

HALF YEARLY REPORT

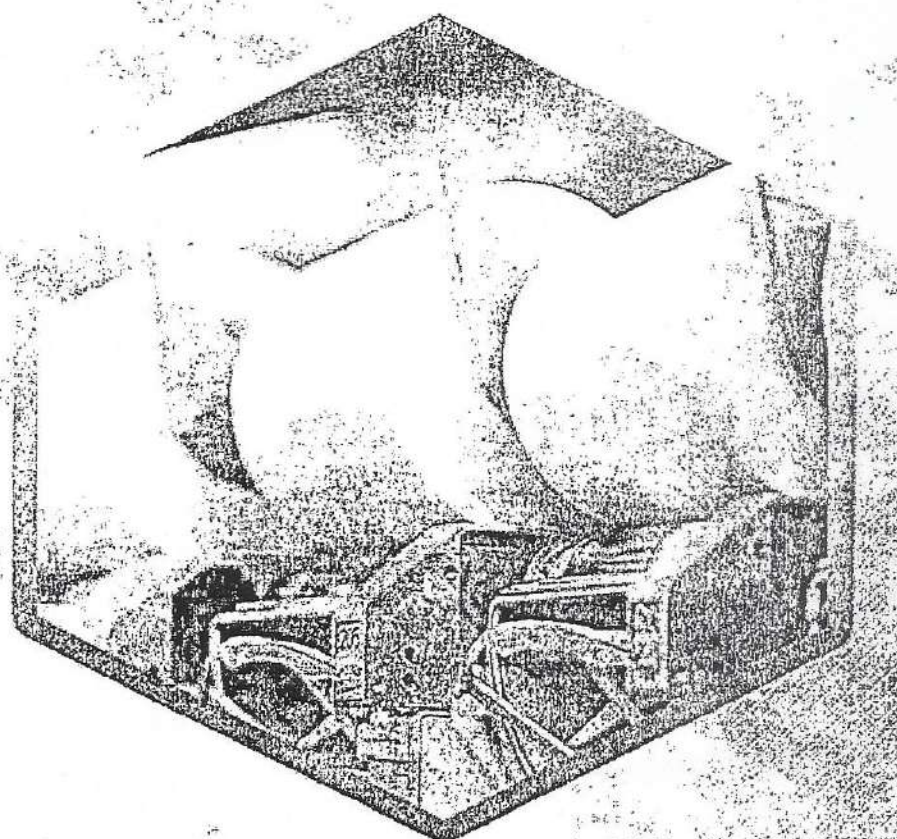
UN-AUDITED

For The Period Ended

December 31, 2024



Kohinoor Spinning Mills Limited



COMPANY INFORMATION

BOARD OF DIRECTOR

Khawaja Mohammad Jahangir	(Chairman)
Mohammad Naveed	(Chief Executive)
Khawaja Mohammad Kaleem	(Director)
Mohammad Hamza Yousaf	(Director)
Aqsa Jahangir	(Director)
Faisal Qaiyum	(Independent Director)
Abbas Ali	(Independent Director)

AUDIT COMMITTEE

Faisal Qaiyum	(Chairman)
Khawaja Mohammad Kaleem	(Member)
Aqsa Jahangir	(Member)

HR & REMUNERATION COMMITTEE

Faisal Qaiyum	(Chairman)
Khawaja Mohammad Jahangir	(Member)
Khawaja Mohammad Kaleem	(Member)

CORPORATE SECRETARY

Hasan Ahmad Khan	ACA
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CHIEF FINANCIAL OFFICER

Mr. Muhammad Saeed Zafar	M.B.A
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BANKERS

Habib Metro Bank Limited
MCB Bank Limited
National Bank of Pakistan
Allied Bank of Pakistan
Meezan Bank Limited
Askari Bank Limited
Saudi Pak Industrial and Agricultural Investment Company

AUDITOR

Saeed Ul Hassan & Co.
Chartered Accountants
66-H Block, Gulberg III,
Lahore, Pakistan.

CORPORATE & REGISTERED OFFICE

7/1-E-3 Main Boulevard Gulberg III, Lahore
Tel : (042) 35717510
Fax : (042) 35755760

SHARE REGISTRARS

Corplink (Pvt) Limited
Wings Arcade, 1-K, Commercial,
Model Town, Lahore
Tel : (042) 35839182
Fax : (042) 35869037

MILLS

Unit I & II

Aminabad, Chakwal
Tel : (0543) 644254 - 644281

Unit III

Yousaf Nagar, Bhoun Road,
Chakwal.
Tel: (0543) 452070-71

DIRECTORS' REPORT TO THE SHAREHOLDERS

On behalf of the Directors of Kohinoor Spinning Mills Limited, it is our pleasure to present six months accounts for the period ended 31st December 2024.

