

Half Yearly Accounts December, 31 2024



BANNU
WOOLLEN MILLS LIMITED

CONTENTS

	<i>Pages</i>
COMPANY'S PROFILE	1
DIRECTOR'S REPORT (English & اُردو).....	2-5
AUDITOR'S REVIEW REPORT.....	6
CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION.....	7
CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS & OTHER COMPREHENSIVE INCOME	8
CONDENSED INTERIM STATEMENT OF CASH FLOWS.....	9
CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY	10
NOTES.....	11-17

COMPANY'S PROFILE

Board of Directors	Mr. Ahmad Kuli Khan Khattak Mrs. Shahnaz Sajjad Ahmad Lt. Gen. (Retd.) Ali Kuli Khan Khattak Dr. Shahin Kuli Khan Khattak Syed Zubair Ahmed Shah Mr. Abdul Rehman Qureshi (Independent) Brig. (R.) Agha Arshad Raza (Independent)	Chairman Chief Executive
Audit Committee	Mr. Abdul Rehman Qureshi Syed Zubair Ahmad Shah Brig. (R.) Agha Arshad Raza	Chairman Member Member
Human Resource & Remuneration Committee	Mr. Abdul Rehman Qureshi Lt. Gen. (Retd.) Ali Kuli Khan Khattak Mr. Ahmad Kuli Khan Khattak Mrs. Shahnaz Sajjad Ahmad Syed Zubair Ahmed Shah Brig. (R.) Agha Arshad Raza	Chairman Member Member Member Member
Chief Operating Officer (COO)	Mr. Khalid Kuli Khan Khattak	
Assistant Chief Operating Officer / Company Secretary	Mr. Azmat Khan	
Chief Financial Officer	Mr. Kalim Aslam	
Head of Internal Audit	Mr. Salman Khan - ACA	
Auditors	M/S. ShineWing Hameed Chaudhri & Co Chartered Accountants	
Bankers	National Bank of Pakistan Bank Alfalah Ltd.	
Legal Adviser	M/S Hassan & Hassan, Advocates Paaf Building, 1-D, Kashmir / Egerton Road, Lahore	
Tax Consultant	M. Nawaz Khan & Co 1-Ground Floor, Farrah Centre, 2 Mozang Road, Lahore	
Registrars & Shares Registration Office	CDC Share Registrar (Services) Limited CDC House, 99-B, Block B, S.M.C.H.S. Main Shahra-e-Faisal, Karachi-74400 Tel: UAN# 021-0800 23275, Fax: 021-34326053 E-Mail: info@cdcsrsl.com	
Registered Office	Bannu Woollen Mills Ltd D.I.Khan Road, Bannu Tel. (0928) 612274, 662273, 613250 E-Mail: bannuwoollen@yahoo.com Web Site: www.bwm.com.pk	
Mills	D.I.Khan Road, Bannu Tel. (0928) 612274, 662273, 613250 E-Mail: bannuwoollen@yahoo.com Web Site: www.bwm.com.pk	

DIRECTORS' REPORT

On behalf of the Board of Directors of Bannu Woollen Mills Limited, we are pleased to present the condensed interim Financial Statements of the Company for the half year ended December 31, 2024 duly reviewed by the statutory auditors.

FINANCIAL PERFORMANCE

During the second quarter, the Company's net sales amounted to Rs. 525.54 million, reflecting a decline of 8.85% as compared to the same period of the corresponding year. Despite the decrease in sales, gross profit improved by 12% amounting Rs. 16.60 million over the corresponding quarter of the last year. Distribution, administrative and other expenses decreased by 2.08% as compared to the same period of the corresponding year reflecting the Company's ongoing focus on cost optimization and operational efficiency. Net profit before tax declined to Rs. 168.321 million in the second quarter, compared to Rs. 399.257 million in the same period last year. This decrease was primarily driven by a share of loss of Rs. 107.002 million and a lower impairment loss reversal from associated companies, which stood at Rs. 189.704 million (December 31, 2023: share of loss of Rs. 13.820 million and impairment loss reversal of Rs. 337.143 million). Consequently, net profit after tax dropped by 65% to Rs. 129.315 million, resulting in earnings per share (EPS) of Rs. 13.60, down from Rs. 39.07 in the corresponding quarter of the previous year.

