 20 to the annual audited financial statements of the Company for the year ended June 30, 2024.

16.2 Commitments

Commitments under letter of credit are Rs. nil (June 30, 2024: Rs nil million)

17 TRANSACTIONS WITH RELATED PARTIES

All transactions involving related parties arising in the normal course of business are conducted at commercial terms and conditions. The related parties comprise staff retirement funds, directors and key management personnel. Transactions with related parties, other than those disclosed elsewhere in these financial statements, are follows:

Note	(Un-audited)	(Audited)
	December 31, 2024	June 30, 2024
	------(Rupees)-----	
Transactions:		
PF contribution paid	1,237,239	1,295,981
Key Management Personals remuneration paid	5,850,000	5,249,799
Balances:		
PF Contribution payable	1,005,648	426,640
Key Management Personals remuneration payable	975,000	800,958

18 FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS

18.1 Financial risk factors

The Board of Directors of the Company have overall responsibility for the establishment and oversight of Company's risk management framework. The Board is also responsible for developing and monitoring the Company's risk management policies. The Company's activities expose it to a variety of liquidity risk, credit risk, and market risk (including currency risk, interest rate risk and price risk). Company's overall risk management policy focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the Company's financial performance.

18.2 Fair value hierarchy

The table below analyses financial instruments carried at fair value by valuation method. The different levels have been defined as follows:

- quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1);
- inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly or indirectly (level 2); and
- inputs for the asset or liability that are not based on observable market data (level 3).

Assets	December 31, 2024 (Un-Audited)			Total
	Level 1	Level 2	Level 3	
Financial assets - fair value through profit or loss				
- Short-term investments (units of mutual fund)	20,058,291	-	-	20,058,291
- Short-term investment (shares of PSX)	20,273,471	-	-	20,273,471
Financial assets - fair value through other comprehensive income				
- Long-term investment (shares of PSX)	34,391,023	-	-	34,391,023
	<u>74,722,785</u>	<u>-</u>	<u>-</u>	<u>74,722,785</u>

19 DATE OF AUTHORIZATION

These condensed interim financial statements was authorized by the Board of Directors of the Company on February 26, 2025.

20 GENERAL

20.1 Figures have been rounded off to the nearest of Rupee, unless otherwise stated.

20.2 Corresponding figures have been rearranged and reclassified, where necessary, for the purpose of better presentation and comparison. However no significant reclassification has been made during the period.

Khalid Jamil Siddiqi
Chairman

Naeem Shafi
Chief Executive

Javed Khan
Director / CFO



ڈائریکٹران کی رپورٹ

انٹرنیشنل کٹ ویئر لمیٹڈ (آئی این کے ایل) کے بورڈ آف ڈائریکٹرز 31 دسمبر، 2024 کو ختم ہونے والی ششماہی کیلئے کمپنی کے غیر پڑتال شدہ مالی احوال کو پیش کرنے میں مسرت محسوس کرتے ہیں۔

مالیاتی کارکردگی کا سرسری جائزہ

جولائی تا دسمبر 2023	جولائی تا دسمبر 2024	کاروباری نتائج
روپے	روپے	
405,123,434	572,378,150	خالص فروخت
(337,334,608)	(533,979,605)	فروخت شدہ سامان کی لاگت
67,788,826	38,398,545	خام نتائج
35,057,996	17,209,558	منافع قبل از ٹیکس
23,537,009	10,923,146	منافع بعد از ٹیکس
2.43	1.13	آمدن فی حصص

منافع اور نقصان کا تجزیہ

زیر جائزہ مدت میں کمپنی کی خالص فروخت میں 41.28 فیصد اضافہ ہو جو گزشتہ سال کے 405.12 ملین سے بڑھ کر 572.37 ملین روپے رہی۔ زیر جائزہ مدت کے دوران کمپنی کے مجموعی نتائج میں 43.36 فیصد کمی ہوئی جو گزشتہ سال کے 67.78 ملین کے مقابلے میں 38.39 ملین روپے رہا جو 29.39 ملین روپے کی کمی کو ظاہر کرتا ہے۔ مدت کیلئے کمپنی کی فی حصص آمدن گزشتہ مدت کی 2.43 روپے فی حصص کے مقابلے میں 1.13 روپے فی حصص رہی۔