The financial highlights for the quarter ended 31st December 2024 and 31st December 2023 are as follows:

	2024	2023
	(Rupees)	(Rupees)
Operating Loss	78,969,226	95,207,873
Taxation	187,500	604,126
Loss After Taxation	64,297,220	79,384,869

During the half year under review, no operational activity has taken place. The loss for the half year is mainly attributable to depreciation, administration expenses, regulatory fees etc.

Your Company has sustained a net loss after tax of Rs. 64 million for the half year ended 31st December 2024 as compared to a net loss after tax of Rs.79 million for the corresponding last half year.

Though State Bank of Pakistan (SBP) is reducing mark up rates, it is too little too late. High energy costs (highest in Region), reduced consumer spending power, higher inflationary trends etc. still exist. For the first half of FY25 (July-December 2024-25), LSM output contracted by 1.87% year-on-year, with declines observed in several key industries. We can only hope for the best in this scenario. Nevertheless the Company is committed to strive for the betterment of shareholders.

In the end, we assure you that the management will continue its efforts to improve the overall performance of the Company.

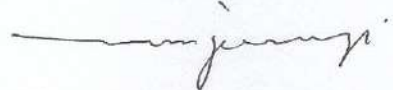
Date: 27 February 2025

Lahore:


Khawaja Muhammad Kaleem

Director

On behalf of the Board


Khawaja Muhammad Jahangir

Chairman

As required U/S 232(1) of the Companies Act, 2017 these financial statements have been signed by two directors as the Chief Executive Officer is out of the country.

ڈائریکٹرز رپورٹ برائے شیئر ہولڈرز

کوہ نور اسپینگ ملز لمیٹڈ کے ڈائریکٹرز کی طرف سے ہمیں 31 دسمبر 2024 کو ختم ہونے والی چھ ماہ کا اکاؤنٹس پیش کرتے ہوئے خوشی ہو رہی ہے۔

31 دسمبر 2024 اور 31 دسمبر 2023 کو ختم ہونے والے کوارٹر کے مالیاتی اہم نکات مندرجہ ذیل ہیں:

2023	2024	
95,207,873	78,969,226	انتظامی اخراجات / نقصان
604,126	187,500	ٹیکس
79,384,869	64,297,220	ٹیکس کے بعد خسارہ

جائزہ کے دوران چھ ماہ میں کوئی عملی سرگرمی نہیں ہوئی۔ چھ ماہ کے دوران خسارہ بنیادی طور پر کمی، انتظامی اخراجات، ریگولیٹری فیس وغیرہ کی وجہ سے ہے۔

کمپنی نے 31 دسمبر 2024 کو ختم ہونے والے چھ ماہ کے دوران ٹیکس کے بعد 64 ملین روپے کا خالص خسارہ برداشت کیا، جو کہ پچھلے چھ ماہ کے مقابلے میں 79 ملین روپے تھا۔

اگرچہ اسٹیٹ بینک آف پاکستان (SBP) نے مارک اپ کی شرحوں میں کمی کر رہا ہے، لیکن یہ بہت کم اور دیر سے کی گئی ہے۔ توانائی کی قیمتوں میں اضافہ (جو کہ علاقے میں سب سے زیادہ ہے)، صارفین کی خریداری کی طاقت میں کمی، مہنگائی کے رجحانات وغیرہ اب بھی موجود ہیں۔ مالی سال FY25 کے پہلے چھ ماہ (جولائی تا دسمبر 2024-25) میں بڑے پیمانے کی صنعت (LSM) کی پیداوار سال بہ سال 1.87% کم ہوئی، جس میں کئی اہم صنعتوں میں کمی دیکھی گئی۔ ہم صرف اس صورتحال میں بہتری کی امید کر سکتے ہیں۔ بہر حال، کمپنی اپنے شیئر ہولڈرز کی فلاح و بہبود کے لیے کوششیں جاری رکھے گی۔

آخر میں، ہم آپ کو یقین دلاتے ہیں کہ انتظامیہ کمپنی کی مجموعی کارکردگی کو بہتر بنانے کی کوششیں جاری رکھے گی۔

