

International Knitwear Limited



annual report

2025



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International Knitwear Limited

COMPANY INFORMATION

BOARD OF DIRECTORS

Mr. Khalid Jamil Siddiqi	Chairman
Mr. Naeem Shafi	Chief Executive
Mr. Waseem Shafi	
Mr. Javed Khan	
Mr. Abdullah Ahsan Saleem	
Ms. Saleha Majid	
Mr. Muhammad Shafi	

CHIEF FINANCIAL OFFICER

Mr. Javed Khan

COMPANY SECRETARY

Mr. Salik Sultan-FCA

AUDIT COMMITTEE

Mr. Abdullah Ahsan Saleem	Chairman
Mr. Khalid Jamil Siddiqi	
Ms. Saleha Majid	

HR & REMUNERATION COMMITTEE

Mr. Khalid Jamil Siddiqi	Chairman
Mr. Naeem Shafi	
Mr. Javed Khan	

AUDITORS

RSM Avas 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
Habib Metropolitan 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



VISION AND MISSION

VISION

Is to achieve and then remain as the most progressive and profitable Company offering a wide range of quality products and service provider in terms of industry standards and stakeholders interest.

MISSION

The Company shall achieve its mission through a continuous process of having sourced, developed, implemented and managed the best leading edge technology, industry best practice, human resource and innovative of superior products, performance and service quality that fully meet the needs of our customers, better returns to our stakeholders and a better quality of life to the employees.



REVIEW REPORT BY THE CHAIRMAN

It is my privilege to present the Chairman's Review for the financial year ended June 30, 2025, in compliance with the Companies Act, 2017 and the Listed Companies (Code of Corporate Governance) Regulations, 2019. This review reflects our continued commitment to transparency, sound governance, and long-term strategic direction.

During the year, our Company demonstrated resilience and foresight in navigating a challenging economic environment. We achieved a record-high turnover, underscoring our ability to adapt and compete effectively in a dynamic market. However, rising energy costs and persistent inflation exerted significant pressure on profit margins, highlighting the importance of prudent cost management and operational efficiency.

Our dedication to the highest standards of governance remains at the core of our business. The Board of Directors upholds transparency, accountability, and integrity while ensuring adherence to best practices in governance. Robust systems for risk management, internal controls, and regulatory compliance remain firmly in place, reinforcing stakeholder confidence and strengthening our corporate reputation.

Throughout the fiscal year 2024-25, the Board convened four meetings, including sessions of its audit committee, to ensure effective oversight of business performance and sub-committee activities. In line with our governance framework, the Board also conducted its annual self-evaluation for 2024-25, which produced satisfactory results. This exercise is critical to assessing effectiveness and identifying areas for further improvement.

Our Board comprises a diverse mix of independent and non-executive directors, each contributing expertise and perspective to informed decision-making. This diversity of skills and experience ensures that the Company remains well-positioned to achieve its objectives and create sustainable value.

In conclusion, I would like to express my heartfelt appreciation to our shareholders, employees, and business partners for their trust and dedication. With your support, we will continue to pursue our strategic priorities, strengthen our foundations, and progress with confidence and integrity.

KHALID JANIL SIDDIQI
Chairman



International Knitwear Limited

DIRECTORS' REPORT

The Board of Directors of International Knitwear Limited takes pleasure in presenting this report together with the Audited Financial Statements of the Company for the year ended June 30, 2025.

Financial Performance at a Glance

Operating Results	2025 Rupees	2024 Rupees	Increase/(Decrease) Percentage
Net sales	1,210,573,713	850,505,029	42.33%
Gross profit	106,356,166	81,397,783	30.66%
Profit before income taxes and final taxes	49,297,557	26,780,385	84.08%
Profit after income tax	30,858,562	11,043,540	179.42%
Net Earnings per share	3.19	1.14	179.82%

Financial Highlights for the Year Ended June 30, 2025

- **Net Sales** reached Rs. 1.21 billion, compared to Rs. 850.50 million in the same period last year (SPLY), reflecting an increase of Rs. 360.07 million (42.33%).
- **Gross Profit** stood at Rs. 106.35 million, up from Rs. 81.39 million in the previous year.
- **Profit Before Tax** amounted to Rs. 49.29 million, compared to Rs. 26.78 million in the corresponding period last year.
- **Profit After Tax** rose to Rs. 30.85 million, against Rs. 11.04 million in SPLY.
- **Earnings Per Share (EPS)** increased to Rs. 3.19, compared to Rs. 1.14 in the previous year.

Business Overview

During the year under review, the Company delivered an outstanding financial performance, with net turnover reaching Rs. 1.21 billion, compared to Rs. 850.50 million in the corresponding period, reflecting robust growth of 42.33%. This increase was primarily driven by a substantial rise in sales volumes.

Despite challenges such as pricing pressures in export markets, political uncertainty, high financing costs, and volatile utility prices, the Company successfully expanded order volumes and fully utilised its production capacity during FY24-25. Export revenue rose by 13.74%, from Rs. 487.63 million in the same period last year to Rs. 556.66 million. Local sales showed even stronger growth, increasing by 80.20%, from Rs. 362.87 million to Rs. 653.91 million during FY25.

This strong performance lifted net sales to Rs. 1.21 billion, up 42.33% year-on-year, demonstrating the effectiveness of management's strategic initiatives, including timely investments and an optimal balance between export and domestic market opportunities.



DIRECTORS' REPORT

However, the sales growth was partially offset by margin pressures. Gross, operating, and net profitability were impacted by higher costs, particularly elevated freight expenses of Rs. 21.30 million incurred to fulfil an export order shipped via air to meet buyer commitments. Consequently, the gross margin declined to 8.78% compared to 9.57% in the corresponding period. On the financial side, the Company successfully contained its finance costs, which decreased as a percentage of sales compared to last year, mainly due to the reduction in the policy rate.

As a result, profit after tax increased significantly, reaching Rs. 30.85 million compared to Rs. 11.04 million in the corresponding period.

Earnings per share

Earnings per share after taxation were Rs. 3.19 as compared to Rs. 1.14 in last year's earnings for the shareholders.

Investment

The Company generates a significant portion of its investment income from sustainable sources such as dividends and capital gains, ensuring a stable revenue stream. Its investment portfolio remains well-diversified across multiple sectors, with a primary emphasis on blue-chip stocks offering attractive dividend yields, bonus distributions, and strong growth prospects. In addition, the portfolio maintains a prudent balance between fixed-income securities and equities, optimising returns while managing risk. This approach reinforces the Company's profitability by generating a significant secondary income stream.

During the year, other income, primarily comprising dividend income, stood at Rs. 7.65 million, compared to Rs. 8.49 million in the corresponding period. Gains on disposal of investments rose to Rs. 2.72 million, from Rs. 0.36 million in the previous year.

Capital Expenditure

The Company has consistently maintained a strong track record of investing in new facilities, equipment, and technologies to support market expansion and the development of new product lines. During the year, capital expenditure amounted to Rs. 35.97 million, compared to Rs. 22.76 million in the previous year, reflecting an increase of Rs. 13.21 million (58.04%).

Management remains committed to enhancing operational capabilities as a cornerstone of long-term profitability. As part of this approach, the Company has prioritised investments in renewable energy to counter rising energy costs. In line with this strategy, a solar power project with a rated capacity of 250 KW was successfully commissioned during the year.

This transition to renewable energy is expected not only to mitigate the financial impact of escalating energy costs but also to reinforce the Company's commitment to sustainability and responsible business practices.

Dividend

Considering our strategic investments, the business's future working capital needs, and the Company's cash-generating capability, the Board of Directors is pleased to recommend a final cash dividend of 10%, equivalent to PKR. 1.0 per share, for the year ended June 30, 2025.



DIRECTORS' REPORT

Future Outlook

The Company is positioned for sustainable profit growth amid a promising domestic economic landscape of receding inflation and monetary easing. This positive outlook is offset by notable challenges, including climate volatility linked to global warming. Events such as monsoon floods can impact supply chains, raw material costs, and local consumer demand. On the international front, trade continues to face multiple challenges, including subdued global demand and geopolitical tensions. In this complex environment, a key focus will be on leveraging diversified operations and robust risk management to mitigate supply-side disruptions and navigate fluctuations in local demand, thereby securing profitability amid both global and domestic uncertainties.

Looking ahead, the Board of Directors and management are committed to further strengthening financial performance through cost efficiencies and operational improvements. These initiatives aim to maximize shareholder returns and reinforce stakeholder confidence.

Material Changes

There have been no material changes and no significant commitments made after the end of the financial year up to the date of this report, which could affect the Company's financial position.

Corporate Environment, Health & Social Responsibility

We are firmly committed to maintaining the highest standards of health, safety, and environment (HSE) to protect our employees and the communities where we operate. Our foremost priority is the continuous enhancement of safety measures across production, storage, delivery, and material handling. The Company also remains dedicated to environmental stewardship and sustainability in every aspect of its operations.

Materiality Approach

The determination of materiality levels is inherently subjective, with methodologies differing across organisations. At our Company, authorisation of transactions and delegation of powers are established through formal, documented procedures. The Company operates under a Board-approved materiality policy, which is reviewed annually to ensure ongoing compliance, effectiveness, and relevance.

Corporate and Financial Reporting Framework

In compliance with the provisions of the listing regulations of the Pakistan Stock Exchange, the Board members are pleased to place the following statements on record:

The financial statements, prepared by the management of the Company, present fairly its state of affairs, the result of its operations, cash flows, and changes in equity;

- The Company maintains proper books of accounts;
- The Chief Executive and Chief Financial Officer duly endorsed the financial statements before approval of the Board;
- Appropriate accounting policies have been consistently applied in the preparation of financial statements and accounting estimates are based on reasonable and prudent judgment;
- International Financial Reporting Standards, as applicable in Pakistan, are followed in the preparation of financial statements.
- The system of internal control is sound in design and has been effectively implemented and monitored;
- There are no doubts upon the company's ability to continue as a going concern.
- There has been no material departure from the best practices of corporate governance, as detailed in the listing regulations.
- A summary of key operational and financial data for the last six years is annexed in this annual report.
- Information about taxes and levies is given in the notes to and forming part of financial statements.
- The valuation of investment made by the staff retirement Provident Fund (Audited) as at June 30, 2025 was Rs. 9,738,626.



DIRECTORS' REPORT

BOARD OF DIRECTORS AND ITS COMMITTEES

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 current composition of the Board is as follows:

TOTAL NUMBER OF DIRECTORS:

- (a) Male: 6
- (b) Female: 1

COMPOSITION:

- i. Independent Directors: 3
- ii. Non-Executive Directors: 2
- iii. Executive Directors: 2

BOARD OF DIRECTORS

1	Khalid Jamil Siddiqi	Chairman	Independent
2	Naeem Shafi	Chief Executive Officer	Executive
3	Waseem Shafi	Director	Non-Executive
4	Javed Khan	Director	Executive
5	Abdullah Ahsan Saleem	Director	Independent
6	Saleha Majid	Director	Independent
7	Muhammad Shafi	Director	Non-Executive

COMPOSITION OF AUDIT COMMITTEE

1	Abdullah Ahsan Saleem	Chairman
2	Khalid Jamil Siddiqi	Member
3	Saleha Majid	Member

COMPOSITION OF HR & REMUNERATION COMMITTEE

1	Khalid Jamil Siddiqi	Chairman
2	Naeem Shafi	Member
3	Javed Khan	Member

COMPOSITION OF RISK MANAGEMENT COMMITTEE

1	Naeem Shafi	Chairman
2	Javed Khan	Member
3	Abdullah Ahsan Saleem	Member

COMPOSITION OF NOMINATION COMMITTEE

1	Naeem Shafi	Chairman
2	Khalid Jamil Siddiqi	Member
3	Muhammad Shafi	Member



DIRECTORS' REPORT

COMPOSITION OF BANKING COMMITTEE

1	Abdullah Ahsan Saleem	Chairman
2	Naeem Shafi	Member
3	Javed Khan	Member

COMPOSITION OF SHARES TRANSFER COMMITTEE

1	Waseem Shafi	Chairman
2	Javed Khan	Member
3	Saleha Majid	Member

Meeting of the Board and its Committees

During the year, four meetings of Board of Directors (BOD), four meetings of Audit Committee (AC) and one meeting of Human Resource and Remuneration Committee (HRRC) were held. The attendance of the Directors and the number of their directorship in listed companies, including International Knitwear Limited, is as follows:

Sr. No.	Name of Directors	Director ship	Status	Executive Directors	Committee Members		Attendance		
					AC	HRRC	BOD	AC	HRRC
1	Mr. Khalid Jamil Siddiqi	1	Re-elected w.e.f 27-10-2024	No	-	-	4/4	4/4	1/1
2	Mr. Naeem Shafi	2	Re-elected w.e.f 27-10-2024	Yes	-	-	4/4	-	1/1
3	Mr. Waseem Shafi	1	Re-elected w.e.f 27-10-2024	Yes	-	-	2/4	-	-
4	Mr. Javed Khan	1	Re-elected w.e.f 27-10-2024	Yes	-	-	4/4	-	1/1
5	Mr. Abdullah Ahsan Saleem	1	Re-elected w.e.f 27-10-2024	No	-	-	4/4	4/4	-
6	Ms. Saleha Majid	1	Re-elected w.e.f 27-10-2024	No	-	-	3/4	3/4	-
7	Mr. Muhammad Shafi	1	Re-elected w.e.f 27-10-2024	No	-	-	4/4	-	-

Management Committee

The Management Committee, led by the Chief Executive Officer (CEO) and comprising senior management, supports timely and informed decision-making across the Company. Acting in an advisory role to the CEO, it reviews business operations, budgets, and long-term strategies, while monitoring performance against targets through monthly meetings. The CEO ensures that Board decisions and directives are effectively communicated and implemented throughout the organization.



DIRECTORS' REPORT

Evaluation Criteria for the Board

In addition to discharging their statutory responsibilities, the performance of the Company's Board is regularly evaluated at both the individual and collective levels, based on the following criteria:

1. Promotion of diversity in gender, talents, skills, and perspectives;
2. Integrity, credibility, trustworthiness, and active participation of members;
3. Monitoring and reviewing progress against annual targets set by management;
4. Provision of strategic guidance and direction to the Company;
5. Ability to identify and address areas requiring performance improvement;
6. Review and oversight of management succession planning;
7. Assessment and understanding of the Company's risk exposures;
8. Contribution to strengthening policies and practices relating to health, safety, environment, employment, and other key areas;
9. Commitment to safeguarding the Company from avoidable litigation and reputational risks.

Performance Evaluation of the Board

The Board's overall performance for the year, evaluated against the prescribed criteria, has been found satisfactory. In compliance with Section 192 of the Companies Act, 2017, a detailed report by the Chairman on the Board's performance is presented in this Annual Report.

Director's Remuneration

The Board of Directors has approved the Directors' Remuneration Policy, which includes the following key provisions:

1. No remuneration shall be paid to non-executive or independent directors, other than meeting fees for attending meetings of the Board and its Committees.
2. The Company shall bear or reimburse directors' travel and accommodation expenses incurred in connection with attending Board and Committee meetings.
3. The Directors' Remuneration Policy shall be subject to periodic review and approval by the Board of Directors.

Pattern of Shareholding

A statement showing a pattern of shareholdings of the Company and additional information as at June 30, 2025, is included in the report.

Auditors

The retiring auditors, M/s RSM Avais Hyder Liaquat Nauman, Chartered Accountants, being eligible, have offered themselves for reappointment. On the recommendation of the Audit Committee, the Board of Directors proposes their reappointment as auditors of the Company for the financial year ending June 30, 2026, on such remuneration as may be fixed by the Board in consultation with the Audit Committee, subject to the approval of the shareholders at the Annual General Meeting.



International Knitwear Limited

DIRECTORS' REPORT

Directors' Training Program

Four Directors have completed the Directors' Training Program, while two Directors, having over 25 years of experience serving on the Boards of listed companies, are exempt from this requirement. The Company intends to arrange the mandatory training for the remaining Directors in the next fiscal year. The Board is adequately equipped to discharge its responsibilities, and the Directors are fully aware of their duties, powers, and obligations under the Companies Act, 2017 and the Pakistan Stock Exchange Rule Book.

Acknowledgement

The Board places on record its sincere appreciation to the executives, officers, staff members, and workers for their dedication, hard work, and commitment, which have contributed significantly to the Company's performance. The Board also extends its gratitude to the Company's bankers, customers, and suppliers for their continued support and cooperation. The Management remains confident that these valued relationships will be further strengthened in the years ahead.

For and on behalf of the Board

JAVED KHAN
Director

NAEEM SHAFI
Chief Executive

Karachi: September 29, 2025



International Knitwear Limited

SUMMARY OF KEY OPERATING AND FINANCIAL DATA OF SIX YEARS AT A GLANCE

Below is a summary of key operating and financial results for six years and includes the financial results for the year under review:

	2025	2024	2023	2022	2021	2020
	'000'					
ASSETS EMPLOYED						
Property, plant and equipment	97,333	73,514	60,017	53,236	35,983	35,942
Long-term investments	29,907	28,025	20,394	20,867	16,979	14,478
Long-term deposits	1,500	1,500	1,500	2,052	2,052	2,052
Short-term investments	42,614	32,485	20,006	17,439	16,781	8,506
Net current assets	68,180	63,411	75,075	67,514	71,626	72,410
Total assets employed	197,848	167,312	158,307	144,556	127,481	136,512
FINANCED BY						
Issued, subscribed and paid-up capital	96,750	96,750	96,750	96,750	96,750	96,750
Reserve and un-appropriated profit	85,006	61,404	60,035	45,218	23,133	28,020
Gain / (Loss) on revaluation of investments	12,647	9,157	1,521	1,945	905	(982)
Shareholder's equity	194,403	167,311	158,306	143,913	120,788	123,788
Long term and deferred liabilities	3,444	-	-	642	6,693	12,723
Total capital employed	197,847	167,311	158,306	144,555	127,481	136,511
Sales	1,210,573	850,505	611,489	670,262	488,090	537,457
Profit before income taxes and final taxes	49,297	26,780	37,130	27,585	6,620	16,865
Profit/ (loss) after Income tax	30,858	11,043	22,073	22,084	(50)	7,735
Earnings/(loss) per share	3.19	1.14	2.28	2.28	(0.01)	0.80
Return on turnover	2.55%	1.30%	3.61%	3.29%	(0.1%)	1.40%
Return on capital employed	15.87%	6.60%	13.94%	15.35%	(0.04%)	5.60%
Dividend						
Cash (%)	10%	7.5%	10%	7.5%	0%	5%
Stock (%)	0%	0%	0%	0%	0%	0%



International Knitwear Limited

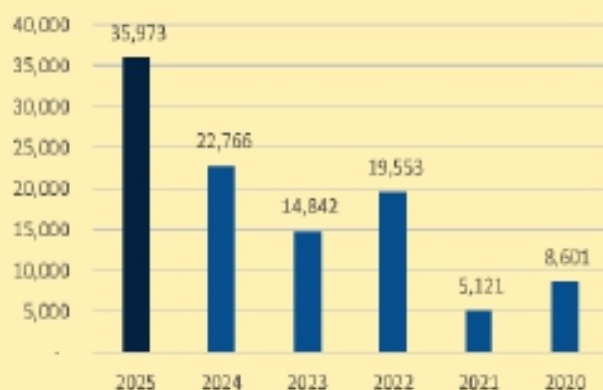
KEY FINANCIAL RATIOS FOR THE YEAR ENDED JUNE 30, 2025

	UOM	Jun-25	Jun-24	Jun-23	Jun-22	Jun-21	Jun-20
Liquidity Ratios							
Current Ratio	Times	1.11	1.20	1.43	1.25	1.41	1.48
Quick Ratio	Times	0.83	0.43	0.63	0.78	0.71	0.56
Cash to Current Liabilities	Times	0.00	0.01	0.01	0.02	0.00	0.01
Current Assets to Total Assets	%	84.02	78.47	75.13	81.48	81.59	83.00
Inventory / Current Assets	%	25.66	64.31	55.56	37.34	49.73	61.83
Inventory to Total Assets	%	21.56	50.46	41.74	30.42	40.58	51.32
Profitability Ratios							
Gross Profit Margin	%	8.79	9.57	13.20	8.91	8.27	9.54
Operating Profit Margin	%	5.68	5.52	7.71	5.23	3.72	5.55
Profit Before Taxation Margin	%	4.07	3.15	6.07	4.12	1.36	3.14
Net Profit Margin	%	2.55	1.30	3.61	3.29	(0.01)	1.44
Finacial Charges to Net Income	%	95.40	256.84	58.13	65.26	(35,314.00)	172.00
Return on Assets	%	3.80	2.29	6.60	5.31	(0.02)	2.48
Return on Equity	%	15.87	6.60	13.94	15.35	(0.04)	6.25
Debt to Equity Ratio	%	317.36	188.45	111.37	189.10	151.18	152.06
Activity Ratios							
Average No of Days Inventory in Stock	Days	69	91	92	75	115	105
Accounts Receivable Turnover	Times	5.07	18.58	6.68	6.96	12.61	12.80
Total Assets Turnover	Times	1.87	2.08	1.63	1.86	1.59	1.82
Leverage							
Interest Coverage Ratio	Times	2.80	2.01	4.11	3.06	1.40	2.36
Fixed Assets to Equity	Times	0.50	0.44	0.38	0.37	0.30	0.29
Investment /Market Value							
Break-up Value	Rs.	20.09	17.29	16.36	14.87	12.48	12.79
Price Earning Ratio	Times	6.41	15.17	7.18	6.55	(1,318.00)	17.64
Dividend Payout Ratio	%	-	65.79	43.86	32.89	-	62.50
Market Value Per Share at End of The Year	Rs.	20.23	13.17	13.50	10.00	14.36	16.50
Share Price - High During the Year	Rs.	21.74	17.00	13.60	14.50	19.95	18.90
Share Price - Low During the Year	Rs.	12.00	12.50	9.30	9.00	12.40	12.00



GRAPHICAL PRESENTATION OF FINANCIAL ANALYSES

Capital expenditure (In 000)



Property, plant and equipment (In 000)



Return on Equity (%)



Break-up Value (In Rs.)