The financial results for the six months period under review are summarized below:

FINANCIAL RESULTS

	Six months period ended	
	Dec. 31, 2024	Dec. 31, 2023
	- Rupees in thousand -	
Sales - net	<u>846,837</u>	<u>769,994</u>
Gross profit	<u>257,110</u>	<u>191,423</u>
Profit from operations	<u>163,153</u>	<u>104,142</u>
Profit before taxation	<u>199,230</u>	<u>376,618</u>
Profit after taxation	<u>150,419</u>	<u>346,345</u>
Earnings per share	<u>15.82</u>	<u>36.43</u>

During the period under review, the Company's net turnover increased by Rs. 76.843 million, reflecting a 10% growth compared to the corresponding period of the previous year. This increase was primarily driven by the rising demand for the Company's products, which led to higher order volumes from key dealers, contributing significantly to the overall growth in net turnover.

The gross profit margin increased from 24.86% to 30.36% compared to the corresponding period of the previous year, primarily driven by lower manufacturing costs. The decrease in EPS is mainly attributed due to lower reversal of impairment loss from Associated Company.

The reduction in policy rates has positively impacted the Company's financial performance, leading to a decrease in finance costs to Rs. 46.625 million from Rs. 50.847 million in the corresponding period of the previous year, representing an 8.30% reduction.

The Company produced 393,257 meters of greasy fabric, compared to 652,472 meters during the same period last year. This decline was due to a reduction in production shifts compared to the previous year.

FUTURE OUTLOOK

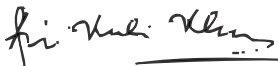
In the first half of fiscal year 2025, Pakistan's economy has shown signs of stabilization, with inflation decreasing to 7.2% from 28.8% in the same period the previous year. This improvement is attributed to effective macroeconomic management and targeted government policies. The agricultural sector experienced a growth of 6.2% in FY2024, supported by increased investment and favorable weather conditions. Additionally, foreign direct investment has risen by 20%, reflecting renewed confidence in Pakistan's economic trajectory. However, challenges persist, including the need for continued structural reforms and fiscal discipline to ensure sustainable growth.

As the management navigates an evolving market landscape, our unwavering commitment to excellence and innovation will continue to be the foundation of our strategy. Our primary focus for the remainder of the financial year ending June 30, 2025, will be on driving sales growth, which is expected to significantly enhance the Company's profitability. Additionally, we are dedicated to addressing liquidity challenges by ensuring adequate working capital to support our operations.

ACKNOWLEDGEMENT

We formally express our sincere appreciation for the dedication and hard work of our executives, officers, staff, and workers, whose contributions have been instrumental in achieving the Company's strong performance. We also recognize the valuable contributions and active involvement of the Board Committee members in guiding and supporting management on key strategic matters. Additionally, the Board extends its gratitude to our banking partners, customers, and suppliers for their unwavering support and commitment to the Company.

On behalf of the Board of Directors,



(LT. GEN. ALI KULI KHAN KHATTAK (RETD.)
DIRECTOR



(SHAHNAZ SAJJAD AHMAD)
CHIEF EXECUTIVE OFFICER

February 18, 2025

ڈائریکٹرز رپورٹ

بنوں ولن ملز لمیٹڈ کے بورڈ آف ڈائریکٹرز کی جانب سے ہم انتہائی مسرت کے ساتھ ادارے کی 31 دسمبر 2024 کو اختتام پزیر ہونے والی ششماہی کے مالیاتی نتائج آپ کے سامنے پیش کرتے ہیں۔ جس کا قانونی آڈیٹرز کے ذریعے جائزہ لیا گیا ہے۔

مالیاتی کارکردگی:

