AHMAD HASSAN TEXTILE MILLS LIMITED

CONDENSED INTERIM BALANCE SHEET (UN-AUDITED)

AS AT MARCH 31, 2022

AS AT MARCIT 51, 2022	March 31, 2022	June 30, 2021
	Un-Audited	Audited
ASSETS	Rupees	Rupees
NON-CURRENT ASSETS		
Property, plant and equipment	1,668,776,234	1,377,374,549
Long term deposits	11,712,377 1,680,488,611	12,387,177 1,389,761,726
CURRENT ASSETS	1,000,400,011	1,369,701,720
Stores, spare parts and loose tools	33,614,825	38,909,619
Stock-in-trade	1,238,687,077	838,600,546
Trade debts	494,464,284	403,727,475
Loans and advances	137,027,546	53,857,631
Due from Government	39,899,556	11,813,005
Other receivables	3,163,771	3,161,869
Short term investment	19,336,527	32,801,776
Cash and bank balances	1,200,788	4,442,391
	1,967,394,374	1,387,314,312
TOTAL ASSETS	3,647,882,985	2,777,076,038
EQUITY AND LIABILITIES		
SHARE CAPITAL AND RESERVES		
Authorized share capital	200,000,000	200,000,000
Issued, subscribed and paid up share capital	84,715,358	84,715,354
Capital reserve	32,746,284	32,746,284
Surplus on revaluation of		
property, plant and equipment	552,412,811	343,783,721
Revenue reserve - unappropriated profit	1,030,429,670	860,441,793
	1,700,304,123	1,321,687,152
Subordinated loans	62,500,000	62,500,000
NON-CURRENT LIABILITIES		
Long term loans and financing	247,969,338	242,004,726
Liabilities against assets subject to finance lease	1,105,634	1,594,705
Deferred income - government grant	-	102,493
Long term payable	17,352,179	25,796,469
Deferred taxation	128,766,683 395,193,834	104,052,348 373,550,741
CURRENT LIABILITIES	333,133,034	575,550,741
Trade and other payables	757,468,066	654,492,326
Unclaimed dividend	12,055,130	3,474,561
Finances under markup arrangements and other credit facilities	557,948,749	204,752,056
Current portion of non-current liabilities	103,287,246	103,909,505
Accrued finance cost	11,729,177	4,690,465
Provision for taxation	47,396,660	48,019,232
CONTINGENCIES AND COMMITMENTS	1,489,885,028	1,019,338,145
TOTAL EQUITY AND LIABILITIES	3,647,882,985	2,777,076,038

CONDENSED INTERIM PROFIT OR LOSS ACCOUNT (UN-AUDITED) FOR THE QUARTER AND NINE MONTHS ENDED MARCH 31, 2022

Nine months period ended Quarter ended Mar 31, 2022 Mar 31, 2021 Mar 31, 2022 Mar 31, 2021 Rupees Rupees Rupee Rupees 2,904,748,729 1,035,068,674 Sales - net 4,247,657,875 1,512,794,475 Cost of sales (3,914,530,907) (2.681.063.700) (1,428,953,416) (978,523,906) Gross profit 333,126,968 223,685,029 83,841,059 56,544,768 Other income/ (loss) 2,369,026 (634,878) (591,609) (900,638) 9,751,755 1,856,786 571,755 1,741,786 Profit on trading (27,915,202 (23,396,885) (4,267,337) (9,577,727) Distribution cost Administrative expenses (42,483,107) (30,459,415) (14,359,513) (10,708,877) (18,437,104) (12,675,488) (3,496,127 (1,042,600) Other operating expenses (76,714,632) (65,309,880) (22,142,831) (20.488.056) Profit before finance cost 256,412,336 158,375,149 61,698,228 36,056,712 Finance cost (34,119,639) (20,880,170) (14,201,785) (6,248,106) Profit before taxation 222,292,697 137,494,979 47,496,443 29,808,606 (16,071,308) 12,334,755 Taxation (45,531,123) (19.094.788) Profit after taxation 176.761.574 118 400 191 31.425.135 42.143.361 Earnings per share - basic and diluted 3.71 20.87 13.98 4.97