Total assets employed (In 000)



Dividend payout (%)

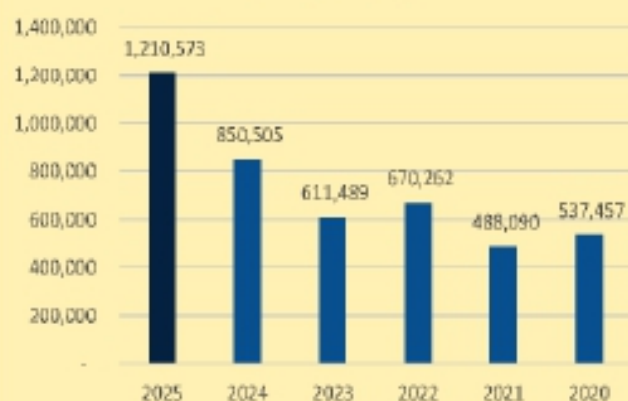




International Knitwear Limited

GRAPHICAL PRESENTATION OF FINANCIAL ANALYSES

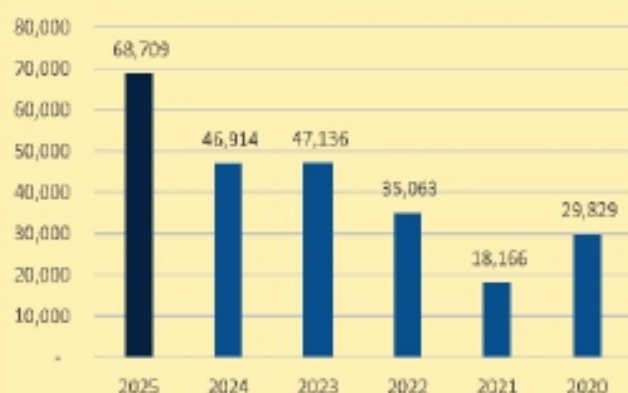
Sales (In 000)



Gross profit (In 000)



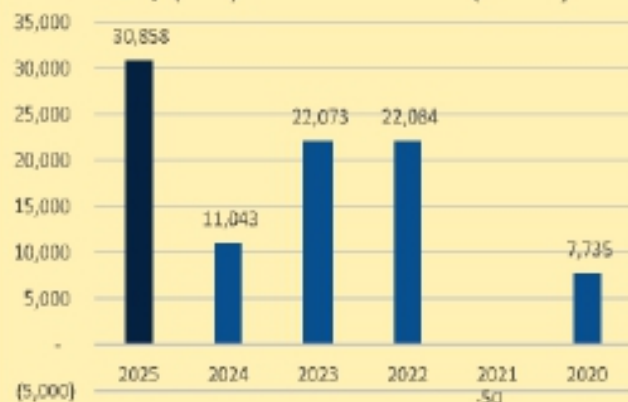
Operating profit (In 000)



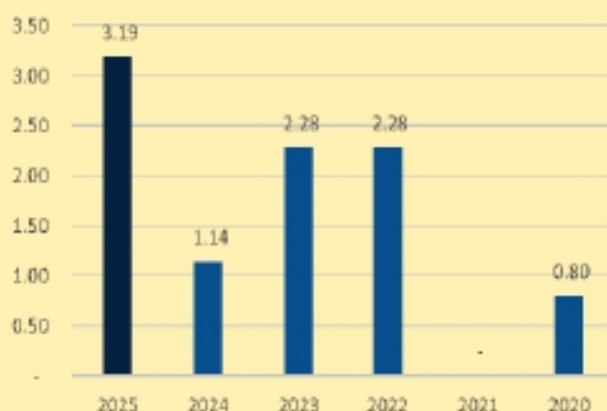
Profit before income taxes and final taxes (In 000)



Profit/ (loss) after Income tax (In 000)



Earnings/(loss) per share (In Rs.)





CORPORATE GOVERNANCE

BOARD OPERATIONS AND DECISION-MAKING

The Board of Directors, as stewards of shareholder interests, ensures effective governance and long-term sustainability of the Company. The Board performs its functions by:

- Providing strategic guidance to management;
- Setting performance benchmarks; and
- Monitoring and reviewing performance outcomes.

The Board's primary responsibility is to protect and enhance shareholder value. It is actively engaged in formulating and reviewing strategies, setting annual objectives and financial targets, and overseeing the Company's operations in light of emerging risks and opportunities.

Furthermore, the Board is entrusted with maintaining a comprehensive system of internal controls, policy frameworks, and corporate governance practices. It is also accountable for risk management and for periodically reviewing the effectiveness of these systems to ensure compliance and sound governance.

DECISIONS TAKEN BY THE BOARD

In accordance with the Companies Act, 2017 and the Listed Companies (Code of Corporate Governance) Regulations, 2019, meetings of the Board of Directors are convened quarterly. At these meetings, all significant and material matters are placed before the Board for due consideration and approval.

Where urgent approvals are required, such matters are resolved through circular resolutions, duly signed by all directors. The Company's policy on

materiality defines the nature and threshold of transactions that qualify as significant or material, thereby requiring submission to the Board for approval or ratification.

Furthermore, the Board delegates specific functions and responsibilities to its Committees in line with their approved Terms of Reference, ensuring effective oversight and decision-making in specialised areas.

DECISIONS DELEGATED TO MANAGEMENT

Management is responsible for implementing the strategies and policies approved by the Board of Directors. Its role includes effectively and ethically managing the day-to-day operations of the Company in alignment with the Board's vision, objectives, and approved goals. Management is also tasked with identifying and managing key risks and opportunities that may impact the Company in the normal course of business.

ANNUAL EVALUATION OF THE BOARD, ITS MEMBERS, AND ITS COMMITTEES

In compliance with the requirements of the Code of Corporate Governance, the Board has established a structured mechanism for the annual evaluation of its performance, as well as that of its members and committees. The evaluation is conducted against well-defined criteria, focusing on the following areas:

- **Board Composition:** Knowledge, experience, diversity, size, independence, and succession planning to ensure effective governance.
- **Board and CEO Compensation:** Competitiveness and fairness of remuneration policies for the Board, its committees, and the CEO.



CORPORATE GOVERNANCE

- **Strategic Planning:** Contribution to effective risk management and monitoring performance against strategic objectives.
- **Board Procedures:** Transparency, efficiency, and overall effectiveness of Board processes.
- **Board Information:** Adequacy and timeliness of information provided to the Board and its committees.
- **Board and Committees' Effectiveness:** Performance, efficiency, and contribution of the Board and its committees.
- **Chairman and CEO Effectiveness:** Evaluation of leadership, effectiveness, and performance of the Chairman and CEO.
- **Control Environment:** Oversight of financial reporting, including adequacy of internal controls.
- **Environmental, Social, and Governance (ESG):** Commitment to ESG initiatives and progress made on sustainability goals.

DIRECTORS' REMUNERATION

In accordance with the Listed Companies (Code of Corporate Governance) Regulations, 2019, and the Articles of Association of the Company, the Board of Directors has approved a remuneration policy for non-executive directors, including independent directors. The salient features of the policy are as follows:

- No remuneration shall be paid to non-executive directors (including independent directors) other than meeting fees for attending meetings of the Board and its committees.

- The amount of meeting fees shall be determined and approved by the Board of Directors from time to time.
- Directors shall be reimbursed for all travel, boarding, lodging, and related expenses incurred in connection with attending Board meetings, committee meetings, or general meetings of the Company.

ROLE OF CHAIRMAN

The Chairman leads the Board of Directors, ensuring it functions effectively and in the best interests of shareholders. The Chairman sets the agenda for Board meetings, guides discussions, and ensures that directors have the necessary information to make informed decisions.

ROLE OF CEO

The Chief Executive Officer (CEO) manages the day-to-day operations of the Company in line with the strategies approved by the Board. The CEO is responsible for implementing business plans, achieving performance targets, managing risks, and maintaining effective communication with shareholders, regulators, and other stakeholders. The CEO also promotes ethical values and good governance throughout the organization.

BRIEF TERMS OF REFERENCE OF THE BOARD & BOARD COMMITTEES

AUDIT COMMITTEE

The Audit Committee comprises three Non-Executive Directors and is chaired by an Independent Director. The Company Secretary serves as its secretary.



CORPORATE GOVERNANCE

The Committee meets at least four times annually.

Key Terms of Reference:

- Review of financial statements prior to Board approval;
- Review of preliminary announcements of results before publication;
- Facilitation of external audits and discussion of key audit findings, in the absence of management where required;
- Review of management letters issued by external auditors and management's response;
- Oversight of the internal audit function, including audit scope, plan, and adequacy of resources;
- Recommendation of external auditors' appointment, removal, fees, and permissible non-audit services;
- Safeguarding of Company assets;
- Any other matter delegated by the Board.

HUMAN RESOURCES AND REMUNERATION COMMITTEE (HRRC)

The HRRC comprises an Independent Director, one Non-Executive Director, and the Chief Executive Officer, with the Independent Director serving as Chair. The Director Human Resources acts as secretary.

Key Terms of Reference:

- Adoption and review of HR and remuneration policies in line with laws and regulations;

- Recommendations on selection, evaluation, compensation, and succession planning of key executives (CEO, CFO, Company Secretary, Head of Internal Audit & Compliance, and other senior officers);
- Oversight of remuneration frameworks to ensure alignment with performance;
- Review of HR management policies, succession planning, recruitment, and retention practices;
- Monitoring of workplace health and safety programs.

BANKING COMMITTEE

The Committee comprises an Independent Director, one Executive Director, and the CEO, chaired by the Independent Director.

Key Terms of Reference:

- Approving changes to the banking signatory matrix;
- Approving establishment, enhancement, or cancellation of banking facilities;
- Signing agreements related to banking transactions;
- Authorizing execution of service agreements with banks.

RISK MANAGEMENT COMMITTEE

The Committee comprises an Independent Director, one Non-Executive Director, one Executive Director, and the CEO, chaired by the Independent Director.

Key Terms of Reference:

- Approving and reviewing the risk management framework and policies;



CORPORATE GOVERNANCE

- Assessing the adequacy of risk management systems;
- Evaluating the Company's risk exposure and tolerance levels;
- Reviewing management-identified risks and mitigation measures;
- Reviewing internal controls relating to risk management;
- Supporting the Board in policy formulation on risk.

NOMINATION COMMITTEE

The Nomination Committee ensures the Board is composed of qualified individuals with diverse expertise.

Key Terms of Reference:

- Recommending candidates for Board membership;
- Reviewing Board structure, size, and composition;
- Recommending appointments of committee members and chairpersons.

SHARE TRANSFER COMMITTEE

The Committee comprises three members appointed by the Board, with one serving as Chairperson. The Company Secretary (or nominee) acts as secretary.

Key Terms of Reference:

- Reviewing and approving all share transfer requests in line with Articles of Association, SECP rules, and stock exchange requirements;
- Verifying transfer documents and ensuring compliance;

- Resolving disputes or objections relating to share transfers;
- Maintaining accurate records of share transfers;
- Coordinating with the Registrar and Transfer Agent;
- Reporting to the Board on transfer activities and presenting an annual summary.

SIGNIFICANT POLICIES & OTHERS

SOCIAL AND ENVIRONMENTAL RESPONSIBILITY

International Knitwear is committed to protecting the environment and ensuring sustainable operations. Guided by its Environment, Health, and Safety (EHS) policy, the Company strives to:

- Maintain a safe and healthy workplace;
- Minimise adverse environmental impacts;
- Conserve energy and natural resources;
- Integrate health, safety, and environment into business planning;
- Educate employees and engage stakeholders;
- Ensure full legal compliance.

SUCCESSION PLANNING

The Board and senior management conduct annual **Talent Management Reviews (TMRs)** to identify successors for key roles, ensuring leadership continuity and diversity. Plans are in place for "Ready Now" and "Ready Future" successors across all organisational levels.



CORPORATE GOVERNANCE

WHISTLEBLOWING POLICY – “SPEAK UP”

The Company encourages employees and stakeholders to report concerns in good faith without fear of retaliation. Reports can be made confidentially via email, telephone, or online. All cases are investigated fairly, and retaliation is strictly prohibited.

SAFETY OF RECORDS

The Company ensures compliance and security in record-keeping through:

- Digital and physical backups of key records;
- Confidentiality and SOP-based management of documents;
- Real-time data backup at on-site and off-site locations.

SUSTAINABILITY & SOCIAL IMPACT STRATEGY

Environmental Initiatives: Energy efficiency, water conservation, waste management, and carbon footprint reduction.

Social Initiatives: Compliance with labour laws, safe workplaces, diversity, inclusion, women's empowerment, and CSR programs in education, healthcare, and livelihoods.

Governance Initiatives: Anti-corruption practices, supply chain transparency, and sustainability governance oversight.

Sustainable Products: Use of eco-friendly materials, innovative design for durability, and reduced waste.

ANTI-HARASSMENT POLICY

The Company promotes a respectful workplace free from harassment, discrimination, bullying, or misconduct.

- Covers all employees, contractors, and stakeholders;
- Provides reporting channels (supervisors, HR, hotline);
- Ensures fair, confidential investigations;
- Strictly prohibits retaliation;
- Mandates awareness and training for employees;
- Enforces disciplinary action, including termination for violations.

RELATED PARTY TRANSACTIONS

The Board-approved policy ensures all related party transactions are:

- Reviewed and approved as per Section 208 of the Companies Act, 2017;
- Conducted on an arm's length basis and fair commercial terms;
- Periodically reviewed by the Audit Committee.

GENDER PAY GAP STATEMENT (as per SECP Circular 10 of 2024)

For the year ended June 30, 2025:

- **Mean Gender Pay Gap:** 14.66%
- **Median Gender Pay Gap:** (42.86)%

The Company ensures equitable pay for female employees in line with their qualifications, roles, and performance, and remains committed to minimising the gap.

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF INTERNATIONAL KNITWEAR LIMITED
Report on the Audit of the Financial Statements**

Opinion

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

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

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF INTERNATIONAL KNITWEAR LIMITED
Report on the Audit of the Financial Statements**

Following are the key audit matters:

S. No.	Key Audit Matters	How the matter was addressed in our audit
1.	Revenue <i>(Refer note 19to the financial statements)</i> The Company generates revenue from sale to export as well as local customers. We considered revenue recognition as key audit matter as it is one of the key performance indicators and because of the potential risk that revenue may not be recorded in the appropriate period.	Our audit procedures included the following: -Obtained an understanding of the process relating to recognition of revenue and testing the design, implementation and operating effectiveness of key internal controls. -Performed test of details on a sample basis with underlying documentations by inspecting and comparing customer orders, delivery challans, bill of lading (in case of export sales), invoices and other related documents. -Compared sample of revenue transactions recorded around the year end with the sales orders, sales invoices, delivery documents and other relevant underlying documentation to ensure that revenue pertains to the appropriate accounting period. -Ensured the adequacy of disclosures in accordance with Applicable Financial Reporting Framework and the Companies Act, 2017.
2.	Stock in trade <i>(Refer note 8to the financial statements)</i> Due to the significance of inventory balances and related estimations involved, this is considered as a key audit matter.	Our audit procedures included the following: -Obtained an understanding of internal controls over purchases and valuation of stock in trade and tested, on a sample basis, their design, implementation and operating effectiveness. -Attended physical inventory count performed by the Company. -Obtained and reviewed the inventory count report of the management and assessed its accuracy on a sample basis. -Ensuring that proper provision has been made for slow moving, obsolete and damaged inventory or items selling below cost. -Performed NRV test to ensure that the inventory is valued at lower of cost and NRV.

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF INTERNATIONAL KNITWEAR LIMITED
Report on the Audit of the Financial Statements**

Information Other than the Financial Statements and Auditor's Report Thereon

Management is responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements and our auditor's reports 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 the Companies Act, 2017 (XIX of 2017) and for such internal control as management determines is necessary to enable the preparation of the 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.

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

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

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF INTERNATIONAL KNITWEAR LIMITED
Report on the Audit of the Financial Statements**

-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.

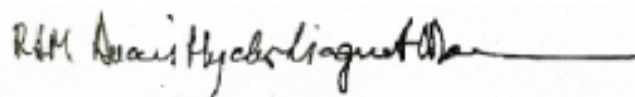
From the matters communicated with the board of directors, we determine those matters that were of most significance in the audit of the financial statements of the current year and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes 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:

- proper books of account have been kept by the Company as required by the Companies Act, 2017 (XIX of 2017);
- the statement of financial position, the statement of profit or loss, the statement of other 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;
- investments made, expenditure incurred and guarantees extended during the year were for the purpose of the Company's business; and
- 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.

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



Chartered Accountants

Karachi.

Date: October 01, 2025

UDIN: AR202510239btxD2wLOY



International Knitwear Limited

STATEMENT OF FINANCIAL POSITION AS AT JUNE 30, 2025

ASSETS	Note	2025 Rupees	2024 Rupees
Non-Current Assets			
Property, plant and equipment	5	97,333,097	73,514,795
Long term deposits	6	1,500,000	1,500,000
Long term loan and advances	10	927,500	861,000
Long term investments	7	29,907,662	28,025,260
		129,668,259	103,901,055
Current Assets			
Stock in trade	8	174,951,260	243,547,295
Short term investments	7	42,614,407	32,485,208
Trade debts - considered good	9	424,314,509	53,207,686
Short term loans and advances	10	6,331,066	6,306,459
Other receivables	11	15,134,391	25,279,007
Taxation - net		15,703,936	14,609,852
Cash and bank balances	12	2,646,910	3,272,247
		681,696,479	378,707,754
TOTAL ASSETS		811,364,738	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 and paid-up capital	13	96,750,000	96,750,000
Revenue Reserves			
Unappropriated profit		85,006,606	61,404,294
		181,756,606	158,154,294
Capital Reserves			
Unrealized gain on revaluation of investments - FVTOCI		12,647,282	9,157,568
		194,403,888	167,311,862
Non-Current Liabilities			
Deferred Liabilities - Deferred Taxation Liability	14	3,444,616	-
		3,444,616	-
Current Liabilities			
Short term finance under mark-up arrangement - Secured	15	402,871,536	142,299,173
Creditors, accrued and other liabilities	16	208,132,871	170,699,762
Unclaimed dividend		2,511,823	2,298,013
		613,516,230	315,296,950
Contingencies and Commitments	18	-	-
TOTAL EQUITY AND LIABILITIES		811,364,738	482,608,809

The annexed notes 1 to 38 form an integral part of these financial statements.

KHALID JAMIL SIDDIQI
Chairman

NAEM SHAFI
Chief Executive

JAVED KHAN
Director / CFO



International Knitwear Limited

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

	Note	2025 Rupees	2024 Rupees
Net sales	19	1,210,573,713	850,505,029
Cost of goods sold	20	(1,104,217,547)	(769,107,246)
Gross profit		106,356,166	81,397,783
Administrative and selling expenses	21	(37,646,184)	(34,482,873)
Operating profit		68,709,982	46,914,910
Other income	22	11,401,211	4,943,401
Unrealized gain on revaluation of investments through P&L		2,270,783	5,270,575
		13,671,994	10,213,976
		82,381,976	57,128,886
Finance cost	23	(29,438,850)	(28,363,703)
Other charges	24	(3,645,568)	(1,984,797)
		(33,084,418)	(30,348,500)
Profit before income taxes and final taxes		49,297,557	26,780,386
Taxation - Final taxes	17	(1,004,213)	(1,273,875)
Profit before income tax		48,293,344	25,506,511
Taxation - Income tax	17		
Current - for the year		(14,605,998)	(9,353,314)
Prior year		-	(5,109,656)
Deferred Tax	14	(2,828,784)	-
		(17,434,782)	(14,462,970)
Profit after Income tax		30,858,562	11,043,541
Earnings per share - basic and diluted	26	3.19	1.14

The annexed notes 1 to 38 form an integral part of these financial statements.