دوسری سہ ماہی کے دوران، کمپنی کو خالص فروخت کی مد میں پچھلے سال کے مقابلے 8.85% کمی ہوئی جو کہ 525.54 ملین روپے ہے۔ فروخت میں کمی کے باوجود، مجموعی منافع میں 12% فیصد اضافہ ہوا جو کہ گزشتہ سال کے مقابلے اسی سہ ماہی میں 16.60 ملین روپے تھا۔ تقسیم انتظامی اور دیگر اخراجات میں موجودہ سال کی اس سہ ماہی میں 2.08 فیصد کمی واقع ہوئی ہے جو لاگت کی اصلاح اور آپریشنل کارکردگی پر کمپنی کی توجہ کو ظاہر کرتی ہے۔ دوسری سہ ماہی میں ٹیکس سے قبل خالص منافع کم ہو کر 168.321 ملین روپے رہ گیا جو گزشتہ سال کی اسی سہ ماہی میں 399.257 ملین روپے تھا۔ یہ کمی بنیادی طور پر 107.002 ملین روپے کے شیئرز کے نقصان کی وجہ سے ہوئی اور متعلقہ کمپنیوں کی کارکردگی کا نقصان جو کہ 189.704 ملین روپے (31 دسمبر، 2023: 13.820 ملین روپے) کا نقصان اور impairment Loss 337.512 ملین روپے) ہے۔ نتیجتاً ٹیکس کے بعد کا خالص منافع 65 فیصد کمی کے ساتھ 129.315 ملین روپے ہے، یہ فی ہصص آمدنی کا 13.60 روپے ہے جو پچھلے سال کی اسی سہ ماہی میں 39.07 روپے تھا۔

زیر جائزہ چھ ماہ کی مدت کے مالی نتائج کا خلاصہ ذیل میں دیا گیا ہے:

مالی نتائج:

نصف سال کا اختتام

31 دسمبر 2023 31 دسمبر 2024

(روپے ہزاروں میں)

846,837	769,994	خالص فروخت
257,110	191,423	مجموعی منافع
163,153	104,142	منافع کارکردگی
199,230	376,618	ٹیکس سے پہلے منافع
150,419	346,345	منافع بعد از ٹیکس
15.82	36.43	آمدنی فی ہصص (روپے)

زیر جائزہ مدت کے دوران، کمپنی کے مجموعی کاروبار میں 76.843 ملین روپے کا اضافہ ہوا، جبکہ گزشتہ سال اسی مدت میں 10 فی صد اضافہ کو ظاہر کرتا ہے۔ یہ اضافہ بنیادی طور پر کمپنی کی مصنوعات کی بڑھتی ہوئی مانگ کی وجہ سے ہوا، جس کی وجہ سے کلیدی ڈیمینڈ کی جانب سے آرڈرز کی مقدار میں اضافہ ہوا، جس نے خالص کاروبار میں مجموعی ترقی میں نمایاں کردار ادا کیا۔

مجموعی منافع کا مارجن پچھلے سال کی اسی سہ ماہی کے مقابلے میں بنیادی طور پر کم لاگت کی وجہ سے 24.86% سے بڑھ کر 30.36% ہو گیا۔ EPS میں کمی کی وجہ بنیادی طور پر ایسوسی ایٹڈ کمپنی کی طرف سے خرابی کے نقصان کو کم کرنے کی وجہ سے منسوب ہے۔

پالیسی ریٹ میں کمی نے کمپنی کی مالی کارکردگی پر مثبت اثر ڈالا ہے جس کی وجہ سے مالیاتی لاگت میں رواں سال 46.625 ملین روپے کمی ہوئی جو گزشتہ سال اسی مدت کے دوران 50.847 ملین روپے تھا جو کہ 8.30 فیصد کمی کو ظاہر کرتا ہے۔

کمپنی کو رواں سال 393,257 میٹر کپڑے کی پیداوار میں کمی کا سامنا کرنا پڑا جو کہ گزشتہ سال اسی مدت میں 652,472 میٹر تھی، یہ کمی گزشتہ سال کے مقابلے پیداواری تبدیلیوں میں کمی کی وجہ سے ہوئی۔

مستقبل کے نقطہ نظر سے:

مالی سال 2025 کی پہلی ششماہی میں پاکستان کی معیشت میں استحکام کے آثار نظر آتے ہیں، افراط زر گزشتہ سال کی اسی مدت میں 28.8 فیصد سے کم ہو کر 7.2 فی صد رہ گیا ہے۔ اس بہتری کی وجہ موٹر میکر و اکنا مک مینجمنٹ اور نارنگلہ حکومتی پالیسیاں ہیں۔ زرعی شعبے نے مالی سال 2024 میں 6.2 فیصد کی ترقی کا تجربہ کیا، جس میں سرمایہ کاری میں اضافہ اور سازگار موسمی حالات کی وجہ سے مدد ملی۔ مزید برآں براہ راست غیر ملکی سرمایہ کاری میں 20 فیصد اضافہ ہوا ہے۔ جو پاکستان کی اقتصادی رفتار پر نئے اعتماد کی عکاسی کرتا ہے۔ تاہم چینلجز بدستور برقرار ہیں جن میں پائیدار ترقی کو یقینی بنانے کے لئے مسلسل ساختی اصلاحات اور مالیاتی نظم و ضبط کی ضرورت شامل ہے۔

جیسا کہ مینجمنٹ مارکیٹ کے ایک ابھرتے ہوئے منظر نامے کو نیویگیٹ کرتی ہے، فضیلت اور اختراع کے لئے ہماری غیر متزلزل وابستگی ہماری حکمت عملی کی بنیاد بنے گی۔ 30 جون 2025 کو ختم ہونے والے مالی سال کے بقیہ حصے کے لئے ہماری بنیادی توجہ فروخت میں اضافے پر ہوگی، جس سے کمپنی کے منافع میں نمایاں اضافہ متوقع ہے۔ مزید برآں، ہم اپنے کاموں کو سپورٹ کرنے کے لئے مناسب ورکنگ کپینٹل کو یقینی بنا کر لیکوئیڈیٹی چینلجز سے نمٹنے کے لئے وقف ہیں۔

اعتراف:

ہم باضابطہ طور پر اپنے ایگزیکٹوز، افسران، عملہ اور کارکنوں کی لگن اور محنت کے لئے اپنی مخلصانہ تعریف کا ظہار کرتے ہیں جن کی شراکت کمپنی کی مضبوط کارکردگی کو حاصل کرنے میں اہم رہی ہے۔ ہم کلیدی اسٹریٹجک معاملات پر انتظامیہ کی رہنمائی اور معاونت میں بورڈ کمیٹی کے اراکین کی قابل قدر شراکت اور فعال شمولیت کو بھی تسلیم کرتے ہیں۔ مزید برآں، بورڈ ہمارے بینکنگ شراکت داروں، صارفین اور سپلائرز کا کمپنی کے ساتھ ان کی غیر متزلزل حمایت اور وابستگی کے لئے شکریہ ادا کرتا ہے۔

کمپنی کے بورڈ آف ڈائریکٹرز کی جانب سے



لیفٹیننٹ جنرل علی قلی خان خٹک (ریٹائرڈ)
ڈائریکٹر



شہناز سجاد احمد
چیف ایگزیکٹو ڈائریکٹر

تاریخ: 18 فروری، 2025

**Independent Auditors' Review Report to the Members of
Bannu woollen Mills Limited**

To the Members of Bannu Woollen Mills Limited

Report on Review of Condensed Interim Financial Statements

Introduction

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

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

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 accounting and reporting standards as applicable in Pakistan for interim financial reporting.

The engagement partner on the review resulting in this independent auditors' review report is Osman Hameed Chaudhri.

LAHORE; FEBRUARY 18, 2025
UDIN: RR202410104VkrXsj43W

Shinewing Hameed Chaudhri & Co.
SHINEWING HAMEED CHAUDHRI & CO.,
CHARTERED ACCOUNTANTS

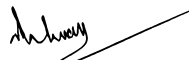
Condensed Interim Statement of Financial Position as at December 31, 2024