کمپنی کے بورڈ کی جانب سے

مورخہ: 27 فروری 2025

بمقام لاہور



خواجہ محمد جہانگیر (چیئر مین)



خواجہ محمد کلیم (ڈائریکٹر)

جیسا کہ کمپنیز ایکٹ 2017 کے سیکشن (1) 232 کے تحت ضروری ہے کہ مالیاتی بیانات دو ڈائریکٹرز نے دستخط کیے ہیں کیونکہ چیف ایگزیکٹو آفیسر بیرون ملک ہیں۔

INDEPENDENT AUDITOR'S REVIEW REPORT

TO THE MEMBERS OF KOHINOOR SPINNING MILLS LIMITED

REPORT ON REVIEW OF INTERIM FINANCIAL STATEMENTS

Introduction

We have reviewed the accompanying condensed interim financial position of Kohinoor Spinning Mills Limited as at December 31, 2024 and the related condensed interim financial statement of profit or loss, the condensed interim statement of other comprehensive income, condensed interim statement of changes in equity, and condensed interim statement of cash flows, and condensed notes to the financial statements for the six-months period then ended (here-in-after referred to as the "condensed interim financial statements").

Management is responsible for the preparation and presentation of these condensed interim financial statement in accordance with approved accounting and reporting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on these condensed interim financial statements based on our review.

The figures of the condensed interim statement of profit or loss, the condensed interim statement of other comprehensive income for the quarters ended December 31, 2024 and December 31, 2023 have not been reviewed, as we are required to review only the cumulative figures for the half year ended December 31, 2024.

Scope of Review

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

Material Uncertainty Relating to Going Concern

We draw attention to Note 1.2 of the interim financial statements and to the fact that company's current liabilities exceed current assets by Rs.2,333,260,831 (June 24: Rs.2,369,782,550) as of 31st December 2024. These factors along with sharp decline in revenue indicates that company may not be able to continue as a going concern and therefore will not be able to realize its assets and discharge its liabilities. However, management does not intend to liquidate company for the fact that as from July 2023 company has leased out its production facilities to earn cash surplus. The contract is for one

year and is renewable on mutual consent of both parties therefore these financial statements have been prepared on going concern assumption and our conclusion is not modified in respect of this matter.

Conclusion

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

Other Matter

The condensed interim financial statements for the half year ended December 31, 2023 and the financial statements for the year ended June 30, 2024 were reviewed/audited by another firm of Chartered Accountants, who vide their Review Report dated 29 February 2024 and Audit Opinion dated 07 October 2024, respectively, have expressed unmodified report/opinion.

The engagement partner on the review and audit resulting in this independent auditor's report is Mr. Saeed Ul Hassan.

Saeed Ul Hassan

SAEED UL HASSAN & Co.
Chartered Accountants

Place: Lahore

Date: February 27, 2025

UDIN: RR202410617aUecAVbKP



KOHINOOR SPINNING MILLS LIMITED
CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION AS AT DECEMBER 31, 2024 (UN-AUDITED)

	Notes	Un-Audited December 31, 2024 (Rupees)	Audited June 30, 2024 (Rupees)	Notes	Un-Audited December 31, 2024 (Rupees)	Audited June 30, 2024 (Rupees)
EQUITY AND LIABILITIES						
Share Capital and Reserves						
Authorised Capital		2,200,000,000	2,200,000,000			
440,000,000 (June 30, 2024 - 440,000,000) ordinary shares of Rs.5 each						
Issued, subscribed and paid up capital	5	2,060,533,925	2,060,533,925			
412,107,285 (June 30, 2024 - 412,107,285) ordinary shares of Rs.5 each		1,797,379,209	1,797,379,209			
Surplus on revaluation of fixed assets		(3,359,451,095)	(3,295,153,875)			
Reserves		498,462,039	562,759,260			
			3,481,858,059			
NON-CURRENT LIABILITIES						
Long term Loans		591,381,269	556,151,269			
Deferred liabilities		32,394,137	30,810,537			
		623,775,406	586,961,806			
CURRENT LIABILITIES						
Trade and other payables		502,287,545	535,147,587			
Accrued interest on loans and borrowings		471,877,939	471,877,939			
Short-term borrowings		1,463,142,972	1,463,142,972			
Current portion of long term loan		364,705,882	364,705,882			
Supplier's credit		256,861,658	264,455,108			
Un-claimed dividend		1,915,116	1,915,116			
		3,060,791,112	3,101,244,604			
		4,183,028,557	4,250,965,670			
NON CURRENT ASSETS						
Property, plant and equipment	6	3,411,079,043	3,475,084,383			
Long term deposits		44,221,312	44,221,312			
Long term investments		197,921	197,921			
		3,455,498,276	3,519,503,616			
CURRENT ASSETS						
Stores and spares		12,937,933	12,937,933			
Stock-in-trade		587,518,736	587,518,736			
Trade debts		108,982,886	112,585,760			
Tax refundable		3,653,443	3,480,829			
Loans and advances		13,570,760	13,847,528			
Cash and bank balances		866,523	1,091,267			
		727,530,281	731,462,054			
		4,183,028,557	4,250,965,670			