KHALID JAMIL SIDDIQI
Chairman

NAEEM SHAFI
Chief Executive

JAVED KHAN
Director / CFO



International Knitwear Limited

STATEMENT OF OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED JUNE 30, 2025

	Note	2025 Rupees	2024 Rupees
Profit after taxation for the year		30,858,562	11,043,541
Items that will be subsequently reclassified to statement of profit or loss		-	-
Items that will not be subsequently reclassified to statement of profit or loss			
Unrealised gain on remeasurement of investments classified as FVTOCI - net of tax		3,820,947	7,634,203
Reclassification of OCI component on disposal of FVTOCI investment directly into equity		284,599	2,173
Deferred tax	14	(615,832)	-
		3,489,714	7,636,376
Total comprehensive income for the year		34,348,276	18,679,917

The annexed notes 1 to 38 form an integral part of these financial statements.

KHALID JAMIL SIDDIQI
Chairman

NAEEM SHAFI
Chief Executive

JAVED KHAN
Director / CFO



International Knitwear Limited

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

	Reserves			Total
	Issued, Subscribed and Paid up Share Capital	Unrealized gain / (loss) on revaluation of investments	Capital Reserve-- Revenue Reserve-- Unappropriated profit	
	Rupees			
Balance as at June 30, 2023	96,750,000	1,521,192	60,035,753	158,306,945
Total comprehensive income:				
Net profit for the year ended June 30, 2024	-	-	11,043,541	11,043,541
Reclassification on disposal of FVTOCI directly into equity	-	7,634,203	-	7,634,203
Fair value adjustment on investment classified as FVTOCI	-	2,173	-	2,173
Transaction with owners:				
10% cash dividend paid for the year ended June 30, 2023	-	-	(9,675,000)	(9,675,000)
Balance as at July 01, 2024	96,750,000	9,157,568	61,404,294	167,311,862
Total comprehensive income:				
Net profit for the year ended June 30, 2025	-	-	30,858,562	30,858,562
Reclassification on disposal of FVTOCI directly into equity	-	3,205,115	-	3,205,115
Fair value adjustment on investment classified as FVTOCI	-	284,599	-	284,599
Transaction with owners:				
7.50% cash dividend paid for the year ended June 30, 2024	-	-	(7,256,250)	(7,256,250)
Balance as at June 30, 2025	96,750,000	12,647,282	85,006,606	194,403,888

The annexed notes 1 to 38 form an integral part of these financial statements.

KHALID JAMIL SIDDIQI
Chairman

NAEEM SHAFI
Chief Executive

JAVED KHAN
Director / CFO



International Knitwear Limited

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED JUNE 30, 2025

	Note	2025 Rupees	2024 Rupees
CASH FLOW FROM OPERATING ACTIVITIES			
Profit before income taxes and final taxes		49,297,557	26,780,386
Adjustment for non cash items:			
Depreciation		11,517,780	9,160,026
Gain on sale of property, plant and equipment		(28,442)	(1,097,375)
Other income		(13,643,552)	(9,116,601)
Finance cost		29,438,850	28,363,704
		27,284,634	27,309,754
Profit before changes in working capital		76,582,192	54,090,140
(Increase) in current assets			
Stock in trade		68,596,035	(103,880,706)
Trade debts		(371,106,823)	(14,866,236)
Short term loans and advances		(91,107)	16,892,222
Other receivables		10,144,616	(15,641,192)
		(292,457,279)	(117,495,912)
Increase in current liabilities			
Creditors, accrued and other liabilities		37,433,110	93,309,259
		37,433,110	93,309,259
Financial charges paid		(29,438,850)	(28,363,704)
Taxes paid		(16,226,255)	(11,027,201)
Cash proceed from Sales tax		18,737,621	16,806,699
Net cash (used in) / generated from operating activities		(205,369,460)	7,319,280
CASH FLOW FROM INVESTING ACTIVITIES			
Capital expenditure		(35,973,140)	(22,766,231)
Additions in investment		(46,240,582)	(37,900,899)
Disposal of investment		32,762,419	17,791,231
Proceeds from sale of property, plant and equipment		665,500	1,206,000
Net cash used in investing activities		(48,785,803)	(41,669,899)
CASH FLOW FROM FINANCING ACTIVITIES			
Cash proceeds from short term finance under markup arrangement		557,141,089	345,723,312
Repayment of short term finance under markup arrangement		(296,584,121)	(300,655,452)
Dividend paid		(7,042,441)	(9,350,971)
Net cash generated from financing activities		253,514,527	35,716,889
Net (decrease) / increase in cash and cash equivalents		(640,736)	1,366,271
Cash and cash equivalents at the beginning of the year		(2,696,361)	(4,062,631)
Cash and cash equivalents at the end of the year	27	(3,337,095)	(2,696,361)

The annexed notes 1 to 38 form an integral part of these financial statements.

KHALID JAMIL SIDDIQI
Chairman

NAEEM SHAFI
Chief Executive

JAVED KHAN
Director / CFO



International Knitwear Limited

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

1. STATUS AND NATURE OF BUSINESS

International Knitwear Limited (hereinafter referred as the "Company" or "IKL") 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.

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 as applicable in Pakistan comprise of :

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

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

Where provisions of and directives issued under the Companies Act, 2017 differ from the IFRS Standards, the provisions of and directives issued under the Companies Act, 2017 have been followed.

During the year the Institute of Chartered Accountants of Pakistan (ICAP) have withdrawn the Technical Release 27 "IAS 12, Income Taxes (Revised 2012)" and issued guidance – "IAS 12 Application Guidance on Accounting for Minimum Taxes and Final Taxes". The said guidance requires taxes paid under final tax regime to be shown separately as a levy instead of showing it in current tax.

Accordingly, the impact has been incorporated in these financial statements retrospectively in accordance with the requirement of International Accounting Standard (IAS 8) – 'Accounting Policies, Change in Accounting Estimates and Errors'. There has been no effect on the Statement of Financial Position, Earnings per share and Statement of Changes in Equity as a result of this change.

Effect on profit or loss and other comprehensive income	Had there been no change in Accounting Policy	Impact of change in accounting policy	After incorporating effects of change in accounting policy
For the year ended June 30, 2025			
Taxation - Final taxes	-	1,004,213	1,004,213
Profit before income tax	49,297,557	(1,004,213)	48,293,344
Taxation - Income tax	18,438,995	(1,004,213)	17,434,782
For the year ended June 30, 2024			
Taxation - Final taxes	-	1,273,875	1,273,875
Profit before income tax	26,780,386	(1,273,875)	25,506,511
Taxation - Income tax	15,736,845	(1,273,875)	14,462,970



International Knitwear Limited

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

2.2 Basis of measurement

These financial statements have been prepared under the historical cost convention except as stated otherwise in these financial statements.

2.3 Functional and presentation currency

These financial statements are presented in Pakistani Rupees, which is Company's functional currency. All the financial information presented in Pakistani Rupee has been rounded off to nearest Rupee.

2.4 Critical accounting estimates and judgments

The preparation of financial statements in conformity with International Financial Reporting Standards (IFRS) requires the use of certain accounting estimates. It also requires the management to exercise its judgment in the process of applying the Company's accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the financial statements, are as follows:

- Classification of financial instruments; (note 4.2)
- Provision for impairment; (note 4.4)
- Valuation of work in progress; (note 4.8)
- Provision for obsolete inventory; (note 4.11)
- Taxation; (note 4.14)

Estimates and judgments are continually evaluated and are based on historical experiences and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

3 STANDARDS, INTERPRETATIONS AND AMENDMENTS APPLICABLE TO FINANCIAL STATEMENTS

Change in accounting standards, interpretations and amendments to published accounting and reporting standards

(a) Amendments to published accounting and reporting standards which became effective during the year:

New and amended standards mandatory for the first time for the financial year beginning July 1, 2024.

Amendments to IAS 1, 'Presentation of Financial Statements' is applicable on accounting periods beginning on or after January 1, 2024. Under existing IAS 1 requirements, companies classify a liability as current when they do not have an unconditional right to defer settlement of the liability for at least twelve months after the end of the reporting period. As part of these amendments, the requirement for a right to be unconditional has been removed and instead, the amendments requires that a right to defer settlement must have substance and exist at the end of the reporting period. This right may be subject to a company complying with conditions (covenants) specified in a loan agreement. At October 31, 2022, after reconsidering certain aspects of the amendments, the IASB reconfirmed that only covenants with which a company must comply on or before the reporting date affect the classification of a liability as current or non-current. Covenants with which the company must comply after the reporting date (i.e. future covenants) do not affect a liability's classification at that date. However, when non-current liabilities are subject to future covenants, companies will now need to disclose information to help users understand the risk that those liabilities could become repayable within 12 months after the reporting date.'

The other new standards, amendments to published accounting and reporting interpretations that are mandatory in Pakistan for the financial year beginning on July 1, 2024 are considered not to be relevant or to have any significant effect on the Company's financial reporting and operations.



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

(b) Amendments to published accounting and reporting standards that are not yet effective and have not been early adopted by the Company

The following new standards and amendments to approved accounting standards are not effective for the financial year beginning on July 1, 2024 and have not been early adopted by the Company:

a) Amendments to IAS 21 'The Effects of Changes in Foreign Exchange Rates' is applicable on accounting periods beginning on or after January 1, 2025. The amendments address situations where a currency may lack exchangeability, often due to government-imposed controls. In such cases, companies must estimate a spot exchange rate reflecting orderly transactions at the measurement date. The amendments provide flexibility, allowing the use of observable rates without adjustment or other estimation technique provided they meet the estimation objective. The assessment considers factors like the availability of multiple rates, purpose, nature, and update frequency. The amendments require new disclosures, including the nature and financial impact of non-exchangeability, the spot exchange rate used, the estimation process, and associated risks.

b) New standard IFRS 18 'Presentation and Disclosure in Financial Statements' is applicable on accounting periods beginning on or after January 1, 2027. The standard focuses on updates to the statement of profit or loss. It introduces key concepts such as the structure of the statement of profit required disclosures for certain profit or loss performance measures reported outside the financial statements (management-defined performance measures), and enhances principles on aggregation and disaggregation applicable to the primary financial statements and notes.

c) New standards IFRS S1 'General Requirements for Disclosure of Sustainability-related Financial Information' and IFRS S2 'Climate-related Disclosures' are applicable on accounting periods beginning on or after July 1, 2025. These standards include the core framework for the disclosure of material information about sustainability-related risks, opportunities across an entity's value chain and set out the requirements for entities to disclose information about climate-related risks and opportunities.

IFRS S1 requires entities to disclose information about its sustainability-related risks and opportunities that is useful to primary users of general-purpose financial reporting in making decisions relating to providing resources to the entity. The standard provides guidance on identifying sustainability-related risks and opportunities and the relevant disclosures to be made in respect of those sustainability-related risks and opportunities.

IFRS S2 is a thematic standard that builds on the requirements of IFRS S1 and is focused on climate-related disclosures. IFRS S2 requires an entity to identify and disclose climate-related risks and opportunities that could affect the entity's prospects over the short, medium and long term. In addition, IFRS S2 requires entities to consider other industry-based metrics and seven cross-industry metrics when disclosing qualitative and quantitative components on how the entity uses metrics and targets to measure, monitor and manage the identified material climate-related risks and opportunities. The cross-industry metrics include disclosures on greenhouse gas ('GHG') emissions, transition risks, physical risks, climate-related opportunities, capital deployment, internal carbon prices and remuneration.

The management anticipates that the adoption of the above standards, amendments and interpretations in future periods, will have no material impact on the financial statements other than in presentation / disclosures. There are a number of other standards, amendments and interpretations to the published standards that are not yet effective and are also not relevant to the Company and, therefore, have not been presented here.



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

4. MATERIAL ACCOUNTING POLICY INFORMATION

The material accounting policies are consistently applied in the preparation of these financial statements are the same as those applied in earlier periods presented.

4.1 Government Grant (IAS 20)

Grants are not recognized until there is reasonable assurance that the Company will comply with the conditions attaching to them and that the grant will be received.

The benefit of a long-term finance at a below-market rate of interest is treated as a deferred grant, measured as the difference between proceeds received and the fair value of the loan based on prevailing market interest rates.

Grants related to long-term finances are recognized in profit or loss on a systematic basis over the periods in which the Company recognizes as finance cost related to long-term finances at market rate of interest.

4.2 Financial Instruments

Initial measurement of financial asset

The Company classifies its financial assets into following three categories:

- fair value through other comprehensive income (FVOCI);
- fair value through profit or loss (FVTPL); and
- measured at amortized cost.

A financial asset is initially measured at fair value plus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition.

Subsequent measurement

The following accounting policies apply to the subsequent measurement of financial assets:

Financial assets at FVTPL	These assets are subsequently measured at fair value. Net gains and losses, including any interest / markup or dividend income, are recognized in income statement.
Financial assets at amortized cost	These assets are subsequently measured at amortized cost using the effective interest method. The amortized cost is reduced by impairment losses (see (ii) below). Interest / markup income, foreign exchange gains and losses and impairment are recognized in income statement.
Debt investments at FVOCI	These assets are subsequently measured at fair value. Interest / markup income calculated using the effective interest method, foreign exchange gains and losses and impairment are recognized in income statement. Other net gains and losses are recognized in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to income statement.
Equity investments at FVOCI	These assets are subsequently measured at fair value. Dividends are recognized as income in income statement unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognized in OCI and are never reclassified to income statement.

Derecognition of Financial Assets

Financial assets are derecognized when the rights to receive cash flows from the assets have expired or have been transferred and the Company has transferred.

Non-derivative financial assets

All non-derivative financial assets are initially recognized on trade date i.e. date on which the Company becomes party to the respective contractual provisions. Non-derivative financial assets comprise loans and receivables that are financial assets with fixed or determinable payments that are not quoted in active markets and includes long term loans, accruals, prepayments, advances and other receivables and cash and cash equivalent. The Company derecognizes the financial assets when the contractual rights to the cash flows from the asset expires or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risk and rewards of ownership of the financial assets are transferred or it neither transfers nor retain substantially all of the risks and rewards of ownership and does not retain control over the transferred asset.



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

4.3 Regular way contracts

All purchases and sales of securities that require delivery within the time frame established by regulation or market convention such as 'T+2' purchases and sales are recognized at the trade date. Trade date is the date on which the Company commits to purchase or sell the assets.

4.4 Impairment

Financial assets

The Company recognizes loss allowances for Expected Credit Losses (ECLs) in respect of financial assets measured at amortized

The Company measures loss allowances at an amount equal to lifetime ECLs, except for other securities and bank balances which are measured at 12 months expected credit losses. Since these assets are short term in nature, therefore no credit loss is expected on these balances.

Non-financial assets

The carrying amounts of the Company's non-financial assets are reviewed at each balance sheet date to determine whether there is any indication of impairment. If such indication exists, the asset's recoverable amount, being higher of value in use and fair value less costs to sell, is estimated. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets. An impairment loss is recognized whenever the carrying amount of an asset exceeds its recoverable amount. Impairment losses are recognized in the statement of profit or loss.

4.5 Financial liabilities

Financial liabilities are initially recognized on trade date i.e. date on which the company becomes party to the respective contractual provisions. Financial liabilities include mark-up bearing borrowings and trade and other payables. The Company derecognizes the financial liabilities when contractual obligations are discharged or cancelled or expired. Financial liability other than at fair value through profit or loss are initially measured at fair value less any directly attributable transaction cost. Subsequent to initial recognition, these liabilities are measured at amortized cost using effective interest rate method.

4.6 Off-setting of financial assets and financial liabilities

Financial assets and financial liabilities are offset and the net amount is reported in the financial statements only when the Company has a legally enforceable right to offset and the Company intends to either settle on a net basis, or to realize the assets and to settle the liabilities simultaneously. Income and expense items of such assets and liabilities are also offset and the net amount is reported in the financial statements only when permitted by the accounting and reporting standards as applicable in Pakistan.

4.7 Property, Plant and Equipment

Property, plant and equipment are stated at cost less accumulated depreciation and impairment losses, if any.

Depreciation is charged, from the month when the asset is available for use and ceased prior to the month of disposal, to profit and loss account applying the straight-line method.

Maintenance and repairs are charged to profit and loss account as and when incurred. Major renewals and improvements are capitalized and the assets so replaced, if any, are retired. The residual values, useful lives and depreciation method are reviewed and adjusted, if appropriate, at each balance sheet date.

Gains and losses arising on disposal of property, plant and equipment are taken to profit and loss account in the year of disposal.



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

4.8 Capital work in progress

Capital work-in-progress is stated at cost accumulated up to the balance sheet date and represents expenditure incurred on property, plant and equipment in the course of construction. These expenditures are transferred to relevant category of property, plant and equipment as and when the assets start operation.

4.9 Right-of use assets

Right of use assets are initially measured at cost being the present value of lease payments, initial direct costs, any lease payments made at or before the commencement of the lease as reduced by any incentives received. These are subsequently measured at cost less accumulated depreciation and accumulated impairment losses, if any.

Depreciation is charged on straight line basis over the shorter of the lease term or the useful life of the asset. Where the ownership of the asset transfers to the Company at the end of the lease term or if the cost of the asset reflects that the Company will exercise the purchase option, depreciation is charged over the useful life of asset

4.10 Leases

A contract is, or contains a lease if the contract conveys a right to control the use of an identified asset for a period of time in exchange for consideration. The entity recognizes a right-of-use asset and lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, and subsequently at cost less any accumulated depreciation and impairment losses if any, and adjusted for certain remeasurements of the lease liability. The right-of-use asset is depreciated using the straight line method over the shorter of the lease term and the asset's useful life. The estimated useful lives of assets are determined on the same basis as that for owned assets. In addition, the right-of-use asset is periodically reduced by impairment.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the entity's incremental borrowing rate. The lease liability is subsequently increased by the interest cost on the lease liability and decreased by lease payments made. It is re-measured when there is a change in future lease payments arising from a change in an index or rate, a change in assessment of whether extension option is reasonably certain to be exercised or a termination option is reasonably certain not to be exercised. Liabilities in respect of short term and low value leases are not recognized and payments against such leases are recognized as expense in profit or loss.

4.11 Stock-in-Trade

- (a) Raw, packing and other materials are valued at the lower of cost calculated on a first-in-first-out basis and net realizable value.
- (b) Work in process is valued at material cost plus estimated conversion cost.
- (c) Finished goods are valued at lower of cost and net realizable value (NRV). NRV signifies the estimated selling price in the ordinary course of business less cost necessarily to be incurred in order to make the sale.
- (d) Stock-in-transit is valued at cost comprising invoice value plus other charges incurred thereon.

4.12 Staff Retirement Benefits

The Company operates an approved defined contributory provident fund scheme for eligible employees. Equal contributions are made to the fund by the Company and the employees at the rate of 8.33 % of basic salary.

4.13 Compensated Absences

The Company has a policy to provide for compensated absences for all employees in accordance with the rules of the Company.



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

4.14 Taxation - Levy and Income tax

Levy

In accordance with the Income Tax Ordinance, 2001, computation of final taxes is not based on taxable income. Therefore, as per IAS 12 Application Guidance on Accounting for Minimum Taxes and Final Taxes issued by the ICAP, these fall within the scope of IFRIC 21/IAS 37 and accordingly have been classified as levy in these unconsolidated financial statements, except for taxes on dividends on the Company's investments in subsidiaries and associates which are specifically within the scope of IAS 12 and hence these continue to be categorized as current income tax.

Current

Provision for current taxation is based on taxable income at the current rates of taxation in accordance with the final tax regime, of the Income Tax Ordinance, 2001. Income not covered under final tax regime is taxed under normal regime.

Deferred

Deferred tax is provided using the balance sheet liability method, providing for temporary difference between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The amount of deferred tax provided is based on the expected manner of realization or settlement of the carrying amount of assets and liabilities, using tax rates enacted at the balance sheet date.

4.15 Borrowing Costs

Borrowing costs are recognized as expense in the period in which they are incurred, except to the extent that they are directly attributable to the construction of a qualifying asset in which case they are capitalized as part of the cost of that particular asset.

4.16 Provisions

Provisions are recognized when the Company has a present legal or constructive obligation as a result of past events, when it is probable that outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the obligation can be made.

4.17 Foreign Currencies Translation

Transactions in foreign currencies are accounted for in Pak Rupees at the rate of exchange prevailing on the date of transaction. Monetary assets and liabilities in foreign currencies as at the balance sheet date are expressed in rupees at rates of exchange prevailing on that date. Non monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transactions. Exchange gains and losses are included in income currently.

4.18 Revenue Recognition

- Revenue from sale of goods is recognized when the Company satisfies a performance obligation by transferring promised goods to customer. Goods are transferred when the customer obtains their control (i.e. on dispatch of goods to customers). Revenue is recognized at transaction price (which excludes estimates of variable consideration).
- Profit on bank balances is recognized on a time proportion basis on the principal amount outstanding and at the applicable
- Gains / (losses) arising on disposal of investments are recognized on the date when the transaction takes place.



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

4.19 Balances from contract with customers

Contract assets

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. The Company recognizes a contract asset for the earned consideration that is conditional if the Company performs by transferring goods or services to a customer before the customer pays consideration or before payment is due.