		Dec. 31, 2024	June 30, 2024
	Note	Un-audited --- Rupees in '000 ---	Audited
Assets			
Non-current assets			
Property, plant and equipment	5	1,564,045	1,569,223
Intangible assets		184	104
Investments in an Associated Company	6	1,232,647	1,149,945
Security deposits		<u>3,794</u>	<u>3,794</u>
		2,800,670	2,723,066
Current assets			
Stores and spares		<u>149,982</u>	150,813
Stock-in-trade		<u>616,552</u>	815,116
Trade debts	7	<u>288,812</u>	126,126
Advances to employees - unsecured, considered good		<u>16,798</u>	22,125
Advance payments		<u>27,752</u>	16,208
Prepayments and other receivables		<u>25,512</u>	2,011
Sales tax refundable		<u>3,742</u>	16,110
Income tax refundable, advance tax and tax deducted at source		<u>11,086</u>	15,381
Cash and bank balances		<u>30,945</u>	4,306
		1,171,181	1,168,196
		3,971,851	3,891,262
Total assets			
Equity and liabilities			
Share capital and reserves			
Authorised capital		<u>200,000</u>	200,000
Issued, subscribed and paid-up capital		<u>95,063</u>	95,063
Capital reserves			
- share premium		19,445	19,445
- revaluation surplus on property, plant and equipment	8	2,739,467	2,743,515
Revenue reserves			
- general reserve		154,055	154,055
- unappropriated profit		<u>275,432</u>	120,965
		3,283,462	3,133,043
Shareholders' equity			
Liabilities			
Non-current liabilities			
Lease liabilities		<u>6,385</u>	4,096
Staff retirement benefits - gratuity		<u>156,261</u>	146,585
Deferred taxation		<u>81,305</u>	52,570
		243,951	203,251
Current liabilities			
Trade and other payables	9	<u>124,839</u>	99,997
Contract liabilities		<u>4,533</u>	6,882
Unpaid dividends		<u>3,452</u>	3,452
Unclaimed dividends		<u>4,746</u>	4,746
Accrued mark-up		<u>20,261</u>	22,588
Short term finances		<u>255,120</u>	396,799
Current portion of lease liabilities		<u>10,682</u>	8,622
Provision for tax levies & income taxes	10	<u>20,805</u>	11,882
		444,438	554,968
		688,389	758,219
Total liabilities			
Contingencies and commitments			
	11	<u>3,971,851</u>	<u>3,891,262</u>
Total equity and liabilities			

The annexed notes 1 to 18 form an integral part of these condensed interim financial statements.



Shahnaz Sajjad Ahmad
Chief Executive



Abdul Rehman Qureshi
Director



Kalim Aslam
Chief Financial Officer

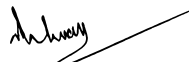
**Condensed Interim Statement of Profit or Loss & Other
Comprehensive Income (Un-audited)
For the Quarter and Six Months Period Ended December 31, 2024**

	Note	Quarter ended		Six months period ended	
		Dec. 31, 2024	Dec. 31, 2023	Dec. 31, 2024	Dec. 31, 2023
----- Rupees in '000 -----					
Sales - net	12	525,544	576,188	846,837	769,994
Cost of sales	13	(368,631)	(435,877)	(589,727)	(578,571)
Gross profit		156,913	140,311	257,110	191,423
Distribution cost		(7,465)	(9,422)	(15,575)	(17,686)
Administrative expenses		(39,265)	(39,753)	(76,497)	(77,793)
Other income		6,271	11,542	8,460	13,046
Other expenses		(10,345)	(4,848)	(10,345)	(4,848)
Profit from operations		106,109	97,830	163,153	104,142
Finance cost		(20,490)	(21,896)	(46,625)	(50,847)
		85,619	75,934	116,528	53,295
Share of loss of an Associated Company	6	(107,002)	(13,820)	(107,002)	(13,820)
Impairment loss on investments in an Associated Company reversed	6	189,704	337,143	189,704	337,143
		82,702	323,323	82,702	323,323
Profit before revenue taxes and income taxes		168,321	399,257	199,230	376,618
Income tax	14	(39,006)	(27,863)	(48,811)	(30,273)
Profit after taxation		129,315	371,394	150,419	346,345
Other comprehensive income		-	-	-	-
Total comprehensive income for the period		129,315	371,394	150,419	346,345
----- Rupees -----					
Earnings per share		13.60	39.07	15.82	36.43

The annexed notes 1 to 18 form an integral part of these condensed interim financial statements.