NOTES TO THE FINANCIAL STATEMENTS (UN-AUDITED) FOR THE PERIOD OF NINE MONTHS ENDED AT MARCH 31. 2022

- 1. These un-audited accounts are being presented to the shareholders as required under SECP notification No.764(1)/2001 dated 05-11-2001 and in accordance with the requirements of International Accounting Standard-34 "Interim Financial Reporting".
- 2. Accounting policies adopted for the preparation of these quarterly accounts are the same as adopted in the preceding annual accounts.
- 3. Figures from previous year have been re-arranged for the purpose of comparison wherever necessary.
- 4. Figures in these accounts have been rounded off to the nearest rupee.
- 5. Provisions for taxation has been calculated on turnover basis

CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED) FOR THE PERIOD OF NINE MONTHS ENDED MARCH 31, 2022

MARCH 31, 2022		
	March 31, 2022	
	Rupees	Rupees
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	222,292,697	140,494,979
Adjustments for:		
Depreciation on property, plant and equipment	54,653,305	52,919,752
Provision for Workers' Profit Participation Fund	11,981,161	
Provision for Workers' Welfare Fund	4,552,841	
Duty Drawback of taxes on export sales	(108,173)	-
Gain on disposal of Fixed assets	(1,007,490)	-
Dividend Income	(8,000)	-
Unrealized (gain) / loss on remeasurement of short term investments	580,811	651,101
Exchange rate fluctuation loss / (gain) - net	(120,917)	-
Amortization of deferred government grant	(772,010)	
Finance cost - net	34,119,639	20,880,170
	103,871,167	74,451,023
Operating cash flows before movements in working capital	326,163,864	214,946,002
Increase) / decrease in current assets		
Stores, spares and loose tools	5,294,794	7,808,839
Stock in trade	(400,086,531)	(105,469,317)
Trade debts	(90,615,892)	154,712,085
Loans and advances (excluding advance income tax)	(77,621,634)	(24,841,239)
Tax refunds due from government	(28,086,551)	(41,778,049
Other receivables	(1,902)	(208,851)
ncrease / (decrease) in current liabilities		
Trade and other payables	97,367,854	5,442,201
	(493,749,862)	(4,334,331)
Cash generated from operations	(167,585,998)	210,611,671
Income tax paid - net	(54,217,976)	(33,254,644)
Finance cost paid - net	(26,308,917)	(24,842,444)
Duty drawback of taxes on export sales received	108,173	
Paid to Workers' Profit Participation Fund	(10,926,109)	(
Net cash generated (used in) /from operating activities	(91,344,829) (258,930,827)	(58,097,088) 152,514,583
CASH FLOWS FROM INVESTING ACTIVITIES	(238,330,827)	132,314,303
CASH FLOWS FROM INVESTING ACTIVITIES	(440.047.004)	(0.0.000, 4.07)
Additions to property, plant and equipment	(119,067,924)	(26,238,467)
Decrease in Capital Work in Progress	15,131,098	-
Proceeds from disposal of fixed assets	5,341,700	
Investment property	-	43,311,500
Long term deposits	674,800	(492,500)
Short term investments	12,884,438	(32,272,981
Dividend income	8,000	-
Net cash generated from/(used in) investing activities	(85,027,888)	(15,692,448)
CASH FLOWS FROM FINANCING ACTIVITIES		
Long term finances obtained	5,712,025	-
Repayment of long term finances	-	19,827,691
Repayment of finance lease	(1,590,359)	953,352
Long term payable	(7,815,168)	
Dividend paid	(8,786,079)	(8,352,306)
Short term finances - net	353,196,693	(146,310,475)
Short term mantes - net		
	340,717,112	(133,881,738)
Net cash generated / (used in) from financing activities		
Net cash generated / (used in) from financing activities NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS	(3,241,603)	2,940,397
	(3,241,603) 4,442,391	2,940,397 863,378



CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED) FOR THE PERIOD OF NINE MONTHS ENDED MARCH 31. 2022

	Reserves			
	c	apital	Revenue	
lssued, subscribed and paid up share capital	Share premium	Surplus on revaluation of property, plant and equipment	Unappropriated profit	Total
		Rupees		
84,715,358	32,746,284	357,887,596	690,086,172	1,165,435,410
-		-	(11,535,239)	(11,535,239)
-	-	-	167,786,985	167,786,985
-	-	-	-	-
-	-	-	167,786,985	167,786,985
-	-	(13,673,626)	13,673,626	-
		(430,249)	430,249	-
84,715,358	32,746,284	343,783,721	860,441,793	1,321,687,156
			(17,366,648)	(17,366,648)
-	-	-	176.761.574	395,983,615
-	-	219,222,041	-	
-	-	219,222,041	176,761,574	395,983,615
	-	(10,592,951)	10,592,951	
	paid up share capital 84,715,358 - - - - - - - - - - -	stsued, subscribe and capital Share premium 84,715,358 32,746,284 - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - -	Issued, subscribed and paid up share capital Capital Share premium Capital revaluation of property plant and equipment and equipment and equipment property plant and equipment plant and equipment property plant and equipment property plant and equipment plant and equipment property plant and equipment plant and equipment plant and equipment and equipment a	Issued, subscribel and paid up shraft Capital Revenue Share capital Surplus on prevaluation of property, plant Unappropriated profit 84,715,358 32,746,284 357,887,596 690,086,172 - - (11,535,239) - - (11,535,239) - - 167,786,985 - - (13,673,626) - - (13,673,626) - - (13,673,626) - - (430,249) 860,441,793 84,715,358 32,746,284 343,783,721 860,441,793 - - 219,222,041 176,761,574 - - - 219,222,041 176,761,574

CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED) FOR THE QUARTER AND NINE MONTHS ENDED MARCH 31, 2022

	Nine months period ended		Quarter of	ended
	March 31,	March 31, March 31,		March 31,
	2022	2021	2022	2021
_	Rupees	Rupees	Rupees	Rupees
Profit for the period	176,761,574	118,400,191	31,425,135	42,143,361
Other comprehensive loss for the period:				
Items that will not be subsequently reclassified to profit or loss:				
Impact of revaluation carried out during				
the period	246,452,376	-	-	-
Less: related deferred tax	(27,230,335)	-	-	-
_	219,222,041	-	-	-
Total comprehensive income / (loss) for the period	395,983,615	118,400,191	31,425,135	42,143,361

We hope all of your directors' sincerely efforts towards the reduction in business cost; will result in increase in shareholder's wealth and stakeholder's interest in your Company.

ACKNOWLEDGMENT

Your Directors place on record their deep appreciation for the efforts made by the workers and staff of the Company for their deep devotion to work.

Your Directors would also like to express their thanks to the Shareholders and Financial Institutions for their support and assistance.

On behalf of the Board of Directors

Multan Dated: April 29, 2022

Chief Executive

Director

ACCOUNTS

For the Third Quarter & Nine Months Period Ended March 31, 2022 (Un-Audited)



AHMAD HASSAN TEXTILE MILLS LTD.

اعتر اف

ملتان

29 ايريل **2022**

آپ کے ڈائر یکٹرز کام کے لئے گہری عقیدت کے لیے کمپنی کے کارکنوں اور عملے کی کوششوں کے لیے اپنی گہری کوریکارڈ پر کھتے ہیں۔ آپ کے ڈائریکٹر بشیر بولڈرز اور مالی اداروں کی معاونت اور مدد پر ان کا بھی شکر بیدادا کرنا چاہیں گے۔ تعريف کوريکارڈ پر رکھتے ہيں۔

بورڈ آف ڈائر یکٹر کی جانب سے

چف ایگزیکٹو ڈائریکٹر

<mark>ڈ امر بیکٹرز کی جائز ہر بور</mark>ط شروع اللہ کے نام ہے جونہایت مہریان اور رحم کرنے والا ہے محتر محصہ داران! ہیں 31 مارچ 2022 کوختم ہونے والے نو ماہ کے لئے آپ کی کمینی کے غیر آڈٹ شدہ اکاؤنٹس پیش کرنے میں