Trade receivables

A receivable represents the Company's right to an amount of consideration that is unconditional. Trade receivables are carried at original invoice amount less expected credit loss based on a review of all outstanding amounts at the year end. Bad debts are written off when identified.

Contract liabilities

A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration from the customer. A contract liability is recognized at earlier of when the payment is made or the payment is due if a customer pays consideration before the Company transfers goods or services to the customer.

Right of return assets

Right of return asset represents the Company's right to recover the goods expected to be returned by customers. The asset is measured at the former carrying amount of the inventory, less any expected costs to recover the goods, including any potential decreases in the value of the returned goods. The Company updates the measurement of the asset recorded for any revisions to its expected level of returns, as well as any additional decreases in the value of the returned products.

Refund liabilities

A refund liability is the obligation to refund some or all of the consideration received (or receivable) from the customer and is measured at the amount the Company ultimately expects it will have to return to the customer. The Company updates its estimates of refund liabilities (and the corresponding change in the transaction price) at the end of each reporting period.

4.20 Cash and Cash Equivalents

Cash and cash equivalents comprise of cash balances, current and deposit account balances with banks, and running finance facilities availed by the Company, which form an integral part of Company's cash management and are included as part of cash and cash equivalents for the purpose of statement of cash flow.

4.21 Related Party Transactions

All transactions involving related parties arising in the normal course of business are conducted at arm's length at normal commercial rates on the same terms and conditions as third party transactions using valuation modes, as admissible, except in extremely rare circumstances, where subject to the approval of the Board of Directors, it is in the interest of the Company to do

4.22 Segments Reporting

Identification of segments

Export division

Local division

Basis for allocation for revenue and expenses:

Revenue in respect of each segment is separately identifiable. Expenses against knitting charges, dyeing and other charges, embroidery charges, stitching charges, clearing and forwarding charges, freight octroi and cartage expenses are allocated on actual basis. However, depreciation and all other general expenses are allocated on the following basis.

Basis of allocation	Segment Allocation	
	Export	Local
Depreciation on all assets	45.98%	54.02%

4.23 Earnings per share

The Company presents earnings per share (EPS) data for its ordinary shares. EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the period.

4.24 Dividend and other appropriations

Dividend to the shareholders is recognized in the period in which it is declared and other appropriations are recognized in the period in which these are approved by the Board of Directors.



International Knitwear Limited

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

5. PROPERTY, PLANT AND EQUIPMENT	Note	2025 Rupees	2024 Rupees
Operating assets	5.1	97,333,097	73,514,795
Capital work in progress	5.2	-	-
Right-of-use assets	5.3	-	-
		97,333,097	73,514,795

5.1 Operating Assets

OWNED ASSETS							Total
Leasehold Land	Factory Building	Plant and Machinery	Furniture and Fittings	Office Equipment's	Motor Vehicles	Computers	
Rupees							

Year ended June 30, 2025

Opening net book amount	3,495,417	37,888,796	16,321,811	956,029	925,996	13,062,103	864,641	73,514,794
Additions - cost	-	-	25,159,050	410,740	231,000	3,104,535	458,000	29,363,325
Transfer from CWP/ROU	-	6,049,341	-	560,474	-	-	-	6,609,815
Disposals - cost	-	-	(2,538,970)	-	(85,000)	(291,000)	(397,200)	(3,312,170)
Depreciation charge	(47,177)	(2,360,398)	(3,673,923)	(512,685)	(300,006)	(8,125,194)	(508,391)	(11,517,780)
Disposals - accumulated depreciation	-	-	2,153,678	-	40,250	92,150	389,034	2,675,112
Closing net book amount	3,448,240	41,577,739	37,421,641	1,414,558	812,241	11,852,594	806,084	97,333,097

At June 30, 2025

Cost	4,717,652	59,668,366	52,683,691	3,708,733	2,049,246	27,023,027	2,560,944	152,412,660
Accumulated depreciation	(1,269,412)	(18,091,627)	(15,262,051)	(2,294,175)	(1,237,005)	(15,170,433)	(1,754,860)	(55,009,563)
Net book amount	3,448,240	41,577,739	37,421,641	1,414,558	812,241	11,852,594	806,084	97,333,097

Year ended June 30, 2024

Opening net book amount	3,542,584	34,104,597	8,327,720	1,235,830	680,153	11,516,217	610,103	60,017,214
Additions - cost	-	-	10,045,500	196,000	586,520	5,340,000	747,000	16,915,020
Transfer from CWP/ROU	-	5,851,211	-	-	-	-	-	5,851,211
Disposals - cost	-	-	(120,000)	-	(80,000)	(980,000)	(36,500)	(1,225,500)
Depreciation charge	(47,177)	(2,067,012)	(2,051,408)	(475,801)	(297,385)	(3,728,781)	(492,462)	(9,160,026)
Disposals - accumulated depreciation	-	-	120,000	-	45,708	924,667	36,500	1,116,875
Closing net book amount	3,495,417	37,888,796	16,321,812	956,029	925,996	11,062,103	864,641	73,514,794

At June 30, 2024

Cost	4,717,652	53,620,025	30,063,611	2,787,519	1,908,246	21,209,492	2,500,144	119,751,690
Accumulated depreciation	(1,222,235)	(15,731,229)	(13,741,800)	(1,781,490)	(977,249)	(11,147,389)	(1,635,503)	(46,236,895)
Net book amount	3,495,417	37,888,796	16,321,812	956,029	925,996	11,062,103	864,641	73,514,795

Rate of depreciation	1%	5%	10%	20%	20%	10%	33%	
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5.1.1 The additions in plant and machinery during the year include acquisition and installation of Solar Power generation system of 150 KVA and 100 KVA amounting to Rs. 12.1 million and 10.4 million respectively. The solar system is expected to reduce long-term energy costs and improve sustainability.



International Knitwear Limited

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

5.1.2 Detail of disposal of property, plant and equipment

	Cost	Accumulated depreciation	Book value	Sale proceeds	Gain/(Loss)	Mode of disposal	Particular of Purchaser
	Rupees						
Plant and machinery							
Plant and machinery	2,538,970	2,153,678	385,292	575,000	189,708	Negotiation	Mr. Rafiq
Scrap	2,538,970	2,153,678	385,292	575,000	189,708		
Motor Vehicles							
Bike GD-110	291,000	92,150	198,850	-	(198,850)	Snatching	N/A
	291,000	92,150	198,850	-	(198,850)		
Office equipments							
A.C. Dalkin 1.5 ton	20,000	31,500	38,500	30,000	(8,500)	Negotiation	Mr. Noman
A.C. Window 0.75 ton	15,000	8,750	6,250	10,000	3,750	Negotiation	Mr. Abid Ali
	85,000	40,250	44,750	40,000	(4,750)		
Computer/Laptop							
Lap top HP C15 4th Gen	35,500	35,500	-	10,000	10,000	Negotiation	Mr. M. Sabir
Lap top HP 451 15 4th Gen	47,000	47,000	-	13,000	13,000	Negotiation	A.A Computers
Scrap Computers	257,700	257,700	-	14,500	14,500	Negotiation	Mr. Azla
Lap top HP 451 15 4th Gen	15,000	15,000	-	3,000	3,000	Negotiation	A.A Computers
Lap top HP 451 15 4th Gen	42,000	33,834	8,166	10,000	1,834	Negotiation	A.A Computers
	397,200	389,034	8,166	50,500	42,334		
	3,312,170	2,675,112	637,058	665,500	28,142		

5.1.3 Segment wise allocation of depreciation charge for the year

	2025			2024		
	Export	Local	Total	Export	Local	Total
	Rupees					
Lease hold land	20,426	26,351	47,177	27,049	20,128	47,177
Factory building	1,071,965	1,338,433	2,360,398	1,185,107	881,905	2,067,012
Plant and machinery	1,590,676	2,083,253	3,673,929	1,176,161	875,247	2,051,408
Cost of goods sold	2,633,067	3,448,437	6,081,504	2,388,317	1,777,280	4,165,597
Furniture and fittings	221,974	290,711	512,685	272,797	283,004	475,801
Office equipments	129,892	170,114	300,006	170,504	126,881	297,385
Motor vehicles	1,781,727	2,333,467	4,115,194	2,137,871	1,580,910	3,728,781
Computers	220,115	288,276	508,391	282,350	210,112	492,462
Admin and selling expenses	2,353,708	3,082,568	5,436,276	2,863,522	2,130,997	4,994,429
	4,986,775	6,531,005	11,517,780	5,251,839	3,968,187	9,160,026

5.1.4 The leasehold land of 1.069 acre is located at SITE, Karachi.

5.2 Movement in capital work in progress

	2025 Rupees	2024 Rupees
Opening balance	-	-
Add: Addition during the year	6,609,815	5,851,211
Less: Transfer to operating assets	(6,609,815)	(5,851,211)
	-	-

6. LONG TERM DEPOSITS

Security deposits - SSGC	1,500,000	1,500,000
Security deposits - against finance lease	-	-
	1,500,000	1,500,000

6.1 The security deposit held by Bank Al-Habib Limited against the guarantee it has provided to Sui Southern Gas Company Limited against supply of gas to the Company. The guarantee provided by the bank to SSGC is of Rs. 3,000,000, while the bank has held 50% (i.e. Rs. 1,500,000) of this guarantee from the bank account of International Knitwear Limited as security deposit.



International Knitwear Limited

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

7. INVESTMENTS	Note	2025 Rupees	2024 Rupees	
Long Term Investments				
At fair value through other comprehensive income (FVTOCI)				
Equity securities - listed	7.1	29,907,662	28,025,260	
Short Term Investments				
At fair value through profit or loss (FVTPL)				
Equity securities - listed	7.2	14,808,265	14,544,578	
Mutual funds - listed	7.2.1	27,806,142	17,940,630	
		42,614,407	32,485,208	
		72,522,069	60,510,468	
7.1 Long Term Investments				
Equity Securities - listed				
Number of Shares				
2025	2024			
5,000	26,500	Engro Fertilizer Limited	927,950	4,404,830
1,000	-	Mari Energies Limited	626,890	-
5,000	-	Engro Holdings Limited	912,800	-
-	1,000	Engro Corporation Limited	-	332,000
41,500	40,500	Pakistan Oilfields Limited	24,492,055	19,842,570
14,500	14,500	The Hub Power Company Limited	1,998,245	2,364,660
1,700	1,700	Millat Tractors Limited	949,722	1,081,200
		29,907,662	28,025,260	
7.2 Short Term Investments				
Equity securities - listed				
3,000	2,500	Attock Petroleum Limited	1,438,860	965,600
5,500	-	Engro Holdings Limited	1,004,080	-
9,167	8,600	Pakistan Oilfields Limited	5,410,088	4,213,484
-	30,000	Engro Fertilizer Limited	-	4,980,600
12,400	12,400	Pakistan State Oil Company Limited	4,681,372	2,061,004
16,500	14,250	The Hub Power Company Limited	2,273,865	2,323,890
		14,808,265	14,544,578	
7.2.1 Short Term Investments				
Mutual Funds - listed				
14,476	13,014	AKD Islamic Fund	744,083	667,337
13,894	12,591	Faysal Funds	1,392,523	1,259,112
9,585	8,638	MCB Cash Management Optimizer Fund	980,605	879,942
170,691	40,117	UBL Al-Ameen Islamic Cash Plan-I Fund	17,148,436	4,015,367
-	3	UBL Cash Fund	-	261
74,301	109,696	UBL Liquidity Plus Fund	7,540,494	11,118,537
0.10	1	UBL Money Market Fund	1	74
		27,806,142	17,940,630	



International Knitwear Limited

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

		2025 Rupees	2024 Rupees
8. STOCK IN TRADE	Note		
Raw material		74,096,585	39,891,589
Work-in-process		52,919,607	164,940,280
Finished goods	8.1	47,935,068	38,715,426
		174,951,260	243,547,295
8.1 Finished goods			
- Finished stock		42,597,397	1,492,762
- Finished stock in transit		-	30,287,083
- Scrap / Left over stock		5,337,671	6,935,581
		47,935,068	38,715,426
The finished goods includes left over stock of Rs 5.33 M (2024: 6.93 M) recorded at NRV.			
9. TRADE DEBTS - CONSIDERED GOOD			
Foreign - secured, considered good		155,259,677	18,723,463
Loss on translation of export debtors		(15,970)	(21,632)
		155,243,707	18,701,831
Local - unsecured			
- Considered good		269,070,802	34,505,855
- Considered doubtful		523,270	523,270
		269,594,072	35,029,125
Less: Provision for bad debts	9.1	(523,270)	(523,270)
	9.3	424,314,509	53,207,686
9.1 Provision for doubtful trade debts			
Opening provision		523,270	523,270
Provision for the year		-	-
Reversal of provision		-	-
		523,270	523,270
9.2	As at June 30, 2025, trade receivables of Rs 0.523 million (2024: Rs 0.523 million) were past due but not impaired. These relate to a number of independent customers for whom there is no recent history of default.		
9.3 Age analysis of trade debts is as follows:			
Not yet due		424,314,509	53,207,686
Past due			
- Upto 1 month		-	-
- 1 to 6 months		-	-
- More than 6 months		523,270	523,270
		424,837,779	53,730,956
10. LOANS AND ADVANCES			
Loans and advances to employees - Long term portion - unsecured, considered good			
Loan to employees	10.1	2,434,605	1,997,733
Less: current portion of loan to employees		(1,507,105)	(1,136,733)
		927,500	861,000
Short term Loans and advances - unsecured, considered good			
Advance to contractor and supplier		4,823,961	5,169,726
Current portion of advances to employees		1,507,105	1,136,733
		6,331,066	6,306,459



International Knitwear Limited

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

10.1 The unsecured loans to employees are granted in accordance with the terms of employment. Loans are recoverable in monthly instalments over a period ranging between 3 to 5 years and are interest free. The outstanding balance as at June 30, 2025 pertains to a period between 1 - 3 years.

Transactions:	Note	2025 Rupees	2024 Rupees
Advance to CFO			
Opening balance		-	90,000
Paid advance during the year		-	-
Refund advance during the year		-	(90,000)
		-	-

10.2 Company loan made to CFO year 2021 to meet Educational expenses of his child which are subsequently received in instalments. The closing balance is Rs. nil million as on June 30, 2025 (2024: nil million)

11. OTHER RECEIVABLES

Sales tax refundable	3,314,643	17,656,462
Export rebate receivables	8,214,840	5,047,766
Research and development receivable	2,574,779	2,574,779
Receivables from Bank BAH/SBP	1,030,120	-
	<u>15,134,382</u>	<u>25,279,007</u>

12. CASH AND BANK BALANCES

Cash in hand	200,000	200,000
With banks in:		
- Treasures call accounts (deposit accounts)	2,935,177	3,802,721
- Saving account	71,739	381,494
- Current accounts	989,094	888,032
	<u>3,946,910</u>	<u>4,572,247</u>
Security deposit	6.1	
	<u>(1,500,000)</u>	<u>(1,500,000)</u>
	<u>2,646,910</u>	<u>3,272,247</u>

12.1 Deposit and savings accounts carry profit of 9.50% to 19.00 % per annum (2024: 18.50% - 20.50 % per annum)

13. ISSUED, SUBSCRIBED AND PAID-UP CAPITAL

Issued, subscribed and paid-up share capital

Number of Shares			
2025	2024		
3,000,000	3,000,000	Ordinary shares of Rs. 10/- each fully paid in cash	30,000,000
225,000	225,000	Ordinary shares of Rs. 10/- each issued as bonus shares	2,250,000
6,450,000	6,450,000	Right shares of Rs. 10/- each fully paid in cash	64,500,000
<u>9,675,000</u>	<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.

14. DEFERRED LIABILITIES - DEFERRED TAXATION LIABILITY / (ASSET)

Deferred tax liability arising in respect of:

Accelerated tax depreciation	6,405,575	2,309,888
Right to use asset	-	-
Unrealized gain on investments	-	-

Deferred tax assets arising in respect of:

Provision for doubtful debts	(151,748)	151,748
Unrealized gain on investments - PnL	340,617	(790,586)
Unrealized gain on investments - OCI	615,832	-
Liability against asset subject to finance lease	-	-
Carry forward turnover tax	(3,765,660)	(1,983,771)
	<u>(2,860,959)</u>	<u>(2,622,609)</u>

	3,444,616	(312,721)
Not recorded due to prudence	-	312,721
	<u>3,444,616</u>	<u>-</u>

14.1 During the year, the Company has recognized a deferred tax liability of Rs. 3.44 million for the first time. This has arisen due to the application of the minimum tax regime on export income by FBR. In prior years, deferred tax assets were not recorded on a prudence basis; however, as at June 30, 2024, a deferred tax asset of Rs. 0.31 million had been estimated.



International Knitwear Limited

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

	Note	2025 Rupees	2024 Rupees
15. SHORT TERM FINANCE UNDER MARK-UP ARRANGEMENT - SECURED			
Running finance facility	15.1	5,984,005	5,968,608
Export refinance facility	15.2	50,000,000	10,000,000
Short term finance - local sales	15.3	5,000,000	-
Finance against Foreign documentary bills	15.4	31,425,574	-
Finance against local documentary bills	15.5	134,486,540	-
Short term finance - Against Raw Material Local	15.6	49,810,550	-
Short term finance - Against Solar	15.7	6,164,867	-
Finance against Twinco Capital Management	15.8	-	126,330,565
		402,871,536	142,299,173

15.1 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 (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 + 2.5% p.a (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 June 30, 2025 amounts to Rs. 5.98 million (2024: Rs. 5.96 million) of which amount remaining unutilized at the year end was Rs. 0.02 million (2024 : Rs. 0.04 million)

15.2 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 (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 (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 June 30, 2025 amounts to Rs. 60.0 million (2024: Rs. 10 million) of which amount remaining unutilized at the year end was Rs. nil million. (2024: Rs. 19.0 million)

15.3 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 (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 June 30, 2025 amounts to Rs. 5 million (2024: nil million) of which amounts remaining unutilized at the year end was Rs. nil million. (2024 : 5.0 million)

15.4 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 (2024: 3 Month KIBOR + 2.5 % p.a). The facility is renewable and valid till June 30, 2025. The facility for Finance against Foreign documentary bills as at June 30, 2025 amounts to Rs. 31.42 million (2024: nil million) of which amounts remaining unutilized at the year end was Rs. 33.58 million . (2024 : 115.00 million)

15.5 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 (2024: 3 Month KIBOR + 2.5 % p.a). The facility is renewable and valid till June 30, 2025. The facility for Finance against Local documentary bills as at June 30, 2025 amounts to Rs. 134.48 million (2024: nil million) of which amounts remaining unutilized at the year end was Rs. 105.52 million . (2024 : 300.00 million)

15.6 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: nil). The facility is renewable and is valid till June 30, 2025. The facility for Short term finance - Against Raw Material Local as at June 30, 2025 amounts to Rs. 49.81 million (June 30, 2024: nil million) of which amounts remaining unutilized at the period end was Rs. 0.19 million. (June 30, 2024 : nil)

15.7 Short term finance - Against Solar

The Finance secured from Bank Al Habib Limited against Solar system. The rate of mark-up is equal to 3 Months KIBOR + 2.5% p.a (June 30, 2024: nil). The facility is one off as at June 30, 2025 amounts to Rs. 6.164 million (June 30, 2024: nil million) of which amounts remaining unutilized at the period end was Rs. 3.57 million. (June 30, 2024 : nil)



International Knitwear Limited

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

15.8 Finance against Twinco Capital Management

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

15.9 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 June 30, 2025 amounts to nil million. (2024: 2.0 million) of which the amount remaining unutilized at the year the end was 2.0 million. (2024: Nil)

16. CREDITORS, ACCRUED AND OTHER LIABILITIES	Note	2025	2024
		Rupees	Rupees
Creditors		174,930,102	146,599,026
Accrued expenses		20,427,580	14,660,873
Compensated absences payable		3,334,009	2,559,329
Other fund payable	16.1	753,072	683,456
Workers' profit participation fund	16.2	2,639,716	1,438,259
Workers' welfare fund		4,497,969	3,494,117
Advance from customers		519,356	443,657
Payable to Brokers		96,279	-
Others		934,788	821,045
		108,132,871	170,699,762
16.1 Other fund payable			
Provident fund		720,142	655,296
EOBI payable		32,930	28,160
		753,072	683,456
16.2 Workers' profit participation fund			
Opening balance		1,438,259	3,473,165
Provision for the year		2,641,716	1,438,259
		4,079,975	4,911,424
Less: Payments made during the year		(1,440,259)	(3,473,165)
		2,639,716	1,438,259
17. TAXATION - INCOME TAX AND FINAL TAXES			
Final taxes	17.1	1,004,213	1,273,875
Income tax			
Current - for the year		14,605,998	9,353,314
- for prior year		-	5,109,656
		14,605,998	14,462,969
Deferred Tax	14	3,444,616	-
		19,054,827	15,736,844
17.1	This represents final taxes paid under section 150 and Section 154 of Income Tax Ordinance, 2001, representing levy in terms of requirements of IFRIC 21/IAS 37.		