The annexed notes form an integral part of these condensed interim financial information.

As required U/S 232(1) of the Companies Act, 2017 these financial statements have been signed by two directors and CEO as the Chief Executive of the company is out of the country.

Lahore,
February 27, 2025

CHAIRMAN

DIRECTOR

CHIEF FINANCIAL OFFICER

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

Notes	Half Year Ended		Quarter Ended	
	Un-Audited December 31, 2024 (Rupees)	Un-Audited December 31, 2023 (Rupees)	Un-Audited December 31, 2024 (Rupees)	Un-Audited December 31, 2023 (Rupees)
SALES - NET	-	-	-	-
COST OF SALES	-	-	-	-
GROSS (LOSS)	-	-	-	-
OPERATING EXPENSES				
Distribution Cost	-	-	-	-
Administrative	(78,969,226)	(95,207,873)	(39,847,204)	(50,975,798)
	(78,969,226)	(95,207,873)	(39,847,204)	(50,975,798)
OPERATING (LOSS)	(78,969,226)	(95,207,873)	(39,847,204)	(50,975,798)
Financial cost	(7,736,417)	(11,658,809)	(2,417,638)	(5,844,963)
Other operating income	22,595,923	28,085,939	15,095,923	14,568,082
	14,859,506	16,427,130	12,678,285	8,723,119
(LOSS) BEFORE TAXATION	(64,109,720)	(78,780,743)	(27,168,919)	(42,252,679)
TAXATION	(187,500)	(604,126)	(93,750)	(93,751)
(LOSS) AFTER TAXATION	(64,297,220)	(79,384,869)	(27,262,669)	(42,346,430)
(LOSS) PER SHARE - BASIC & DILUTED	(0.16)	(0.19)	(0.07)	(0.10)

The annexed notes form an integral part of these condensed interim financial information.

As required U/S 232(1) of the Companies Act, 2017 these financial statements have been signed by two directors and CFO as the Chief Executive of the company is out of the country.

Lahore,
February 27, 2025



CHAIRMAN



DIRECTOR



CHIEFFINANCIALOFFICER

KOHINOOR SPINNING MILLS LIMITED
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE HALF YEAR ENDED DECEMBER 31, 2024

	Half Year Ended		Quarter Ended	
	December 31, 2024 (Rupees)	December 31, 2023 (Rupees)	December 31, 2024 (Rupees)	December 31, 2023 (Rupees)
(Loss) after taxation	(64,297,220)	(79,384,869)	(27,262,669)	(42,346,430)
Other Comprehensive income				
Items that may be reclassified subsequently to profit and loss	-	-	-	-
Unrealized gain/(loss) due to change fair value of long term investment	-	151,351	-	151,351
Items that will not reclassified to profit and loss	-	-	-	-
Total comprehensive (Loss)	<u>(64,297,220)</u>	<u>(79,233,518)</u>	<u>(27,262,669)</u>	<u>(42,195,079)</u>

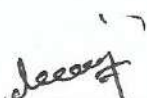
The annexed notes form an integral part of these condensed interim financial information.

As required U/S 232(1) of the Companies Act, 2017 these financial statements have been signed by two directors and CFO as the Chief Executive of the company is out of the country.