وسی ہے۔		
الياتى نتائج كاخلاصه	مارچ 2022ء	مارچ 2021 ء
	(روپوں میں)	(رويوں ميں)
کل رقم فروختگی	4,247,657,875	2,904,748,729
کل منافع	333,126,968	223,685.029
بعدادا تيكى قيكس منافع	176,761,574	118,400,191
جی پی تناسب	7.84%	7.70%
فى شيئر آمدنى	20.87	13.98
تقتیم کے اخراجات	27,915,202	23,396.885
ایڈمن کے اخراجات	42,483,107	30,459,415
مالیاتی لاگت	34,119,639	20,880,170
کاروپاری امور کا جائزہ		

یمپنی کی مالی کارکردگی گزشتہ مدت کے مقالمے موجودہ مدت کے دوران کافی تسلی بخش رہی۔ منافع میں اضافے کی بنیادی وجہ سیلز ربونیو میں 1,343 ملین 🛛 روپے کا اضافہ ہے۔ جو فیصد کے لحاظ سے 46 فیصد تک رجسڑ ڈ ہے۔ خام مال اور توانائی کی لاگت میں اضافے کے باوجود مجموعی منافع سے فروخت کے فیصد میں قدرے 0.14 فیصد اضافہ ہوا۔ منافع بعد از نیکس نناسب 4.16 فیصد رہا جو تقریباً وہی ہے جو گزشتہ مدت میں ریکارڈ کیا گیا تھا۔ اخراجات سے فروخت کے تناسب کی بنیاد پر تقتیم کے اخراجات میں قدرے کی واقع ہوئی ہے جبکہ ایڈمن کے اخراجات تقریباً اس سطح یر رہے جو گزشتہ مدت میں رجٹرڈ تھے۔ کیبور کی شرح میں اضافے اور سابقہ مدت کے مقابلے کریڈٹ کی حدوں کے زیادہ استعال کی دجہ سے مالی اخراجات میں اضافہ کا رجحان دکھایا گیا ہے۔

ستنقبل كانقط نظر:

روس اور پوکرین کے درمیان جنگ نے عالمی عدم استحکام کوجنم دیا ہے۔ نیتجتاً بین الاقوامی مارکیٹ میں ٹیکسٹاکل اور متعلقہ مصنوعات کی ما تک کم سطح پر دیکھی گئی ہے۔ COVID-19 کی وجہ سے شینٹ چینل میں خلل برآ مد کی فروخت میں ا ایک اور رکاوٹ ہے۔ اس کے علادہ، ہندوستان اور بنگلہ دلیش نے کودڈ –19 کے بعد کے منظر نامے میں بین الاقوامی منڈیوں میں اپنی سیلائی بحال کر دی ہے۔ دونوں مما لک کوان پٹ لاگت کم ہونے کی وجہ سے فیرک کی کم شرح کے لحاظ سے ہمارے ملک پر مسابقتی برتر ی حاصل ہے۔ برآ مدی فروخت میں کمی کی وجہ سے مینونیچررز مقامی مارکیٹ میں کیڑا بھینک رہے ہیں۔ مقامی مارکیٹ سلائی میں اضافے کو جذب کرنے سے قاصر ہے جو اس وقت ملک میں ساس عدم استحام کی وجہ سے مزید پڑھ گئی ہے۔ ایک طرف مقامی مارکیٹ میں طلب سے زیادہ سلائی کے باعث فیبرک کے نرخوں میں نمایاں کمی ہوئی ہے تو دوسری طرف ملک میں ٹیکسٹائل مصنوعات کا ذخیرہ انبار لگا ہوا ہے۔ یہ تصور کیا جاتا ہے کہ موجودہ مالی سال کا بقیہ حصہ ٹیکسٹائل انڈسٹری کے لیے کافی مشکل ہوگا۔ ہم دعا کرتے میں کہ کمیوں پرجلد قابو یا