International Knitwear Limited

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

18. CONTINGENCIES AND COMMITMENTS

18.1 Contingencies

For tax year 2008, an amended assessment order has been passed under section 122(SA) 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.

18.2 Commitments

Commitments under letters of credit as at June 30, 2025 amounted to Rs. 67.50 million (2024: Rs. Nil).

FOR THE YEAR ENDED JUNE 30, 2025

19. NET SALES

Note	EXPORT		LOCAL		TOTAL	
	2025	2024	2025	2024	2025	2024
	Rupees					
	554,217,499	485,961,299	-	-	554,217,499	485,961,299
19.1	-	-	654,109,687	363,411,414	654,109,687	363,411,414
	5,771,901	5,047,766	-	-	5,771,901	5,047,766
	559,989,400	491,009,065	654,109,687	363,411,414	1,214,099,087	854,420,479
	(1,090,295)	(600,031)	(201,224)	(537,664)	(1,291,519)	(1,137,695)
	(109,291)	(13,447)	-	-	(109,291)	(13,447)
	(2,124,564)	(2,764,308)	-	-	(2,124,564)	(2,764,308)
	(3,324,150)	(3,377,786)	(201,224)	(537,664)	(3,525,374)	(3,915,450)
	556,665,250	487,631,279	653,908,463	362,873,750	1,210,573,713	850,505,029
	-	-	764,715,007	412,312,444	764,715,007	412,312,444
19.1.1	-	-	7,376,268	13,910,085	7,376,268	13,910,085
	-	-	772,091,275	426,222,529	772,091,275	426,222,529
	-	-	116,651,442	60,866,782	116,651,442	60,866,782
	-	-	1,330,146	1,944,333	1,330,146	1,944,333
	-	-	117,981,588	62,811,115	117,981,588	62,811,115
	-	-	654,109,687	363,411,414	654,109,687	363,411,414

19.1.1 Others include scrap sales amounting to Rs. 3,557,871. (2024: Rs. 4,196,116)



International Knitwear Limited

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

20. COST OF GOODS SOLD

Note

	EXPORT		LOCAL		TOTAL	
	2025	2024	2025	2024	2025	2024
	Rupees					
Raw and packing material consumed						
Opening stock	22,871,571	13,596,538	17,020,017	15,678,406	39,891,589	29,274,943
Purchases	132,928,240	248,530,862	305,058,015	184,945,736	537,986,255	433,476,598
Closing stock	(32,081,093)	(22,871,571)	(42,015,492)	(17,020,017)	(74,096,585)	(39,891,589)
	123,718,718	239,255,829	280,062,540	183,604,124	503,781,258	422,859,952
Salaries, allowances and benefits	35,091,000	42,027,614	45,957,463	31,275,101	81,048,463	73,302,715
Provident fund contribution	1,039,056	1,146,185	1,360,815	852,941	2,399,871	1,999,126
Knitting charges	6,835,528	9,161,043	8,952,254	6,817,246	15,787,782	15,978,289
Dyeing and other charges	49,398,214	49,422,651	64,695,122	36,778,163	114,093,336	86,200,814
Embroidery / Printing charges	15,968,089	24,455,564	20,912,850	18,198,755	36,880,939	42,654,319
Stitching charges	70,318,672	83,778,877	92,093,918	62,344,555	162,412,590	146,123,432
Fuel and power	7,914,779	11,351,691	10,365,711	8,447,430	18,280,490	19,799,121
Communication	149,196	187,490	195,397	139,521	344,593	327,011
Postage & telegrams	499,763	454,217	654,522	338,009	1,154,285	792,226
Repairs and maintenance	2,269,939	3,612,196	2,972,860	2,688,038	5,242,799	6,300,234
Staff welfare and medical expenses	167,226	203,181	219,009	151,198	386,235	354,379
Motor vehicle and conveyance	1,863,554	2,539,991	2,440,631	1,890,149	4,304,185	4,430,140
Insurance	471,862	601,657	617,982	447,726	1,089,844	1,049,383
Depreciation	2,633,067	2,388,317	3,448,437	1,777,280	6,081,504	4,165,597
Clearing and forwarding	11,362,910	8,519,299	-	-	11,362,910	8,519,299
Freight, octroi and cartage	8,460,333	7,557,030	11,080,203	5,623,610	19,540,536	13,180,640
Export development charges	910,520	1,388,178	-	-	910,520	1,388,178
Factory compliance expenses	971,588	374,800	1,272,454	278,910	2,244,042	653,710
Commission on Sales Tax refund	324,508	466,792	424,996	347,366	749,504	814,158
Travelling expenses	823,111	1,246,857	1,078,000	927,856	1,901,111	2,174,713
Reversal of GST refundable	858,411	111,253	1,124,231	82,789	1,982,642	194,042
Late Shipment charges	5,289,677	4,629,093	-	-	5,289,677	4,629,093
Others	1,795,671	2,568,999	2,351,727	1,911,736	4,147,398	4,480,735
	125,416,674	258,192,975	272,218,584	181,318,379	497,635,256	439,511,354
Work-in-process						
Opening stock	94,567,389	49,047,773	70,372,891	56,557,839	164,940,280	105,605,613
Closing stock	(22,912,241)	(94,567,389)	(30,007,366)	(70,372,891)	(52,919,607)	(164,940,280)
	71,655,148	(45,519,616)	40,365,526	(13,815,052)	112,020,673	(59,334,667)
Cost of goods manufactured	520,790,540	451,929,188	592,646,650	351,107,452	1,113,437,190	803,036,640
Finished goods						
Opening stock	22,197,226	2,222,839	16,518,200	2,563,194	38,715,426	4,786,033
Closing stock	(20,754,120)	(22,197,226)	(27,180,949)	(16,518,200)	(47,935,068)	(38,715,426)
	1,443,106	(19,974,387)	(10,662,749)	(13,955,006)	(9,219,643)	(33,929,393)
COST OF GOODS SOLD	522,233,646	431,954,800	581,983,901	337,152,446	1,104,217,547	769,107,246



International Knitwear Limited

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

21. ADMINISTRATIVE AND SELLING EXPENSES

Note	EXPORT		LOCAL		TOTAL	
	2025	2024	2025	2024	2025	2024
	Rupees					
Salaries, allowances and benefits	9,905,885	11,171,694	12,973,394	8,313,484	22,879,279	19,485,178
Provident fund contribution	385,364	413,662	504,698	307,829	890,062	721,491
Communication	256,303	509,241	335,671	378,954	591,974	888,195
Postage & telegrams	7,503	9,288	9,827	6,912	17,330	16,200
Staff welfare and medical expenses	264,374	192,624	346,242	143,342	610,616	335,956
Motor vehicle and conveyance	1,160,452	1,330,514	1,519,804	990,110	2,680,256	2,320,624
Repair and maintenance	71,806	133,790	94,042	99,560	165,848	233,350
Legal and professional charges	148,834	194,793	194,923	144,956	343,757	339,749
Auditors' remuneration	21.1	278,420	291,029	364,636	216,571	643,056
Depreciation	5.1.3	2,353,707	2,863,572	3,082,569	2,130,907	5,436,276
Printing and stationery	188,735	212,249	247,180	157,947	435,915	370,196
Advertisement and publicity	60,368	59,310	79,062	44,136	139,430	103,446
Fee, subscription and periodicals	821,999	1,055,367	1,076,543	785,358	1,898,542	1,840,725
Rent, rate and taxes	15,154	849,395	19,846	632,083	35,000	1,481,478
Insurance	106,857	135,653	139,946	100,947	246,803	236,600
Others	273,650	348,390	350,390	259,156	632,040	607,646
	16,299,411	19,770,521	21,346,773	14,712,352	37,646,184	34,482,873

21.1 Auditors' Remuneration

	2025 Rupees	2024 Rupees
Annual audit	368,035	290,500
Half yearly review	139,000	100,000
Out of pocket expenses	87,410	82,500
Sales tax on audit and review fee	47,711	34,600
	643,056	507,600

22. OTHER INCOME

Income From Financial Assets

Profit on bank accounts	-	916,434	706,810	689,412	706,810	1,615,846
Dividend income	22.1	-	4,869,123	7,651,112	3,623,387	7,651,112
Exchange Gain/(Loss)		47,605	(6,605,202)	-	-	47,605
Other Income from Insurance Claim		-	-	261,900	-	261,900
Gain on disposal of Investment - net	22.2	-	208,986	2,721,312	155,518	2,721,312
Loss on translation of foreign currency debtors		(15,970)	(21,632)	-	-	(15,970)

Income From Non-Financial Assets

Gain on disposal of property, plant and equipment	-	619,172	28,442	469,203	28,442	1,097,375
	31,635	6,881	11,369,576	4,936,520	11,401,211	4,943,401

22.1 Dividend Income

Listed Shares	6,084,906	6,258,845
Mutual Fund	1,566,206	2,233,665
	7,651,112	8,492,510

22.2 Gain on disposal of investment

FVTPL		
-Quoted securities	898,475	370,484
-Mutual funds	1,822,837	(5,980)
	2,721,312	364,504
FVTOCI		
-Quoted securities	284,599	2,173
	3,005,911	366,677



International Knitwear Limited

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

23. FINANCE COST

	EXPORT		LOCAL		TOTAL	
	2025	2024	2025	2024	2025	2024
	Rupees					
Mark-up on export refinance	2,002,663	2,431,448	2,022,819	1,800,376	4,025,482	4,240,823
Mark-up on running finance	446,476	750,329	584,733	558,362	1,031,209	1,308,691
Mark-up short term finance raw material local	2,293,403	-	3,003,591	-	5,296,994	-
Mark-up short term finance Solar	56,555	-	76,668	-	133,223	-
Bank charges	1,918,507	939,174	2,512,601	698,892	4,431,108	1,638,066
Mark-up on finance from Twince	925,367	19,589,905	-	-	925,367	19,589,905
Brokerage and other charges	-	10,772	19,617	8,016	19,617	18,788
Mark-up on export Discounting	1,369,578	-	-	-	1,369,578	-
Mark-up on short term finance loan & Discounting	-	-	11,604,252	1,567,430	11,604,252	1,567,430
	9,014,549	23,721,628	20,424,301	4,642,076	29,438,850	28,363,703

24. OTHER CHARGES

Workers' profit participation fund	780,056	751,649	1,051,640	686,610	2,641,716	1,438,259
Workers' welfare fund	296,421	285,627	707,431	260,911	1,003,852	546,538
	1,076,477	1,037,276	2,569,091	947,521	3,645,568	1,984,797

25. SEGMENT INFORMATION

A segment is a distinguishable component of the company that is engaged in business activities from which the Company earns revenues and incur expenses and its results are regularly reviewed by the Company's Chief Operating Decision Maker to make decision about resources to be allocated to the segment and assess its performance. Further, discrete financial information is available for each segment.

Based on internal management reporting structure and products produced and sold, the Company is organized into the following two operating segments:

- Export
- Local

Management monitors the operating results of above mentioned segments separately for the purpose of making decisions about resources to be allocated and of assessing performance.

Segment revenue and segment result for the year are as follows:

	EXPORT		LOCAL		TOTAL	
	2025	2024	2025	2024	2025	2024
	Rupees					
Net Sales	556,665,250	487,631,279	653,908,463	362,873,750	1,210,573,713	850,505,029
Cost of goods sold	(522,233,646)	(431,954,809)	(581,983,801)	(537,152,446)	(1,104,217,547)	(769,107,246)
Gross profit	34,431,604	55,676,479	71,924,662	25,721,304	106,356,166	81,397,782
Administrative and selling expenses	(16,299,411)	(19,770,523)	(21,346,773)	(14,712,352)	(37,646,184)	(34,482,873)
Segment results	18,132,194	35,905,956	50,577,889	11,008,952	68,709,982	46,914,909
Other income	32,635	6,881	11,369,576	4,936,520	11,401,211	4,943,400
Unrealized gain on revaluation of investments held for trading	983,165	5,021,848	1,267,617	2,248,727	2,270,783	5,270,575
Finance cost	(9,014,549)	(23,721,628)	(20,424,301)	(4,642,076)	(29,438,850)	(28,363,703)
Other charges	(1,076,477)	(1,037,276)	(2,569,091)	(947,521)	(3,645,568)	(1,984,797)
Profit before taxation from continuing operation	9,055,968	14,175,783	40,241,590	12,604,602	49,297,557	26,780,385
Taxation						
- Current	(5,131,865)	(4,876,313)	(9,474,133)	(4,477,001)	(14,605,998)	(9,353,314)
- Prior	-	(2,329,587)	-	(2,180,069)	-	(5,109,656)
- Final	(434,787)	(730,368)	(509,426)	(543,507)	(1,004,213)	(1,273,875)
- Deferred	(1,224,759)	-	(1,604,025)	-	(2,828,784)	-
	(6,791,411)	(8,536,268)	(11,647,584)	(7,200,577)	(18,438,995)	(15,736,845)
Profit after taxation from continuing operation	2,264,558	5,639,515	28,594,006	5,404,025	30,858,562	11,043,541

26. BASIC EARNINGS PER SHARE

Earnings per share - basic and diluted

Profit after taxation

Number of ordinary shares

Earnings per share

27. CASH AND CASH EQUIVALENTS

Cash and bank balances

Running finance facility

	2025 Rupees	2024 Rupees
Profit after taxation	30,858,562	11,043,541
Number of ordinary shares	9,675,000	9,675,000
Earnings per share	3.19	1.14
Cash and bank balances	12	2,646,010
Running finance facility	15.1	(5,984,005)
	(3,337,995)	(2,696,361)



International Knitwear Limited

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

28. REMUNERATION OF CHIEF EXECUTIVE, DIRECTOR AND EXECUTIVES

The aggregate amount charged in the accounts for remuneration, including all benefits to the Chief executive, Director and Executives of the Company are as follows:

	2025			2024		
	Directors	Chief Executive	Executives	Directors	Chief Executive	Executives
	Rupees					
Basic salary	1,664,516	3,870,968	5,012,903	1,509,677	3,870,968	1,935,484
Allowances	915,484	2,129,032	2,757,097	830,323	2,129,032	1,064,516
Company's contribution to provident fund	138,710	322,581	417,742	125,806	322,581	161,290
Medical expenses	151,576	209,498	315,478	125,806	86,487	81,545
Bonus	151,613	322,581	445,161	125,806	322,581	161,290
	3,021,899	6,854,660	8,948,381	2,717,418	6,731,649	3,404,125
Number of person(s)	1	1	3	1	1	1

28.1 A sum of Rs. 340,000 (2024: Rs. 300,000) was paid being fee for attending the Board of Directors' meeting.

28.2 Chief executive and Other Executives are provided with free use of Company maintained cars. They are also entitled for medical facility to the extent of reimbursement of actual expenditure and other benefits in accordance with their terms of employment.

29. TRANSACTIONS AND BALANCES 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 as follows:

Balances:	Note	2025 Rupees	2024 Rupees
Provident Fund - outstanding balance	16.1	720,142	655,296
		720,142	655,296
Contribution to staff retirement benefit plans		3,289,933	2,720,617
Key management personnel's remuneration and other benefits	28	18,824,939	12,853,192

29.1. PROVIDENT FUND RELATED DISCLOSURES

The following information is based on latest un-audited financial statements of fund:

Size of the fund - total assets	20,340,461	17,348,452
Percentage of investment made	47.88%	76.90%
Fair value of investments	9,738,626	13,340,140
Cost of above investments	9,819,953	9,854,084

The breakup of fair value of investment is:

	2025 Percentage	2024 Percentage	2025 Rupees	2024 Rupees
Faysal Islamic Sovereign Plan-II Fund	13.22%	8.44%	1,287,809	1,126,502
NBP Financial Sector Income Fund	58.22%	36.98%	5,669,467	4,933,234
UBL Fund	24.11%	51.52%	2,348,455	6,872,354
Investment in Shares	4.45%	3.06%	432,895	408,050
	100.00%	100.00%	9,738,626	13,340,140

29.2 International Knitwear Limited Staff Provident Fund holds the investments which are in accordance with the provisions of section 218 of the Companies Act 2017 and the Rules formulated for this purpose.



International Knitwear Limited

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

30 FINANCIAL INSTRUMENTS BY CATEGORY

		As at June 30, 2025			
		Amount in Rupees			
		At Amortised Cost	FVTPL	FVTOCI	Other financial liabilities
FINANCIAL ASSETS					
Cash and cash equivalent	12	2,646,910	-	-	-
Investments	7	-	42,614,407	29,907,662	-
Long term deposits	6	1,500,000	-	-	-
Trade debts - considered good	9	424,314,509	-	-	-
Loans and advances	10	2,434,605	-	-	-
Other receivables	11	15,134,391	-	-	-
Total Financial Assets		446,030,415	42,614,407	29,907,662	-
FINANCIAL LIABILITIES					
Short term finance under mark-up arrangement - Secured	15	402,871,536	-	-	-
Creditors, accrued and other payables	16	-	-	-	208,132,871
Total Financial Liabilities		402,871,536	-	-	208,132,871
		As at June 30, 2024			
		Amount in Rupees			
Note		At Amortised Cost	FVTPL	FVTOCI	Other financial liabilities
FINANCIAL ASSETS					
Cash and cash equivalent		3,272,247	-	-	-
Investments		-	32,485,208	28,025,260	-
Long term deposits		1,500,000	-	-	-
Trade debts - considered good		53,207,686	-	-	-
Loans and advances		1,997,733	-	-	-
Other receivables		25,279,007	-	-	-
Total Financial Assets		85,256,673	32,485,208	28,025,260	-
FINANCIAL LIABILITIES					
Short term finance under mark-up arrangement - Secured		142,299,173	-	-	-
Creditors, accrued and other payables		-	-	-	170,699,762
Total Financial Liabilities		142,299,173	-	-	170,699,762

31 FINANCIAL RISK MANAGEMENT

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.



International Knitwear Limited

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

31.1 Credit Risk

Credit risk represents the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The Company's credit risk is primarily attributable to its trade debts and balances at banks. Local credit sales are essentially to Khadi. Receivable from export sales are secured against letter of credit. The credit risk on liquid funds is limited because counter parties are banks with reasonably high credit ratings.

(i) Exposure to credit risk

The carrying amount of financial assets represents maximum credit exposure. The maximum exposure to credit risk at the date of reporting is as follows:

	NOTE	2025 Rupees	2024 Rupees
Financial assets:			
Trade debts	9	424,314,509	53,207,686
Loans and advances	10	7,258,566	7,167,459
Other receivables	11	15,134,391	25,279,007
Cash and bank	12	4,146,910	4,772,247
		<u>450,854,376</u>	<u>90,426,399</u>

The trade debts are due from foreign and local customers for export and local sales respectively. Majority of the trade debts from foreign customers are secured against letters of credit. Management assesses the credit quality of local and foreign customers, taking into account their financial position, past experience and other factors. For bank balances, financial institutions with strong credit ratings are accepted. Credit risk on bank balances is limited as these are placed with banks having good credit ratings. Loans to employees are secured against their PF balances.

The bank balances along with credit ratings are tabulated below:

Bank Name	Credit Rating		
Bank Al-Habib Limited	A-1+	3,675,516	4,407,286
Habib Bank Limited	A-1+	40,133	15,115
Bank Alfalah	A-1+	31,446	47,596
Dubai Islamic Bank	A-1+	28,710	29,481
Faysal Bank Limited	A-1+	71,739	72,770
Habib Metropolitan Bank Limited	A-1+	99,367	-
		<u>3,946,911</u>	<u>4,572,248</u>

The Company always measures the loss allowance for trade debts at an amount equal to lifetime ECL using the simplified approach. The expected credit losses on local trade debts are estimated using a provision matrix by reference to past default experience of the debtor and an analysis of the debtor's current financial position, adjusted for factors that are specific to the debtors, general economic conditions of the industry in which the debtors operate and an assessment of both the current as well as the forecast direction of conditions at the reporting date. The Company considers 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 and it is subsequently written off, if required.

Concentration of credit risk exists when changes in economic and industry factors affect the group of counter parties whose aggregated credit exposure is significant in relation to the Company's total credit exposure. The Company's financial assets are broadly diversified and transactions are entered into with diverse credit worthy parties thereby mitigating any significant concentration risk. Therefore, the Company believes that it is not exposed to major concentration of credit risk.

31.2 Market Risk

Market risk is the risk that the fair value or the future cash flows of a financial instrument may fluctuate as a result of changes in market interest rates or the market prices of securities due to change in credit rating of the issuer or the instrument, change in market sentiments, speculative activities, supply and demand of securities and liquidity in the market.

Market risk comprises of three types of risk: currency risk, profit rate risk and other price risk.

(i) Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. Currency risk arises mainly from future commercial transactions or receivables and payables that exist due to transactions in foreign currencies.

Financial assets include Rs. 155,243,707 (2024 : Rs. 18,701,833) which are subject to currency risk.

Sensitivity analysis

The 10 percent strengthening / weakening of Pak Rupee against USD at June 30, 2025 would have (decreased) / increased profit and loss by Rs. 15,524,371 (2024: Rs. 1,870,183) accordingly. This analysis assumes that all other variables remain constant.