کاروباری جائزہ

کمپنی نے اس مدت کے دوران برآمدی اور مقامی مارکیٹوں میں گزشتہ سال کی مدت کے مقابلے میں فروخت کے حجم میں نمایاں بہتری حاصل کی ہے۔ برآمدی فروخت 257.84 ملین روپے سے بڑھ کر 348.91 ملین روپے ہوئی جو 91.06 ملین روپے یا 35.31 فیصد کا اضافہ ظاہر کرتا ہے۔ اسی طرح مقامی سطح پر فروخت 147.27 ملین روپے سے بڑھ کر 223.46 ملین روپے ہو گئی، جو 76.18 ملین روپے یا 51.73 فیصد کا اضافہ ظاہر کرتی ہے۔ کاروباری ترقی کی بنیادی وجوہات میں مصنوعات کی قیمتوں میں اضافہ اور ویلیو ایڈڈ سیکٹ میں پیداواری صلاحیت میں توسیع ہے۔

فروخت میں شاندار اور قابل قدر کارکردگی، اختلافیہ کے اسٹریٹجک اقدامات اور صارف پر مبنی ادائیگی کو مشغول کا نتیجہ ہے۔ تاہم فروخت میں اضافہ کے باوجود بڑھتی ہوئی لاگتوں کے باعث منافع دباؤ کا شکار رہا ہے۔ ایک اہم عنصر وہ فیصلہ تھا جس کے تحت ہم نے اپنے برآمدی خریدار سے کیے گئے وعدے کو پورا کرتے ہوئے ان کا آرڈر فضائی راستے کے ذریعے بھیجا۔ نتیجتاً 21.30 ملین روپے کے نمایاں فریٹ اور دیگر متعلقہ اخراجات ہونے جس نے مجموعی منافع پر منفی اثر ڈالا۔

مستقبل کی پیش بینی

اگرچہ برآمدات میں اضافہ ہو رہا ہے اس کے باوجود ٹیکسٹائل کمپنیوں کے مارجن پیداواری لاگت بڑھنے سے دباؤ کا شکار ہیں۔ پاکستان میں شرح سود اور توانائی کی قیمتیں دیگر ممالک کی نسبت زیادہ ہیں جس کی وجہ سے منافع پر دباؤ بڑھ رہا ہے۔

توانائی کی بڑھتی ہوئی قیمتوں سے متعلقہ کیلئے کمپنی نے 100 کلو واٹ کا سولر پاور پراجیکٹ نصب کیا ہے جبکہ 150 کلو واٹ کا اضافی سسٹم آخری مراحل میں جو فروری 2025 تک آپریشنل ہو جائے گا۔ اس اسٹریٹجک اقدام کا مقصد توانائی کے روایتی مہنگے ذرائع پر انحصار کم کرنا ہے جو کمپنی کے پائیداری کیلئے عزم کا اظہار ہے۔

سینجمنٹ 30 جون، 2025 کو ختم ہونے والے سال کے دوران فروخت کی آمدن میں اضافہ کی توقع کرتی ہے جبکہ کمپنی کے آپریشنز کو باقاعدگی سے چلانے کیلئے لیکویڈٹی بھی مزید محفوظ ہوگی۔ ہم زیادہ جدید، موثر اور منافع بخش حکمت عملی اختیار کرتے ہوئے اپنے آپریشنز کو مزید بہتر بنانے کے لیے پرعزم ہیں تاکہ حصص یافتگان کو پائیدار منافع فراہم کیا جاسکے۔

اعتراف

ہم صارفین، مالیاتی اداروں، حصص یافتگان، محرز بورڈ آف ڈائریکٹرز اور پرعزم ملازمین کی غیر متزلزل معاونت پر اظہار تشکر کرتے ہیں۔

جاوید خان

ڈائریکٹر اینڈ سی ایف او

نعیم شفیع

چیف ایگزیکٹو

برائے دلچسپی

کراچی، 26 فروری، 2025



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