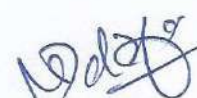


Lahore,
February 27, 2025

CHAIRMAN



DIRECTOR




CHIEF FINANCIAL OFFICE

KOHINOOR SPINNING MILLS LIMITED
CONDENSED INTERIM STATEMENT OF CHANGE IN EQUITY (UN-ADITED)
FOR THE HALF YEAR ENDED DECEMBER 31, 2024

	Share Capital	Capital Reserves	Revenue		Reserves	Total
			Accumulated	Gain on Revaluation	Fair Value	
	(Rupees)	Share Premium	(Loss)	Surplus	Reserves	
Balance as at July 01, 2023	1,078,571,425	(Rupees) 171,428,570	(Rupees) (3,503,246,334)	2,189,597,998	(Rupees) (802,079)	(Rupees) (64,450,420)
Issue of shares other than right issue	981,962,500					981,962,500
Loss for the period ended after taxation			(79,384,869)			(79,384,869)
Revaluation surplus realized during the period			21,383,275	(21,383,275)		
Unrealized gain due to change in fair Value of long term investment					151,351	151,351
Balance as on December 31, 2023	2,060,533,925	171,428,570	(3,561,247,928)	2,168,214,723	(650,728)	838,278,562
Balance as on July 01, 2024	2,060,533,925	171,428,570	(3,465,780,366)	1,797,379,209	(802,079)	562,759,259
Loss for the period ended after taxation			(64,297,220)			(64,297,220)
Unrealised gain to change in fair value of long term investment						
Balance as on December 31, 2024	2,060,533,925	171,428,570	(3,530,077,586)	1,797,379,209	(802,079)	498,462,039

As required U/S 232(1) of the Companies Act, 2017 these financial statements have been signed by two directors and CFO as the Chief Executive of the company is out of the country.


Lahore,
February 27, 2025 **CHAIRMAN**


DIRECTOR


CHIEF FINANCIAL OFFICE

KOHINOOR SPINNING MILLS LIMITED
CONDENSED INTERIM STATEMENT OF CASH FLOW (UN-AUDITED)
FOR THE HALF YEAR ENDED DECEMBER 31, 2024

	Un-Audited December 31, 2024 (Rupees)	Un-Audited December 31, 2023 (Rupees)
CASH FLOW FROM OPERATING ACTIVITIES		
(Loss) before taxation	(64,109,720)	(78,780,743)
Adjustments of non cash charges and other items:		
Depreciation / amortization	64,005,341	67,716,461
Allowance for expected credit loss	-	4,160,922
Gratuity	1,797,000	420,752
Gain/loss on sale of fixed assets	-	(6,017,857)
Profit on bank income	(2,473)	-
Other income	(15,000,000)	-
Financial cost	7,736,417	11,566,350
Operating profit before working capital changes	(5,573,435)	(934,115)
(Increase)/decrease in current assets		
Stores and spares	-	-
Stock-in-trade	-	-
Trade debts	3,602,874	(4,160,922)
Tax receivable	(172,614)	-
Loan & advances	276,768	1,460,057
Other receivables	-	-
	3,707,028	(2,700,865)
Increase in current liabilities		
Trade and other payables	(40,453,493)	(69,936,940)
	(42,319,900)	(73,571,920)
Financial cost paid	(7,736,417)	(11,566,350)
Income tax paid	(187,500)	(650,981)
Gratuity paid	(213,400)	(150,000)
Net cash used in operations	(50,457,217)	(85,939,251)
CASH FLOW FROM INVESTING ACTIVITIES		
Property, Plant & Equipment	-	-
Proceeds from disposal property, plant and equipment	-	6,672,350
Net cash used in investing activities	-	6,672,350
CASH FLOW FROM FINANCING ACTIVITIES		
(Repayments)/proceeds from:		
Increase in shares capitain other than right issue	-	981,962,500
Increase/Decrease in long term loan from directors	35,230,000	(906,710,450)
Profit on bank income	2,473	-
Other income	15,000,000	-
Net cash generated from financing activities	50,232,473	75,252,050
NET DECREASE IN CASH AND CASH EQUIVALENTS	(224,744)	146,070
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	1,091,267	846,470
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	866,523	992,540

The annexed notes form an integral part of these condensed interim financial information.

As required U/S 232(1) of the Companies Act, 2017 these financial statements have been signed by two directors and CFO as the Chief Executive of the company is out of the country.

Lahore,

February 27, 2025

CHAIRMAN

DIRECTOR

CHIEF FINANCIAL OFFICE

KOHINOOR SPINNING MILLS LIMITED
NOTES TO THE FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE HALF YEAR ENDED DECEMBER 31, 2024

1 NATURE AND STATUS OF BUSINESS

- 1.1 KOHINOOR SPINNING MILLS LIMITED was incorporated on 23rd July, 1970 as a public limited company in Pakistan under the Companies Act, 1913 (Now Companies Act 2017) and is quoted on Pakistan stock exchange. The company is engaged in the business of textile spinning.