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

(ii) Interest rate risk

Interest rate risk represents the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company has no long term interest bearing financial assets and liabilities whose fair value or future cash flows will fluctuate because of changes in market interest rates.

However, Company do possess short term interest bearing financial liabilities which includes Rs. 402,871,536 [2024: Rs. 142,299,173] which are subject to interest rate risk. Applicable interest rate for financial instruments have been indicated in respective notes.

Fair value sensitivity analysis for fixed rate instruments

The Company does not account for any fixed rate financial assets and liabilities at fair value through of profit or loss. Therefore, a change in interest rate at the reporting date would not affect the statement of profit or loss.

Cash flow sensitivity analysis for variable rate instruments

A change of 100 basis points in KIBOR / SBP Base Rate, financial liabilities at the reporting date would have increased / (decreased) equity and profit or loss by Rs. 4.02 million (2024: Rs. 1.42 million). This analysis assumes that all other variables remain constant. The analysis is performed on the same basis as in previous year.

(iii) Other price risk

Price risk represent the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices other than those arising from interest rate risk or currency risk, whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instrument traded in the market.

31.3 Liquidity Risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting obligations associated with financial liabilities. The Company manages liquidity risk by maintaining sufficient cash and cash equivalents. The following are the contractual maturities of financial assets and financial liabilities:

	Effective rate of interest % / Range %	2025			2024			Total
		INTEREST / FINANCE LIB. BEARING		Sub total	INTEREST / FINANCE LIB. BEARING		Sub total	
		Maturity up to one year	Maturity after one year		Maturity up to one year	Maturity after one year		
Financial assets:								
Long term deposits	-	-	-	-	-	1,500,000	1,500,000	1,500,000
Investments	-	-	-	-	42,614,407	29,907,662	72,522,069	72,522,069
Trade debts	-	-	-	-	424,314,509	-	424,314,509	424,314,509
Other receivables	-	-	-	-	15,134,391	-	15,134,391	15,134,391
Cash and bank balances	9.50% - 19.00%	2,935,177	-	2,935,177	939,994	-	939,994	3,875,171
		2,935,177	-	2,935,177	483,003,301	31,407,662	514,410,963	517,346,140
Financial liabilities:								
Short term finance under mark-up arrangement	3 Months KIBOR +2.5% & SBP rate +1%	402,871,536	-	402,871,536	-	-	-	402,871,536
Creditors, accrued and other payables	-	-	-	-	208,132,871	-	208,132,871	208,132,871
Undaimed dividend	-	-	-	-	2,511,822	-	2,511,822	2,511,822
		402,871,536	-	402,871,536	210,644,694	-	210,644,694	613,516,230
Sensitivity gap		(399,936,359)	-	(399,936,359)	272,358,605	31,407,662	303,766,267	(96,170,090)

	Effective rate of interest % / Range %	2025			2024			Total
		INTEREST / FINANCE LIB. BEARING		Sub total	INTEREST / FINANCE LIB. BEARING		Sub total	
		Maturity up to one year	Maturity after one year		Maturity up to one year	Maturity after one year		
Financial assets:								
Long term deposits	-	-	-	-	-	1,500,000	1,500,000	1,500,000
Long term investments	-	-	-	-	32,485,208	28,025,280	60,510,488	60,510,488
Trade debts	-	-	-	-	58,207,686	-	58,207,686	58,207,686
Other receivables	-	-	-	-	25,279,007	-	25,279,007	25,279,007
Cash and bank balances	18.50% - 20.50%	3,802,721	-	3,802,721	308,012	-	308,012	4,190,733
		3,802,721	-	3,802,721	111,350,933	29,525,260	140,885,193	144,687,914
Financial liabilities:								
Short term finance under mark-up arrangement	3 Months KIBOR +2.5% & SBP rate +1%	142,299,173	-	142,299,173	-	-	-	142,299,173
Creditors, accrued and other payables	-	-	-	-	170,699,762	-	170,699,762	170,699,762
Undaimed dividend	-	-	-	-	2,298,013	-	2,298,013	2,298,013
		142,299,173	-	142,299,173	172,997,775	-	172,997,775	315,296,948
Sensitivity gap		(138,496,453)	-	(138,496,453)	(61,637,841)	29,525,260	(32,112,581)	(170,609,034)



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

31.4 Capital Risk Management

The objective of the Company when managing capital, i.e., its shareholders' equity, is to safeguard its ability to continue as a going concern so that it can continue to provide returns for shareholders and benefits for other stakeholders; and to maintain a strong capital base to support the sustained development of its businesses.

The capital structure of the Company is equity based. It has financed all its projects and business expansions through equity financing and never resorted on debt financing. However, the Company has availed short-term borrowing for working capital

32. FAIR VALUE OF FINANCIAL ASSETS AND LIABILITIES

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i.e. an exit price) regardless of whether that price is directly observable or estimated using another valuation technique.

As at June 30, 2025, all financial assets and financial liabilities are carried at amortized cost except for investment in mutual funds and equity securities which are carried at their fair values.

Fair value hierarchy

The following table provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into Levels 1 to 3 based on the degree to which the fair value is observable.

Level 1 Quoted prices (unadjusted) in active markets for identical assets or liabilities

Level 2 Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices)

Level 3 Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs)

The Company recognizes transfers between levels of the fair value hierarchy at the end of the reporting period during which the transfer has occurred. The Company's policy for determining when transfers between levels in the hierarchy have occurred includes monitoring of the following factors:

- changes in market and trading activity (e.g. significant increases / decreases in activity)
- changes in inputs used in valuation techniques (e.g. inputs becoming / ceasing to be observable in the market)

There were no transfers between level 1, 2 or 3 of the fair value hierarchy during the year. The valuation techniques used are as follows:

Level 1: Quoted prices (unadjusted) in active markets

The fair value of financial instruments traded in active markets is based on Net Asset Values (NAVs) of the units of the mutual funds and share prices for equity securities at the reporting date. A market is regarded as active when it is a market in which transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an on going basis.

The following table analyses within the fair value hierarchy of the Company's financial assets (by class) measured at fair value at June 30, 2025:

Financial Assets	2025			
	Level 1	Level 2	Level 3	Total
Financial Investments: Fair Value through profit and loss	72,522,069	-	-	72,522,069
Financial Assets	2024			
	Level 1	Level 2	Level 3	Total
Financial Investments: Fair Value through profit and loss	60,510,468	-	-	60,510,468



International Knitwear Limited

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

	2025	2024
33. PRODUCTION CAPACITY		
Installed capacity (Pcs.)	<u>1,300,000</u>	<u>1,300,000</u>
Actual production (Pcs.)	<u>744,369</u>	<u>749,825</u>
It is difficult to describe precisely the production capacity in the textile industry since it fluctuates widely depending on various factors such as count of yarn spun, raw material used, etc.		
Reasons for shortfall		
The short fall in actual production during the year when compared with installed capacity is mainly due to planned maintenance shutdown and gap between market demand and supply.		
34. NUMBER OF EMPLOYEES		
Number of employees as on the date of financial statements:	<u>280</u>	<u>298</u>
- Factory employees	148	168
- Other employees	132	130
Average number of employees during the year:	<u>280</u>	<u>288</u>
- Factory employees	150	158
- Other employees	130	130
35. DATE OF AUTHORIZATION FOR ISSUE		
These financial statements were approved by the Board of Directors of the Company and authorized for issue on September 29, 2025.		
36. SUBSEQUENT EVENTS		
The Board of Directors in their meeting held on September 29, 2025 has proposed a final cash dividend of Rs 1.0 per share amounting to Rs 9,675,000 (2024: Rs. 0.75 per share amounting to Rs. 7,256,250). The approval of the shareholders of the Company shall be obtained at the upcoming Annual General Meeting for the year ended June 30, 2025.		
The financial statements for the year ended June 30, 2025 do not include the effect of the proposed final cash dividend.		
37. Corresponding figures		
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 year.		
38. FIGURES		
Figures have been rounded off to the nearest of Rupee, unless otherwise stated.		

KHALID JAMIL SIDDIQI
Chairman

NAEEM SHAFI
Chief Executive

JAVED KHAN
Director / CFO



International Knitwear Limited

STATEMENT OF COMPLIANCE WITH LISTED COMPANIES (CODE OF CORPORATE GOVERNANCE) REGULATIONS, 2019

For the Year Ended June 30, 2025

The company has complied with the requirements of the Regulations in the following manner:

1. The total number of directors are 7 as per the following:

Male: 6 (Six)

Female: 1 (One)

2. The composition of board is as follows:

Category	Name
Executive Directors	Mr. Naeem Shafi Mr. Javed Khan
Non-Executive Directors	Mr. Waseem Shafi Mr. Muhammad Shafi
Independent Directors	Mr. Khalid Jamil Siddiqi Mr. Abdullah Ahsan Saleem Ms. Saleha Majid
Female Director	Ms. Saleha Majid

3. The directors have confirmed that none of them is serving as a director on more than seven listed companies, including this Company.
4. The Company has prepared a "Code of Conduct" and has ensured that appropriate steps have been taken to disseminate it throughout the Company along with its supporting policies and procedures.
5. The Board has developed a vision/mission statement, overall corporate strategy and some significant policies of the Company. The board has ensured that complete record of particulars of the 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 Act and these Regulations.
7. The meetings of the Board were presided over by the Chairman and, in his absence, by a director elected by the Board for this purpose. The Board has complied with the requirements of the Company Act, 2017 and the Regulations with respect to frequency, recording and circulating minutes of meeting of the Board.



International Knitwear Limited

STATEMENT OF COMPLIANCE WITH LISTED COMPANIES (CODE OF CORPORATE GOVERNANCE) REGULATIONS, 2019

8. The Board has a formal policy and transparent procedures for remuneration of directors in accordance with the Act and these Regulations.
9. Four directors are Certified Director and two directors meet the criteria of exemption and are accordingly exempted from directors' training program. Remaining Director will acquire the required directors' training certification within the time specified in the Regulations.
10. The board has approved appointment of Chief Financial Officer and Company Secretary, including their remuneration and terms and conditions of employment and complied with relevant requirements of the regulations. Mr. Salik Sultan was appointed as Company secretary during the year;
The position of Head of Internal Audit remained vacant 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:

Audit Committee

Mr. Abdullah Ahsan Saleem	Chairman	Independent Director
Mr. Khalid Jamil Siddiqi	Member	Independent Director
Ms. Saleha Majid	Member	Independent Director

HR and Remuneration Committee

Mr. Khalid Jamil Siddiqi	Chairman	Independent Director
Mr. Naeem Shafi	Member	Executive Directors
Mr. Javed Khan	Member	Executive Directors

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 committee were as per following:

Committee	Frequency
Board of Audit Committee	Quarterly
Human Resource and Remuneration Committee	Yearly

15. The Board has not yet setup an internal audit function as required by Regulation 31 of the Listed Companies (Code of Corporate Governance) Regulations, 2019.
16. The statutory auditors of the company have confirmed that they have been given a satisfactory rating under the Quality Control Review program of the Institute of Chartered Accountants of Pakistan and registered with Audit Oversight Board of Pakistan, that they and all their partners are in compliance with International Federation of Accountants (IFAC) guidelines on code of ethics as adopted by the Institute of Chartered Accountants of Pakistan and that they and the partners of the firm involved in the audit are not a close relative (spouse, parent, dependent and non-dependent children) of the chief executive officer, chief financial officer, head of internal audit, company secretary or director of the company;



International Knitwear Limited

STATEMENT OF COMPLIANCE WITH LISTED COMPANIES (CODE OF CORPORATE GOVERNANCE) REGULATIONS, 2019

17. The statutory auditors or the persons associated with them have not been appointed to provide other services except in accordance with the Act, these regulations or any other regulatory requirement and the auditors have confirmed that they have observed IFAC guidelines in this regard.
18. We confirm that all requirements of regulations 3, 6, 7, 8, 27,32, 33 and 36 of the Regulations have been complied with; and
19. Explanation for non-compliance with requirements, other than regulations 3, 6, 7, 8,27,32,33 and 36 are below.

1. The Human Resource and Remuneration Committee set-up by the company, is not in line with the composition required by regulation 28(1) the Companies (Code of Corporate Governance) Regulations, 2019.

The Board will reconstitute the HR & Remuneration Committee to ensure compliance with Regulation 28 in the shortest possible timeframe

2. The Board has not setup an internal audit function as required by regulations 31 of the Listed Companies (Code of Corporate Governance) Regulations, 2019.

The Company will setup the Internal Audit Function and will hire head of Internal Audit as required by the Regulation 31 of the Listed Companies (Code of Corporate Governance) Regulations, 2019 as soon as the cash flow allows to bear an additional cost.

KHALID JAMIL SIDDIQI
Chairman

NAEEM SHAFI
Chief Executive

Karachi: September 29,2025

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 **International Knitwear Limited** for the year ended **June 30, 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 these 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, except for the above instance(s) of non-compliance, 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 June 30, 2025.

Further, we highlight below instances of non-compliance with the requirement(s) of the Regulations as reflected in the paragraph reference where these are stated in the statement of Compliance.

**INDEPENDENT AUDITOR'S REVIEW REPORT TO THE CERTIFICATE HOLDERS OF INTERNATIONAL KNITWEAR LIMITED
REVIEW REPORT ON THE STATEMENT OF COMPLIANCE CONTAINED IN LISTED COMPANIES
(CODE OF CORPORATE GOVERNANCE) REGULATIONS, 2019**



S. No	Nature of Requirement	Paragraph Reference	Description of the Non-Compliance
i.	Explanatory		The Human Resource and Remuneration Committee set-up by the company, is not in line with the composition required by regulation 28(1)the Companies (Code of Corporate Governance) Regulations, 2019.
ii.	Explanatory	15 & 19(I)	The Board has not setup an internal audit function as required by regulations 31 of the Listed Companies (Code of Corporate Governance) Regulations, 2019.

RSM Ahsan Hyder Liaquat Nauman

Chartered Accountants

Karachi.

Date: October 01, 2025

UDIN:CR202510239MNuRB8A6g



International Knitwear Limited

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the 35th Annual General Meeting of the Company will be held on Monday, October 27, 2025, at 03:30 p.m. at F - 2A / L, S.I.T.E., Karachi, to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Annual Financial Statements of the Company together with Director's and Auditor's Reports for the year ended June 30, 2025.

As required under Section 223 of the Companies Act 2017 and in terms of S.R.O No. 389(I)/2023 dated March 21, 2023, the Annual Report, including the Notice of Meeting and Financial Statements of the Company has been transmitted to the shareholders and uploaded on the website of the Company which can be viewed using the following link or QR enable code:

<https://iil.com.pk/en/page/investors/financial-information>

2. To declare and approve the final cash dividend @ 10% i.e. PKR 1.0 per share, as recommended by the Board of Directors for the year ended June 30, 2025.
3. To appoint statutory Auditors and fix their remuneration for the year ending June 30, 2026. The retiring Auditors, M/s. RSM Avais Hyder Liaquat Nauman, Chartered Accountants, being eligible, have offered themselves for re-appointment.
4. To transact any other ordinary business which may legally be transacted at an Annual General Meeting, with the permission of the Chair.

By Order of the Board

Karachi, October 06, 2025

Salik Sultan
Company Secretary

NOTES:

1. CLOSURE OF SHARE TRANSFER BOOKS

The Share Transfer Books of the Company will be closed from October 20, 2025, to October 27, 2025 (both days inclusive) for the purpose of the AGM and payment of the Final Cash dividend.

Transfer requests received by CDC Share Registrar Services Limited, CDC House, 99-B, Block "B", S.M.C.H.S., Main Shahrah-e-Faisal, Karachi-74400. Tel: 0800-23275, UAN: 111-111-500, Email: info@cdcsrsl.com, at the close of business on October 19, 2025, will be treated in time for the purpose of determining the above entitlement to the transferees for payment of cash dividend and to attend the AGM.



NOTICE OF ANNUAL GENERAL MEETING

2. PARTICIPATION IN THE AGM VIA THE VIDEO CONFERENCING FACILITY:

The shareholders can now participate in the AGM proceedings via video link. Those members who are willing to attend and participate in the AGM via video link are requested to register themselves by sending an email along with the following particulars and a valid copy of both sides of CNIC at javed@internationalknitwear.com with the subject of 'Registration for AGM' not less than 48 hours before the time of the meeting:

Name of Shareholder	CNIC No.	Folio No./CDC Account No.	Mobile No.	Email Address
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Members who are registered after the necessary verification, as outlined above, will receive a password-protected video link via email from the Company to ensure compliance with quorum requirements. The link will be active from 3:20 p.m. on the day of the AGM until the meeting concludes.

3. ATTENDING AGM AND APPOINTMENT OF PROXY

A. A Member entitled to attend, speak and vote at the Annual General Meeting is entitled to appoint another member as his/her proxy to attend, speak and vote on his/her behalf.

B. An instrument appointing a proxy and the power of attorney or other authority under which it is signed, or a notarised, certified copy of the power or authority, must be deposited at the registered office of the Company at least 48 hours before the time of the meeting. Form of Proxy is enclosed.

C. CDC Account Holders will further have to follow the under-mentioned guidelines as laid down in Circular¹ dated January 26, 2000, issued by the Securities and Exchange Commission of Pakistan.

i) For Attending AGM

a. In case of individuals, the account holder or sub-account holder whose securities and their registration details are uploaded as per the Regulations, shall produce proof of his / her identity by showing their Computerized National Identity Card (CNIC) at the time of attending the meeting.

b. In case of a corporate entity, a 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.

ii) For Appointing Proxy

a. In the case of individuals, the account holder or sub-account holder whose registration details are uploaded as per CDC regulations shall submit the Proxy Form as per the above requirement.

b. Attested copies of the CNIC of the beneficial owners and the proxy shall be furnished with the Proxy Form. The proxy shall produce his original CNIC at the time of the meeting.



NOTICE OF ANNUAL GENERAL MEETING

4. Mandatory Information (Email, CNIC, IBAN and Zakat Declaration)

- A. In compliance with Section 119 of the Companies Act, 2017 and Regulation 19 Companies (General Provisions and Forms) Regulations, 2018 members are requested to immediately provide their mandatory information such as CNIC number, updated mailing address, email, contact mobile/telephone number and International Bank Account Number (IBAN) together with a copy of their CNIC to update our records and to avoid any non-compliance of the law. Otherwise, all dividends will be withheld in terms of Regulation 6 of the Companies (Distribution of Dividends) Regulations, 2017;
- For physical shares to M/s CDC Share Registrar Services Limited
 - For shares in CDS to CDC Investors A/c Services or respective participant
- B. Members are requested to submit a declaration (CZ-50) as per Zakat & Ushr Ordinance 1980 for zakat exemption and advise an address change, if any.

5. E-Dividend

As per Section 242 of the Act it is mandatory for the public listed companies to pay cash dividends to its shareholders only through electronic mode, directly into a bank account designated by the entitled shareholders.

Therefore, through this notice, all shareholders are requested to update their bank account No. (IBAN) and details in the Central Depository System through respective participants. In case of physical shares, provide bank account details to our Share Registrar, M/s CDC Share Registrar Services Limited. Please ensure a nearly update of your particulars to avoid any inconvenience. The e-Dividend mandate form is enclosed.

6. Unclaimed Dividends and Bonus Shares

Shareholders, who for any reason could not claim their dividend and/or bonus shares, are advised to contact our Shares Registrar, M/s CDC Share Registrar Services Limited, to collect/enquire about their unclaimed dividends and/or bonus shares if any.

7. Filer and Non-Filer Status

- i) The Government of Pakistan, through the Finance Act, 2025, in Section 150 of the Income Tax Ordinance, 2001, prescribed the following rates for withholding tax against dividend payments by the companies;

- a) For filers of income tax returns – 15%
- b) For non-filers of income tax returns – 30%

Members whose names are not entered into the Active Taxpayers List (ATL) provided by the FBR website, although they are filers, are advised to make sure that their names are entered into the ATL to avoid higher tax deductions against dividends.



International Knitwear Limited

NOTICE OF ANNUAL GENERAL MEETING

- ii) For any query/problem/information, the investors may contact the Share Registrar at the following phone numbers or email addresses:

M/s CDC Share Registrar Services Limited CDC House, 99-B, Block B, S.M.C.H.S, Shahrah-e-Faisal, Karachi Customer Support Service No's: +92-080023275 E-mail :info@cdcsrcsl.com

- iii) Corporate shareholders having CDC accounts are required to have their National Tax Number (NTN) updated with their respective participants, whereas corporate physical shareholders should send a copy of their NTN certificate to the Share Registrar, i.e., M/s CDC Share Registrar Services Limited. The shareholders, while sending NTN or NTN certificates, as the case may be, must quote the company name and their respective folio number.

8. Conversion of Physical Shares into Book-Entry Form

As per Section 72 of the Companies Act, 2017, all existing companies are required to convert their physical shares into book-entry form within a period not exceeding four years from the date of commencement of the Companies Act, 2017.