یہ اعلان کرتے ہوئے انتہائی خوثتی کی بات ہے کہ آپ کی تمپنی نے 27 جنوری 2022 کو KWP 988.9 کی درجہ بندی کی صلاحت کے ساتھ سولرسٹم کو کامیابی کے ساتھ شروع کر دیا ہے۔ بیہ منصوبہ توانائی کی لاگت کو نمایاں طور پر کم کرنے اور کلین گرین پاکتان کی حکومتی پالیسی میں ایک قابل قدر شراکت کے لیے ڈیزائن کیا گیا ہے۔ کسی بھی خطرناک مادے کے اخراج نہ ہونے کی دجہ ہے۔ خام مال کی قیمتوں اور توانائی کی لاگت کے بڑھتے ہوئے ربخان کے علاوہ، آپ کے ڈائر یکٹرز زبادہ منافع کے مارجن کو برقرار رکھنے اور کاروبار کرنے کی لاگت کو کم کرنے کے لیے پر جزم ہیں۔ ہمیں امید ہے کہ کاروباری لاگت میں کمی کے لیے آپ کے تمام ڈائر کیٹرز کی مخلصانہ کوششیں؛ اس کے نتیج میں شیئر ہولڈر کی دولت اور آپ کی تمپنی میں اسٹیک ہولڈر کی دلچیسی میں اضافہ ہوگا۔

AHMAD HASSAN TEXTILE MILLS LTD. 46 - Hassan Parwana Colony, MULTAN

BOARDS OF DIRECTORS

CHAIRMAN	Mrs. Salma Javed	Non-Executive Director
CHIEF EXECUTIVE	Mr. Muhammad Haris	Executive Director
DIRECTORS	Mian Muhammad Javed	Executive Director
	Mr. Haseeb Haris Mughal	Non-Executive Director
	Mr. Bushra Ali	Non-Executive Director
	Mr. Muhammad Umer Farooq Janjua	Non-Executive Director
	Mr. Ali Kamal	Independent Director
	Mr. Nazir Ahmed Khan	Independent Director

DIRECTORS' REVIEW

In the name of Allah, the Most Beneficent, the Merciful

Dear Shareholders,

We have pleasure in presenting the un-audited accounts of your Company for the nine months ended March 31, 2022..

SUMMARIZED FINANCIAL RESULTS:

	March 2022	March 2021
	(Rupees)	(Rupees)
Sales Net	4,247,657,875	2,904,748,729
Gross Profit	333,126,968	223,685,029
Profit After Taxation	176,761,574	118,400,191
G.P Ratio	7.84%	7.70%
Earnings Per Share	20.87	13.98
Distribution Expenses	27,915,202	23,396,885
Admin Expenses	42,483,107	30,459,415
Finance Cost	34,119,639	20,880,170

REVIEW OF OPERATIONS:

Alhamdulillah Financial performance of the Company remained guite satisfactory during the current period in comparison to preceding period. Primary reason for increase in profitability resulted due to increase in sales revenue by Rs. 1,343 million which in terms of percentage registered to 46%. Gross profit to sales percentage slightly increased by 0.14% despite increase in raw material and energy costs. Profit after tax ratio stood to 4.16% which is almost same as recorded in preceding period. Based on expense to sales ratio, distribution expenses slightly decreased whereas admin expenses almost stood at same level as registered in the preceding period. Financial expenses shown increasing trend due to increase of Kibor rate and more utilization of credit limits as compared to preceding period.

FUTURE OUTLOOK

War between Russia & Ukraine has caused global instability. Resultantly demand of textile and related products has been observed on lower level in international market. Disturbance of shipment channel owing to COVID-19 is another hurdle in export sales. In addition therewith, India & Bangladesh has restored their supplies to international markets in post COVID-19 scenario. Both countries have competitive advantage over our country in terms of lower rate of fabric due to their lower input cost. Due to decline of export sales, manufacturers are dumping fabric in the local market. Local market is unable to absorb increase of supplies which has been further aggravated by the political instability currently prevailing in the country. On one hand rate of fabric has been decreased significantly in the local market due to excess supply over demand and on other hand stocks of the textile products have been piling up in the country. It is envisaged that remainder of current financial year will be quite tough for textile industry we pray that all shortcomings would be overcome soon.

It is a matter of great pleasure to announce that your Company has successfully commissioned solar system having rated capacity of 988.9 KWP on January 27, 2022. The project is designed to reduce energy cost significantly and also a valuable contribution towards government policy of Clean Green Pakistan due to non-emission of any hazard substance

Besides of increasing trend of raw material prices & energy cost, your directors are determined to maintain high profit margin and reducing the cost of doing business.

Continued page 6