Geographical Location of Head Office and business Units :

Registered Office 7-E, 3/1, Main Boulevard, Gulberg III, Lahore.

Unit 01/02 Aminabad 8 Km Pindi Road, Chakwal

Unit 03 8 Km Bhaun Road, Chakwal

- 1.2 The company has incurred loss after taxation of Rs.64,297,220 (June-2024 Rs.374,652,406) As at 31 December 2024 total accumulated losses of the company stands at Rs.3,530,077,586 (June30, 2024 Rs.3,465,780,366) and the current liabilities exceeds its current assets by Rs.2,333,260,831 (June 30, 2024 Rs.2,369,782,550). These factors along with sharp decline in revenue uncertainties that casts significant doubt on entity's ability to continue as going concern.
- 1.3 These financial statements have been prepared on going concern assumptions owing to continued financial support assurance from the directors in the shape of contribution and loans when required. Total loan provided to the company by directors during the period Rs.35 million (June30, 2024 Rs.226 million) together with expected negotiation and favorable terms of engagement with financial institution. However, management does not intend to liquidate company for the fact that as from July 2023 company has leased out its production facilities to earn cash surplus. The contract is for one year and is renewable on mutual consent of both parties.

2. BASIS OF PRESENTATION

This interim condensed financial statement is unaudited and are being submitted to the shareholders as required under section 245 of the Companies Act 2017 and section 245 with section 237. These interim condensed financial statements has been prepared in accordance with the International Accounting Standard 34 (Interim Financial Reporting). In case where requirement differ, the provisions of or directives issued under the Companies Act, 2017 have been followed. These condensed interim financial statements should be read in conjunction with the audited annual published Financial statements of the company for the year ended June 30, 2024.

3. SIGNIFICANT ACCOUNTING POLICIES

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

Amendments to certain existing standards and new interpretation on approved accounting standards that become effective during the period either were not relevant to the Company's operations or did not have any significant impact on the accounting policies of the Company.

4. ACCOUNTING ESTIMATES, JUDGEMENTS AND FINANCIAL RISK MANAGEMENT

- 4.1 The preparation of this condensed interim financial information in conformity with approved accounting standards requires management to make estimates, assumptions and use judgements that affect the application of policies and reported amounts of assets and liabilities and income and expenses. Estimates, assumptions and judgements are continually evaluated and are based on historical experience and other factors, including reasonable expectations of future events. Revisions to accounting estimates are recognised prospectively commencing from the period of revision.

Judgments and estimates made by the management in the preparation of this condensed interim financial information are the same as those that were applied to the financial statements as at and for the year ended 30 June 2024.

- 4.2 The company's financial risk management objectives and policies are consistent with those disclosed in the financial statements as at and for the year ended 30 June 2024.

5. SHARE CAPITAL

Issued, subscribed and paid up

409,831,785 (June 30, 2024 -409,831,785) ordinary shares of Rupees 5/- each, fully paid in cash

2,049,158,925

2,049,158,925

2,275,000 (June 30, 2024 -2,275,000) ordinary shares of Rupees 5/- each, issued as fully paid bonus shares

11,375,000

11,375,000

2,060,533,925

2,060,533,925

Un-Audited
December 31, 2024
(Rupees)

Audited
June 30, 2024
(Rupees)

6. PROPERTY, PLANT AND EQUIPMENT

Opening writtendown value

3,475,084,383

3,608,194,635

Deletion during the period

6.1

-

(5,605,000)

3,475,084,383

3,602,589,635

Depreciation charged during the period

(64,005,340)

(132,586,657)

Depreciation Adjusted during the period

-

5,081,406

3,411,079,043

3,475,084,383

6.1 DELECTION DURING THE PERIOD

Vehicle

-

5,605,000

-

5,605,000

7. AUTHORISATION FOR ISSUE

These condensed interim Financial statement have been authorised for issue on February 27, 2025 by the Board of Directors of the company.

8. GENERAL

Figures have been rounded off to the nearest rupee.

As required U/S 232(1) of the Companies Act, 2017 these financial statements have been signed by two directors and CFO as the Chief Executive of the company is out of the country.

Lahore,

February 27, 2025

CHAIRMAN

DIRECTOR

CHIEF FINANCIAL OFFICE