The Securities & Exchange Commission of Pakistan, through its circular # CSD/ED/Misc./2016-639-640 dated March 26, 2021, has advised the listed companies to pursue their members who still hold shares in physical form to convert their shares into book-entry form.

We hereby request all such members of International Industries Limited who are holding shares in physical form to convert their shares into book-entry form at the earliest. They are also suggested to contact the Central Depository Company of Pakistan Limited or any active member/stock broker of the Pakistan Stock Exchange to open an account in the Central Depository System to facilitate the conversion of physical shares into book-entry form.



International Knitwear Limited

PATTERN OF SHAREHOLDING AS AT JUNE 30, 2025

# Of Shareholders	Shareholdings'Slab			Total Shares Held
334	1	to	100	8,928
243	101	to	500	63,019
623	501	to	1000	353,191
111	1001	to	5000	264,459
36	5001	to	10000	288,217
9	10001	to	15000	109,553
8	15001	to	20000	142,310
8	20001	to	25000	182,537
2	25001	to	30000	55,398
2	35001	to	40000	79,468
1	40001	to	45000	43,500
1	45001	to	50000	49,718
1	50001	to	55000	53,750
2	65001	to	70000	130,141
1	130001	to	135000	132,225
1	200001	to	205000	200,258
1	365001	to	370000	368,571
2	420001	to	425000	850,000
1	425001	to	430000	430,000
1	550001	to	555000	552,612
1	640001	to	645000	641,694
1	830001	to	835000	832,153
1	950001	to	955000	951,815
1	970001	to	975000	972,400
1	1915001	to	1920000	1,919,083
1393				9,675,000



International Knitwear Limited

PATTERN OF SHAREHOLDING AS AT JUNE 30, 2025

Categories of Shareholders	Shareholders	Shares Held	Percentage
Directors, Chief Executive Officer and their spouse(s) and minor children			
WASEEM A SHAFI	4	74,912	0.77
HUMAIRA SHAFI	2	972,500	10.05
BUSHRA SHAFI	2	7,870	0.08
NAEEM AHMED SHAFI	2	1,919,120	19.84
SALEHA MAJID	1	750	0.01
KHALID JAMIL SIDDIQI	1	18,600	0.19
ABDULLAH AHSAN SALEEM	1	10,000	0.10
MUHAMMAD SHAFI	1	425,000	4.39
JAVED KHAN	1	8,089	0.08
Associated Companies, undertakings and related parties	-	-	-
NIT & ICP	-	-	-
Banks Development Financial Institutions, Non Banking Financial Financial Institutions.	1	67	0.00
Insurance Companies	-	-	-
Modarabas and Mutual Funds	1	40,000	0.41
General Public			
a. Local	1,357	5,213,203	53.88
b. Foreign	9	72,855	0.75
Foreign Companies	-	-	-
Others	10	912,034	9.43
Totals	1,393	9,675,000	100.00
Share holders holding 10% or more		Shares Held	Percentage
HUMAIRA SHAFI		972,500	10.05
NAEEM AHMED SHAFI		1,919,120	19.84



International Knitwear Limited

PATTERN OF SHAREHOLDING AS AT JUNE 30, 2025

S.No.	Folio #	Name of shareholder	Number of shares	Percentage
Directors, Chief Executive Officer and their spouses(s) and minor children				
1	1	WASEEM A. SHAFI	39,468	0.41
2	3025	WASEEM A. SHAFI	3,765	0.04
3	03277-39281	WASEEM A. SHAFI	7,679	0.08
4	03277-122587	WASEEM A. SHAFI	24,000	0.25
5	19	HUMAIRA SHAFI	100	0.00
6	03277-97487	HUMAIRA SHAFI	972,400	10.05
7	20	BUSHRA SHAFI	3,870	0.04
8	03277-124739	BUSHRA SHAFI	4,000	0.04
9	520	NAEEM AHMED SHAFI	37	0.00
10	03277-44659	NAEEM AHMED SHAFI	1,919,083	19.84
11	3057	SALEHA MAJID	750	0.01
12	01826-48207	KHAUD JAMIL SIDDIQI	18,600	0.19
13	03277-98584	ABDULLAH AHSAN SALEEM	10,000	0.10
14	05512-111016	MUHAMMAD SHAFI	425,000	4.39
15	10629-283781	JAVED KHAN	8,089	0.08
		15	3,436,841	35.52
Associated companies, undertakings and related parties				
1		Nil	-	-
		0	-	-
NIT & ICP				
		Nil	-	-
		0	-	-
Banks, Development Financial Institutions, Non Banking Financial Institutions				
1	03889-28	NATIONAL BANK OF PAKISTAN	67	0.00
		1	67	0.00
Insurance Companies				
1		Nil	-	-
		0	-	-
Modarabas and Mutual Funds				
1	02113-21	FIRST EQUITY MODARABA	40,000	0.41
		1	40,000	0.41
General Public Foreign				
1	03277-110031	MUHAMMAD NADEEM	1,000	0.01
2	03277-114373	MUDASSAR ZULFIQAR	500	0.01
3	03277-117504	SHAHID ALI	65,100	0.67
4	03277-120358	MUHAMMAD AYUB	6,000	0.06
5	03277-123268	DANISH ALI KHAN	34	0.00
6	03277-129227	HUSSNAIN TARIQ	1	0.00
7	03277-130525	GULNAR HASSAN	100	0.00
8	03277-135012	IMRAN	110	0.00
9	03277-135836	AZIM SAEED	10	0.00
		9	72,855	0.75
Foreign Companies				
		Nil	-	-
		0	-	-
Others				
1	2976	THE COMPANY SECRETARY	472	0.00
2	02113-3611	First UDL Modaraba Staff Provident Fund	3,750	0.04
3	03277-78335	TRUSTEE NATIONAL BANK OF PAKISTAN EMPLOYEES PENSION FUND	10,893	0.11
4	03277-82127	TRUSTEE NATIONAL BANK OF PAKISTAN EMP BENEVOLENT FUND TRUST	382	0.00
5	03277-128497	UDL INTERNATIONAL LIMITED	832,153	8.60
6	04341-3265	RAO SYSTEMS (PVT.) LTD.	22,822	0.24
7	05728-24	STOCK STREET (PRIVATE) LIMITED	537	0.01
8	05736-15	NCC - PRE SETTLEMENT DELIVERY ACCOUNT	125	0.00
9	16857-26	MRA SECURITIES LIMITED - MF	22,500	0.23
10	16899-22	MOHAMMAD MUNIR MOHAMMAD AHMED KHANANI SECURITIES LTD. - MF	18,400	0.19
		10	912,034	9.43
General Public Local				
		1357	5,212,202	53.88
Total		1393	9,675,000	100.00



International Knitwear Limited

ڈائریکٹرز رپورٹ

حصص داری کی ساخت

30 جون 2025 کی کمپنی کی حصص داری کی ساخت اور اضافی معلومات اس رپورٹ میں شامل ہیں۔

آڈیٹرز

موجودہ آڈیٹرز میسرز RSM اولیس حیدر لیاقت نعمان، چارٹرڈ اکاؤنٹنٹس سبکدوش ہو چکے ہیں اور نے اہلیت کے باعث اپنی دوبارہ تقرری کی پیشکش کی ہے۔ بورڈ کی آڈٹ کمیٹی کی سفارش پر بورڈ آف ڈائریکٹرز نے ان کی کمپنی کے آڈیٹرز برائے مالیاتی سال 30 جون 2026 کی حیثیت سے دوبارہ تقرری کی تجویز پیش کی ہے جن کا معاوضہ آڈٹ کمیٹی کی مشاورت سے بورڈ طے کرے گا، جس کی منظوری حصص یافتگان سے سالانہ اجلاس عام میں لی جائے گی۔

ڈائریکٹران کا تربیتی پروگرام

چار ڈائریکٹران نے ڈائریکٹرز تربیتی پروگرام میں شرکت کی ہے اور دو ڈائریکٹران کو لسطہ کمپنیوں کے بورڈ آف ڈائریکٹرز میں کام کرنے کا 25 سال سے زیادہ کا تجربہ ہے، لہذا وہ ڈائریکٹرز تربیتی پروگرام سے مستثنیٰ ہیں۔ اگلے مالیاتی سال میں کمپنی بھائیڈ ڈائریکٹران کے لئے لازمی تربیت کے اہتمام کا ارادہ رکھتی ہے۔ کمپنی کے تمام ڈائریکٹران اپنی ذمہ داریوں سے عہدہ برآں ہونے کے لئے موزوں طور پر لیس ہیں اور کمینیز ایکٹ 2017 اور پاکستان اسٹاک ایکسچینج رول بک کے ضابطوں کے تحت اپنی ذمہ داریوں، اختیارات اور فرائض سے آگاہ ہیں۔

اعتراف

اعلیٰ انتظامی عملے، افسران، عملے کے ممبران اور مزدوروں کو ان کی لگن، محنت اور عزم پر بورڈ انہیں اپنی مخلصانہ ستائش پیش کرتا ہے جنہوں نے کمپنی کی کارکردگی میں نمایاں کردار ادا کیا۔ بورڈ کمپنی کے بینکاروں، صارفین اور سپلائرز کے مسلسل تعاون اور مدد پر ان کا مشکور ہے۔ انتظامیہ کو یقین ہے کہ آنے والے سالوں میں یہ قابل قدر تعلقات مزید مضبوط ہوں گے۔

برائے دستخط

نعم شفیق
چیف ایگزیکٹو

جاوید خان
ڈائریکٹر

کراچی: 29 ستمبر 2025



International Knitwear Limited

ڈائریکٹرز رپورٹ

انتظامی کمیٹی

چیف ایگزیکٹو آفیسر (CEO) کی سربراہی میں انتظامی کمیٹی اعلیٰ انتظامیہ پر مشتمل ہے جو اس بات کو یقینی بناتی ہے کہ کمپنی بھر میں موزوں نظام ترویج و نافذ رہے تاکہ کمپنی بروقت اور درست فیصلہ سازی کر سکے۔ CEO کو مشاورتی خدمات فراہم کرتے ہوئے یہ ماہانہ اجلاسوں میں کاروباری معاملات، بجٹ اور طویل مدتی حکمت عملیوں کی ہدف کے حصول میں کارکردگی کا جائزہ لیتی ہے۔ CEO اس بات کو یقینی بناتا ہے کہ بورڈ کے تمام فیصلوں اور ہدایات کو موزوں انداز میں ادارے بھر میں تزیل و نافذ کیا گیا ہے۔

بورڈ کے معیار اہلیت کی تشخیص

اپنی آئینی ذمہ داریوں کو پورا کرنے کے علاوہ انفرادی اور اجتماعی دونوں سطح پر کمپنی کے بورڈ کی کارکردگی کی تشخیص درج ذیل معیار اہلیت کی پر بنیاد پر باقاعدگی سے کی جاتی ہے:

- 1 جنس، قابلیت، مہارت کے مرکب اور ادراک کو پروان چڑھانے کی صلاحیت
- 2 ممبران کی دیانت داری، اعتماد، بھروسہ اور متحرک شرکت
- 3 انتظامیہ کے طے کردہ سالانہ اہداف میں پیشرفت کی نگرانی اور جائزہ
- 4 کمپنی کو کلیدی رہنمائی اور سمت بندی فراہم کرنے کی صلاحیت
- 5 ادارے کی کارکردگی کے ان پہلوؤں کی شناخت کی صلاحیت جن میں بہتری کی ضرورت ہو،
- 6 انتظامیہ کی چائنٹینی منصوبہ بندی کا جائزہ
- 7 کمپنی کو لاحق خطرات کی تشخیص اور ادراک کی صلاحیت
- 8 صحت، تحفظ، ماحولیات، ملازمت اور کمپنی کی دیگر پالیسیوں اور طور طریقوں میں بہتری میں معاونت
- 9 غیر ضروری مقدمہ بازیوں اور سماج کے خطرات سے کمپنی کو محفوظ رکھنے کا عزم

بورڈ کی کارکردگی کی تشخیص

بورڈ کی مجموعی کارکردگی مندرجہ بالا معیار اصول کی بنیاد پر تسلی بخش پائی گئی کمیٹیز ایکٹ 2017 کی دفعہ 192 کے تحت بورڈ کی کارکردگی پر چیئرمین کی ایک تفصیلی رپورٹ اس سالانہ رپورٹ میں شامل کی گئی ہے۔

ڈائریکٹران کا معاوضہ

مندرجہ ذیل شقوں کو مد نظر رکھتے ہوئے بورڈ آف ڈائریکٹرز نے ڈائریکٹران کے معاوضہ کی پالیسی منظور کی ہے:

☆ کمپنی اپنے نان ایگزیکٹو ڈائریکٹران یا آزاد ڈائریکٹران کو بورڈ اور اس کی ذیلی کمیٹیوں کے اجلاس میں حاضری کی فیس کے علاوہ کوئی معاوضہ ادا نہیں کرے گی۔

☆ بورڈ اور اس کی کمیٹیوں کے اجلاسوں میں حاضری کے لئے ڈائریکٹران کو سفری اور رہائشی اخراجات کی اصل ادائیگی یا احاطہ کرے گی۔

☆ ڈائریکٹران کے معاوضہ کی پالیسی کا بورڈ آف ڈائریکٹرز وقتاً فوقتاً جائزہ لے گا اور منظوری دے گا۔



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ڈائریکٹرز رپورٹ

انسانی وسائل و معاوضہ کمیٹی کی تشکیل

1	خالد جمیل صدیقی	چئیرمین
2	نعیم شفیع	ممبر
3	جاوید خان	ممبر

خطرات کے انتظام کی کمیٹی کی تشکیل

1	نعیم شفیع	چئیرمین
2	جاوید خان	ممبر
3	عبداللہ احسان سلیم	ممبر

تازہ کاری کمیٹی کی تشکیل

1	نعیم شفیع	چئیرمین
2	خالد جمیل صدیقی	ممبر
3	محمد شفیع	ممبر

بینکنگ کمیٹی کی تشکیل

1	عبداللہ احسان سلیم	چئیرمین
2	نعیم شفیع	ممبر
3	جاوید خان	ممبر

شیئرز انسفر کمیٹی کی تشکیل

1	وسیم شفیع	چئیرمین
2	جاوید خان	ممبر
3	مسلمہ ماجد	ممبر

بورڈ اور اس کی کمیٹیوں کے اجلاس

سال کے دوران بورڈ آف ڈائریکٹرز (BOD) کے چار اجلاس، آڈٹ کمیٹی (AC) کے چار اجلاس اور انسانی وسائل و معاوضہ کمیٹی (HRRC) کا ایک اجلاس ہوا۔ ڈائریکٹران کی حاضری اور ان کی لکھڑ کمپنیوں بشمول انٹرنیشنل منٹ ویز لیمٹڈ میں ڈائریکٹر شپ کی تعداد درج ذیل ہے:

نمبر شمار	ڈائریکٹر کا نام	ڈائریکٹر شپ	توجہ	انگریز کمیٹی	کمیٹی ممبران	حاضری
					HRRC	AC
					HRRC	AC
1	خالد جمیل صدیقی	1	27-10-2024	کو رو پارہ منتخب ہوئے	✓	✓
2	نعیم شفیع	2	27-10-2024	کو رو پارہ منتخب ہوئے	✓	-
3	وسیم شفیع	1	27-10-2024	کو رو پارہ منتخب ہوئے	-	-
4	جاوید خان	1	27-10-2024	کو رو پارہ منتخب ہوئے	✓	-
5	عبداللہ احسان سلیم	1	27-10-2024	کو رو پارہ منتخب ہوئے	-	✓
6	مسلمہ ماجد	1	27-10-2024	کو رو پارہ منتخب ہوئے	-	✓
7	محمد شفیع	1	27-10-2024	کو رو پارہ منتخب ہوئے	-	-



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ڈائریکٹرز رپورٹ

- ☆ موزوں حساباتی پالیسیوں کو تسلسل کے ساتھ مالیاتی گوشواروں کی تیاری کے دوران طوطا خاطر رکھا گیا ہے اور حساباتی تخمینوں کی بنیاد معتدل اور مضبوط ماحصلوں پر ہے۔
- ☆ مالیاتی گوشواروں کی تیاری کے دوران عالمی مالیاتی رپورٹنگ معیارات، جو پاکستان میں لاگو ہیں کو طوطا خاطر رکھا گیا ہے۔
- ☆ امدادی مہرکت کے نظام کی شکل مضبوط ہے اور موثر امداد میں نافذ العمل ہے اور اس کی نگرانی کی جاتی ہے۔
- ☆ کمپنی کی چلتے ہوئے ادارے کی صلاحیت میں کوئی قابل ذکر شک و شبہ نہیں ہے۔
- ☆ مستقل ریگولیشنز میں دیئے گئے ادائیگی نظم و ضبط کے بہترین طور طریقوں سے کوئی قابل ذکر انحراف نہیں ہوا۔
- ☆ چھ سالوں کا ہم کاروباری اور مالیاتی اعداد و شمار اس رپورٹ میں شامل کئے گئے ہیں۔
- ☆ فیکٹوں اور نگران سے متعلق معلومات مالیاتی گوشواروں کے نوٹ میں بیان کئے گئے ہیں اور مالیاتی گوشواروں کا حصہ ہیں۔
- ☆ 30 جون 2025 کو اشاف ریٹائرمنٹ پروویڈنٹ فنڈ کے غیر آڈٹ شدہ مالیاتی گوشواروں کے مطابق کی گئی سرمایہ کاری کی مالیت 9,738,626 روپے تھی۔

بورڈ آف ڈائریکٹرز اور اس کی کمیٹیاں

بورڈ کی تشکیل

شاہدوں کے نکاحوں کے تحت کتنی آزاد اور نان ایگزیکٹو ڈائریکٹران کے ساتھ صنعتی تنوع کی بورڈ میں شمولیت کی حوصلہ افزائی کرتی ہے۔ بورڈ کی تشکیل درست ذیل ہے:

ڈائریکٹران کی کل تعداد

- (a) مرد: 6
- (b) خواتین: 1

تشکیل

- i - آزاد ڈائریکٹران: 3
- ii - نان ایگزیکٹو ڈائریکٹران: 2
- iii - ایگزیکٹو ڈائریکٹران: 2

بورڈ آف ڈائریکٹرز

1	خالد جمیل صدیقی	چیئرمین	آزاد
2	نہیم شفیق	چیف ایگزیکٹو آفیسر	ایگزیکٹو
3	وسیم شفیق	ڈائریکٹر	نان ایگزیکٹو
4	چاہید خان	ڈائریکٹر	ایگزیکٹو
5	عبداللہ احسان سلیم	ڈائریکٹر	آزاد
6	محمد شفیق	ڈائریکٹر	نان ایگزیکٹو
7	صالحہ ماجد	ڈائریکٹر	آزاد

آڈٹ کمیٹی کی تشکیل

1	عبداللہ احسان سلیم	چیئرمین
2	خالد جمیل صدیقی	ممبر
3	صالحہ ماجد	ممبر



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ڈائریکٹرز رپورٹ

مستقبل کی پیش بینی

افراط زر میں کمی اور مالیاتی نرمی کے امیدوار اقتصادی منظر نامے کو مد نظر رکھتے ہوئے کمپنی منافع میں پائیدار نمو کے لیے بہتر پوزیشن میں ہے۔ تاہم اس مثبت نقطہ نظر کو قابل ذکر چیلنجوں بشمول عالمی درجہ حرارت میں اضافے سے منسلک موسمیاتی اتار چڑھاؤ کا سامنا ہے۔ مون سون کے سیلاب جیسی قدرتی آفات سپلائی چین، خام مال کی قیمتوں اور مقامی صارفین کی طلب کو متاثر کر سکتے ہیں۔ بین الاقوامی محاذ پر تجارت کو متعدد چیلنجوں کا سامنا ہے جن میں عالمی طلب میں کمی اور جغرافیائی سیاسی تناؤ شامل ہیں۔ اس پیچیدہ ماحول میں سپلائی میں رکاوٹوں کو کم کرنے اور مقامی طلب میں اتار چڑھاؤ کی سمت بندی کے لیے متنوع آپریشنز اور خطرات کے مضبوط انتظام کے اقدامات پر کلیدی توجہ مرکوز کی جائے گی، اس طرح عالمی اور مقامی غیر یقینی صورتحال کے درمیان منافع کو محفوظ بنایا جائے گا۔

مستقبل میں بورڈ آف ڈائریکٹرز اور انتظامیہ لاگت میں کمی اور پیداواری گنجائش میں بہتری کے ذریعے مالیاتی کارکردگی کو مزید مضبوط کرنے کے لیے پرعزم ہیں۔ ان اقدامات کا مقصد حصص یافتگان کو زیادہ سے زیادہ منفعت فراہم کرنا اور اسٹیک ہولڈر کے اعتماد کو تقویت دینا ہے۔

اہم تبدیلیاں

مالیاتی سال کے اختتام اور اس رپورٹ کی تاریخ کے درمیان ایسے کوئی اہم وعدے یا تبدیلیاں رونما نہیں ہوئیں جن سے کمپنی کی مالیاتی پوزیشن متاثر ہو۔

ادارتی ماحول، صحت اور سماجی ذمہ داری

ہم اپنے لوگوں کے ساتھ ساتھ قرب و جوار میں رہنے والے لوگوں کی فلاح و بہبود کے لئے ان کی صحت، تحفظ اور ماحولیات (HSE) کے اعلیٰ معیارات برقرار رکھنے پر مضبوط یقین رکھتے ہیں۔ ہماری اولین ترجیح پیداوار، ترسیل، ذخیرہ اور مادوں کے استعمال میں مسلسل تحفظ کے اقدامات میں بہتری لانا ہے۔ آپ کی کمپنی اپنے تمام پیداواری پہلوؤں میں ماحولیاتی تحفظ اور پائیداری کو یقینی بنانے کے لئے کوشاں ہے۔

ترجیحات کے تعین کی رسائی

ترجیحات کی سطح کا تعین فاصلی ہے اور ہر ادارے کا طریقہ کار دوسرے سے مختلف ہوتا ہے۔ ہماری کمپنی میں ٹرانزیکشنز کے لئے مجاز بنانے اور اختیارات سوچنے کا عمل واضح طور پر وضاحت شدہ ہے اور اسے کمپنی میں باضابطہ طریقہ عمل سے دستاویزی شکل دی گئی ہے۔ کمپنی بورڈ کی منظور شدہ ترجیحات کی پالیسی عمل کرتی ہے جس کی مسلسل پاسداری، اثر پذیری اور مطابقت کا جائزہ سالانہ بنیاد پر کیا جاتا ہے۔

ادارتی اور مالیاتی رپورٹنگ فریم ورک

پاکستان اسٹاک ایکسچینج کے لسٹنگ ریگولیشنز کی شقوں کی پاسداری کرتے ہوئے بورڈ کے ممبران مسرت کے مندرجہ ذیل ریکارڈ پر لا نا چاہتے ہیں:

☆ کمپنی کی انتظامیہ کے تیار کردہ مالیاتی گوشوارے کمپنی کے معاملات، اس کے کاروباری نتائج، نقدی کے بہاؤ اور ایکویٹی میں تبدیلیوں کو شفافیت کے ساتھ پیش کرتے ہیں۔

☆ کمپنی میں حسابات کی کتابیں مناسب انداز میں مرتب کی گئی ہیں۔

☆ بورڈ کی منظوری سے قبل چیف ایگزیکٹو اور چیف فنانس آفیسر نے باضابطہ مالیاتی گوشواروں کی توثیق کی۔



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ڈائریکٹرز رپورٹ

تاہم فروخت میں اضافے کے اثرات کو جزوی طور پر منافع پر پاناؤ نے کم کر دیا۔ مجموعی کاروباری منافع اور خالص منافع بلند لاگتوں کی وجہ سے متاثر ہوئے، خاص طور پر بیرون ملک خریداروں کے آرڈرز کی بروقت ترسیل پانی کے جہاز کے بجائے ہوائی جہاز سے ہوئی جس پر 21.30 ملین روپے کے اخراجات ہوئے۔ نتیجتاً اسی مدت میں مجموعی منافع کی شرح بلحاظ فروخت گزشتہ سال کے 9.57 فیصد کے مقابلے میں گھٹ کر 8.78 فیصد رہ گئی۔ جبکہ مالیاتی طور پر کمپنی نے کامیابی کے ساتھ اپنے مالیاتی اخراجات کو کم کیا جن میں بلحاظ فروخت شرح فیصد میں گزشتہ سال کی پہ فیصد کمی ہوئی جس کی بنیادی وجہ پالیسی نرخ میں کمی تھی۔

نتیجتاً بعد از ٹیکس منافع میں نمایاں اضافہ ہوا جو کہ بڑھ کر 30.85 ملین روپے تک پہنچ گیا جبکہ گزشتہ سال اسی مدت میں 11.04 ملین روپے تھا۔

فی حصص آمدن

حصص یافتگان کے لئے بعد از ٹیکس فی حصص آمدن 3.19 روپے رہی جبکہ گزشتہ سال فی حصص آمدن 1.14 روپے تھی۔

سرمایہ کاری

کمپنی کی سرمایہ کاری آمدنی کا قابل ذکر حصہ پائیدار ذرائع آمدن جیسے کہ منافع منقسمہ اور سرمائے پر منافع پر مشتمل ہے، جس سے آمدنی کے استحکام کو یقینی بنایا جاتا ہے۔ اس سرمایہ کاری پورٹ فولیو بہترین متنوع شعبوں پر مشتمل ہے جس میں اچھی منفعت کے حامل حصص پر توجہ مرکوز کی گئی ہے جن میں منافع منقسمہ کی بلند منفعت اور پونسوں کی ادائیگی ہوتی ہے اور ان میں نمو کے مسلسل امکانات ہوتے ہیں۔ پورٹ فولیو میں جامد آمدن کے حامل حصص اور تمسکات کے مرکب سے متوازن رکھا گیا ہے تاکہ زیادہ سے زیادہ منفعت حاصل ہو۔ اس سے ہماری سرمایہ کاری حکمت عملی کی اثر پذیری کی عکاسی ہوتی ہے جو کہ کمپنی کے منافع میں اضافے میں بنیادی کردار ادا کر رہی ہے۔

سال کے دوران دیگر آمدن بشمول بنیادی طور پر منافع منقسمہ کی آمدنی 7.65 ملین روپے رہی جو کہ گزشتہ سال اسی مدت میں 8.49 ملین روپے تھی۔ سرمایہ کاریوں کی فروخت پر منافع بڑھ کر 2.72 ملین روپے ہو گیا جو کہ گزشتہ سال 0.36 ملین روپے تھا۔

سرمایہ جاتی اخراجات

کمپنی نے سلسل کے ساتھ نئی سہولیات، آلات اور ٹیکنالوجی میں سرمایہ کاری کی مستحکم روایت برقرار رکھی ہے تاکہ مارکیٹ میں وسعت اور نئی پیداواری سہولیات کی ترویج کی جاسکے۔ سال کے دوران سرمایہ جاتی اخراجات 35.97 ملین روپے رہے جو کہ گزشتہ سال 22.76 ملین روپے تھے جس سے 13.21 ملین روپے (58.04%) اضافے کی عکاسی ہوتی ہے۔

انتظامیہ طویل مدتی پائیدار منافع کے حصول کے لئے اپنی پیداواری صلاحیتوں کو بڑھانے کے لیے پرعزم ہے۔ اس نقطہ نظر کے تحت کمپنی نے توانائی کے بڑھتے ہوئے اخراجات کا مقابلہ کرنے کے لیے قابل تجدید توانائی میں سرمایہ کاری کو ترجیح دی ہے۔ اس حکمت عملی کے تحت سال کے دوران 250 کلو واٹ کی ریجنل پیداواری گنجائش کے ساتھ ایک شمس توانائی کا منصوبہ کامیابی سے شروع کیا گیا ہے۔

قابل تجدید توانائی پر اس منتہلی سے نہ صرف توانائی کی بڑھتی ہوئی لاگت کے مالیاتی اثرات کے کم ہونے کی توقع ہے بلکہ کمپنی کی پائیداری اور ذمہ دارانہ کاروباری طریقوں کے عزم کو بھی تقویت ملتی ہے۔

منافع منقسمہ

ہماری کلیدی سرمایہ کاریوں، کاروبار کے لئے مستقبل میں رواں سرمائے کی ضروریات اور کمپنی کی نقدی پیدا کرنے کی صلاحیت کو مد نظر رکھتے ہوئے سال مختتمہ 30 جون 2025 کے لئے 10 فیصد کے حساب سے یعنی 1.0 روپے فی حصص نقد منافع منقسمہ کی تجویز دیتے ہوئے بورڈ آف ڈائریکٹرز اظہارِ مسرت کرتا ہے۔



International Knitwear Limited

ڈائریکٹرز رپورٹ

انٹرنیشنل منٹ ویئر لمیٹڈ کا بورڈ آف ڈائریکٹرز اس رپورٹ کے ساتھ سالانہ سالانہ سال 30 جون 2025 کے آڈٹ شدہ مالیاتی گوشوارے پیش کرتے ہوئے اظہار مسرت کرتا ہے۔

مالیاتی کارکردگی کا سرسری جائزہ

کاروباری نتائج	2024 روپے	2025 روپے	اضافہ/ (کمی) فیصد
خالص فروخت	1,210,573,713	850,505,029	42.33%
خام منافع	106,356,168	81,397,783	30.66%
منافع قبل از ٹیکس	49,297,561	26,780,385	84.08%
منافع بعد از ٹیکس	30,858,566	11,043,540	179.42%
آمدنی فی حصص	3.19	1.14	179.82%

تفصیل سال 30 جون 2025 کی مالیاتی جھلکیاں:

- ☆ خالص فروخت 1.21 بلین روپے رہی جو کہ گزشتہ سال اسی مدت میں 850.50 بلین روپے تھی، جس سے 360.07 بلین روپے (42.33%) اضافے کی عکاسی ہوتی ہے۔
- ☆ خام منافع 106.35 بلین روپے رہا جو کہ گزشتہ سال 81.39 بلین روپے تھا۔
- ☆ منافع قبل از ٹیکس 49.29 بلین روپے رہا جو کہ گزشتہ سال اسی مدت میں 26.78 بلین روپے تھا۔
- ☆ منافع قبل از ٹیکس 30.85 بلین روپے رہا جو کہ گزشتہ سال اسی مدت میں 11.04 بلین روپے تھا۔
- ☆ فی حصص آمدن 3.19 روپے رہی جبکہ گزشتہ سال 1.14 روپے تھی۔

کاروباری جائزہ

زیر جائزہ سال کے دوران کمپنی کی مالیاتی کارکردگی شاندار رہی جس کی خالص فروخت 1.21 بلین روپے تک پہنچ گئی جو کہ گزشتہ سال اسی مدت میں 850.50 بلین تھی جس سے 42.33 فیصد کی مضبوط نمو کی عکاسی ہوتی ہے۔ یہ اضافہ بنیادی طور پر فروخت کے حجم میں قابل ذکر اضافے کے نتیجے میں ہوا۔

برآمدی منڈیوں میں قیمتوں کے تعین پر دباؤ، سیاسی غیر یقینی صورتحال، بلند مالیاتی اخراجات اور بنیادی اشیاء کی غیر مستحکم قیمتوں جیسے چیلنجوں کے باوجود کمپنی نے کامیابی کے ساتھ آرڈر کے حجم کو بڑھایا اور مالیاتی سال 24-25 کے دوران اپنی پیداواری گنجائش کو مکمل طور پر استعمال کیا۔ برآمدی فروخت میں 13.74 فیصد اضافہ ہوا جو کہ 556.66 بلین روپے رہی جبکہ گزشتہ سال اسی مدت میں 487.63 بلین روپے تھی۔ مقامی فروخت نے نسبتاً مزید مستحکم نمو کا مظاہرہ کیا جس میں 80.20 فیصد اضافہ ہو یعنی گزشتہ سال کے 362.87 بلین روپے سے بڑھ کر مالیاتی سال 2025 کے دوران 653.91 بلین روپے تک پہنچ گئی۔

اس مضبوط کارکردگی کی وجہ سے خالص فروخت 1.21 بلین روپے تک پہنچ گئی جس میں گزشتہ سال کی بنیاد پر 42.33 فیصد اضافہ ہوا جس سے انتظامیہ کے کلیدی اہم اقدامات بشمول بروقت سرمایہ کاری اور برآمدات اور مقامی مارکیٹ کے مواقع کے درمیان ایک بہترین توازن کی اثر پذیری کی عکاسی ہوتی ہے۔



International Knitwear Limited

چیئر مین کی جائزہ رپورٹ

کمپنیز ایکٹ 2017 اور سلیڈ کمپنیز (کوڈ آف کارپوریٹ گورننس) ریگولیشنز 2019 کے تحت میں چیئر مین کا جائزہ برائے سال ختمہ 30 جون 2025 پیش کرتے اظہار مسرت کرتا ہوں۔ اس جائزے سے شفافیت، مضبوط نظم و نسق اور طویل مدتی کلیدی سمت بندی کے ہمارے عزم کے تسلسل کی عکاسی ہوتی ہے۔

سال کے دوران ہماری کمپنی نے ایک دشوار گزار اقتصادی ماحول میں دوراندیشی کا مظاہرہ کیا اور نگرانی کرتے ہوئے درست سمت بندی کی۔ ہم نے ایک متحرک مارکیٹ میں اپنی صلاحیت کا مظاہرہ کیا اور موثر طریقے سے فروخت کا بلند ترین ریکارڈ حاصل کیا۔ تاہم توانائی کے بڑھتے ہوئے اخراجات اور مسلسل افراط زر نے منافع کی شرح پر نمایاں دباؤ ڈالا جس سے ہمارے لاگت کے لحاظ انتظام اور آپریشنل کارکردگی کی اہمیت اجاگر ہوئی۔

نظم و نسق کے اعلیٰ ترین معیارات برقرار رکھنے کا عزم ہمارے کاروبار میں مرکزی حیثیت رکھتا ہے۔ نظم و نسق کے بہترین طور طریقوں کی پاسداری کو یقینی بناتے ہوئے بورڈ آف ڈائریکٹرز شفافیت، محاسبہ اور دیانت داری کو برقرار رکھتا ہے۔ خطرات کا انتظام، اندرونی کنٹرولز، اور انضباطی پاسداری کے لیے مضبوط نظام موجود ہیں جو کہ اسٹیک ہولڈر کے اعتماد کو تقویت دیتے ہیں اور ہماری ادارتی ساکھ کو مضبوط کرتے ہیں۔

مالیاتی سال 2024-25 کے دوران بورڈ نے کاروباری کارکردگی اور مالی کمپنی کی سرگرمیوں کی موثر نگرانی کو یقینی بنانے کے لیے چار اجلاس بلائے جن میں اس کی آڈٹ کمیٹی کی نشستیں بھی شامل تھیں۔ ہمارے نظم و نسق کے نظام کے تحت بورڈ نے 2024-25 کے لیے اپنی سالانہ تشخیص خود انجام دی ہے، جس کے تسلی بخش نتائج برآمد ہوئے ہیں۔ یہ مشق اثر پذیری کا جائزہ لینے اور مزید بہتری کے شعبوں کی نشاندہی کے لیے اہم ہے۔

ہمارا بورڈ آزاد اور نان ایگزیکٹو ڈائریکٹران کے متنوع مرکب پر مشتمل ہے جس میں ہر فرد باخبر فیصلہ سازی کے لئے اپنی مہارت اور نقطہ نظر بیان کرتا ہے۔ مہارتوں اور تجربے کا یہ تنوع اس بات کو یقینی بناتا ہے کہ کمپنی اپنے مقاصد کے حصول اور پائیدار منفعت پیدا کرنے کی بہتر پوزیشن میں رہے۔

آخر میں اپنے حصص یافتگان، ملازمین اور کاروباری شراکت داروں کے اعتماد اور عزم پر دل کی گہرائیوں سے ان کا مشکور ہوں۔ آپ کے تعاون سے ہم اپنی کلیدی ترجیحات کو جاری رکھیں گے، اپنی بنیادوں کو مضبوط کریں گے اور اعتماد اور دیانتداری کے ساتھ ترقی کرتے رہیں گے۔

خالد جمیل صدیقی

چیئر مین

کراچی:

مورخہ 29 ستمبر 2025

E-DIVIDEND MANDATE FORM

To:

Subject: Bank account detail for payment of Dividend through electronic mode.

Dear Sir,

I, Mr./Mrs./Ms _____

S/O./D/O./W/O _____

hereby authorize International Knitwear Limited to directly credit cash dividend declared by it, if any, in the below mentioned bank account.

(i) Shareholder's Detail	
Name of the Shareholder	
Folio No./CDC Participants ID A/C No.	
CNIC No. **	
Passport No. (in case of foreign Shareholder)***	
Land Line Phone Number	
Cell Number	

(ii) Shareholder's Bank Detail	
Title of Bank Account	
Bank Account Number	
Bank 's Name	
Branch Name and Address	

It is stated that the above-mentioned information is correct and that I will intimate the changes in the above mentioned information to the Company and the concerned Share Registrar as soon as these occur.

Signature of the Shareholder

Notes:

The Shareholders having physical shares have to address the Company Secretary IKL on the address given below:

The Company Secretary
International Knitwear Limited
F2-A/L S.I.T.E
Karachi.

and Shareholders having their accounts with CDC Share Registrar Services Limited have to communicate mandate information to relevant Member Stock Exchange.

***Please attach attested photocopy of the CNIC.

***Please attach attested photocopy of the Passport.



International Knitwear Limited



International Knitwear Limited

FORM OF PROXY 35th ANNUAL GENERAL MEETING

I/We _____ son/daughter/wife/husband of _____, Shareholder of International Knitwear Limited, holding _____ ordinary shares hereby appoint _____ who is my _____ [state relationship (if any) with the proxy; required by Government regulations] and the son / daughter / wife / husband of _____, (holding _____ ordinary shares in the Company under Folio No. _____) [required by Government] as my / our proxy, to attend and vote for me / us and on my / our behalf at the Annual General Meeting of the Company to be held on October 27th, 2025 and / or any adjournment thereof.

Signed this _____ day of _____ 2025.

Folio No.	CDC Participant ID No.	CDC Account/ Sub-Account No.	No. of Shares held	Signature over Revenue Stamp Rs.10/-

Witness 1

Signature _____

Name _____

CNIC No. _____

Address _____

Witness 2

Signature _____

Name _____

CNIC No. _____

Address _____

- Notes:
1. The proxy must be a member of the Company.
 2. The signature must tally with the specimen signature/s registered with the company.
 3. If a proxy is granted by a member who has deposited his/her shares in CDC Share Registrar Services Limited, the proxy must be accompanied with participant's ID number and CDC account/sub-account number along with attested photocopies of Computerized National Identity Card (CNIC) or the Passport of the beneficial owner. Representatives of corporate members should bring the usual documents required for such purpose.
 4. The instrument of Proxy properly completed should be deposited at the Registered Office of the Company not less than 48 hours before the time of the meeting.



International Knitwear Limited



International Knitwear Limited

پراکسی فارم 35 واں سالانہ اجلاس عام

میں/ہم..... ساکن.....
 بحیثیت رکن/ارکان نم ویز لمیٹڈ..... حصص کے حامل ہیں، بذریعہ بذمہ/محترم.....
 ساکن..... (پراکسی کے ساتھ کوئی رشتہ داری ہے تو ظاہر کریں کیونکہ یہ حکومتی ضوابط کے تحت لازمی ہے) جو کہ بذریعہ رجسٹرڈ فلیو/ CDC نمبر..... (حکومت کے ضوابط کے مطابق فلیو نمبر لکھنا لازمی ہے) کمپنی کے رکن بھی ہیں، انہیں کمپنی کے سالانہ اجلاس عام مورخہ 27 اکتوبر 2025 میں میری/ہماری جانب سے بحیثیت متعارف (پراکسی) حاضر ہونے، بولنے اور ووٹ دینے کا اختیار ہوگا اور اجلاس ملتوی ہونے کی صورت میں بھی یہی میرے متعارف (پراکسی) ہو گئے۔
 مورخہ..... 2025 کو رو برو گواہان میں/ہم نے دستخط کئے۔

فلیو نمبر	سی ڈی سی شراکت دار/آئی ڈی نمبر	سی ڈی سی اکاؤنٹ/فلیو اکاؤنٹ نمبر	حصص کی تعداد

10/- روپے کا ریوینیو اسٹامپ

دستخط

دستخط کمپنی کے رجسٹر میں موجود رجسٹرڈ دستخطوں سے مماثل ہونے چاہئیں

..... گواہ نمبر 1-.....	 گواہ نمبر 2-.....
نام:.....	نام:.....
پتہ:.....	پتہ:.....
.....	
..... CNIC نمبر:.....	 CNIC نمبر:.....
..... دستخط:.....	 دستخط:.....

گزارشات

- 1- پراکسی کے لئے کمپنی کا نمبر ہونا لازمی ہے۔
- 2- دستخط کا کمپنی کے ریکارڈ میں موجود رجسٹرڈ دستخطوں سے مماثل ہونا لازمی ہے۔
- 3- اگر کوئی ممبر پراکسی مقرر کرتا ہے جس کے حصص CDC شیئر رجسٹر اور رجسٹرڈ فلیو/ CDC نمبر لکھنا لازمی ہے، اس کے ساتھ ساتھ ان کا نام، ایڈریس اور قومی شناختی کارڈ یا پاسپورٹ کی مصدقہ نقل اپنے ہمراہ لائے گا۔ کارپوریٹ ممبر کی صورت میں ضروری عمومی دستاویزات اس مقصد کے لئے لازمی ضروری ہیں۔
- 4- مکمل پراکسی ہوا پراکسی فارم کمپنی کے رجسٹرڈ آفس میں اجلاس سے 48 گھنٹے قبل جمع کروادیا جائے۔



International Knitwear Limited



International Knitwear Limited

F-2A/L, S.I.T.E., Karachi-75730 Pakistan

Phones: 32571463, 32574302-04

Fax: (021) 32564414

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