Shahnaz Sajjad Ahmad
Chief Executive



Abdul Rehman Qureshi
Director



Kalim Aslam
Chief Financial Officer

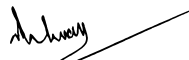
Condensed Interim Statement of Cash Flows (Un-audited)
For the Six Months Period Ended December 31, 2024

	<u>Six months period ended</u>	
	<u>Dec. 31,</u> <u>2024</u>	<u>Dec. 31,</u> <u>2023</u>
	- - - Rupees in '000 - - -	
Cash flows from operating activities		
Profit for the period - before taxation and share of loss on investments in an Associated Company	116,528	53,295
Adjustments for non-cash charges and other items:		
Depreciation on property, plant and equipment	11,419	11,964
Depreciation on right of use assets	4,059	4,484
Amortisation	31	285
Provision for impairment of trade debts	147	130
Staff retirement benefits - gratuity (net)	9,676	13,869
Mark-up on bank deposits and dealers' balances	(1,164)	(12,553)
Finance cost	46,625	50,847
Workers' welfare fund	2,437	1,186
Gain on sale of operating fixed assets	(6,946)	-
Profit before working capital changes	182,812	123,507
Effect on cash flows due to working capital changes		
(Increase) / decrease in current assets		
Stores and spares	831	(17,617)
Stock-in-trade	198,564	85,744
Trade debts	(162,833)	(132,265)
Advances	5,327	9,363
Advance payments	(11,544)	29,584
Prepayments and other receivables	(23,501)	(3,257)
Sales tax refundable	12,368	-
Trade and other payables and contract liabilities	20,056	35,561
	39,268	7,113
Cash generated from operations	222,080	130,620
Taxes paid	(6,858)	(8,675)
Net cash generated from operating activities	215,222	121,945
Cash flows from investing activities		
Fixed capital expenditure	(4,005)	(1,447)
Proceeds from sale of fixed assets	8,511	-
Mark-up received on bank deposits and dealers' balances	1,164	12,553
Net cash generated from investing activities	5,670	11,106
Cash flows from financing activities		
Lease rentals paid	(4,942)	(4,504)
Short term finances - net	(141,679)	(129,056)
Finance cost paid	(47,632)	(49,715)
Net cash used in financing activities	(194,253)	(183,275)
Net increase / (decrease) in cash and cash equivalents	26,639	(50,224)
Cash and cash equivalents - at beginning of the period	4,306	55,186
Cash and cash equivalents - at end of the period	30,945	4,962

The annexed notes 1 to 18 form an integral part of these condensed interim financial statements.



Shahnaz Sajjad Ahmad
Chief Executive



Abdul Rehman Qureshi
Director



Kalim Aslam
Chief Financial Officer

Condensed Interim Statement of Changes in Equity (Un-audited)
For the Six Months Period Ended December 31, 2024

Share capital	Capital Reserves		Revenue Reserves		Total
	Share premium	Revaluation surplus on property, plant and equipment	General	(Accumulated loss)/ unappropriated profit	

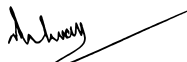
----- Rupees in '000 -----

Balance as at June 30, 2024 (audited)	95,063	19,445	2,743,515	154,055	120,965	3,133,043
Total comprehensive income for the period of six months ended December 31, 2024	-	-	-	-	150,419	150,419
Revaluation surplus on property, plant and equipment realised during the period on account of incremental depreciation (net of deferred taxation)	-	-	(4,048)	-	4,048	-
Balance as at December 31, 2024 (un-audited)	95,063	19,445	2,739,467	154,055	275,432	3,283,462
Balance as at June 30, 2023 - (audited)	95,063	19,445	2,766,738	154,055	(191,670)	2,843,631
Total comprehensive income for the period of six months ended December 31, 2023	-	-	-	-	346,345	346,345
Revaluation surplus on property, plant and equipment realised during the period on account of incremental depreciation (net of deferred taxation)	-	-	(3,339)	-	3,339	-
Balance as at December 31, 2023 (un-audited)	95,063	19,445	2,763,399	154,055	158,014	3,189,976

The annexed notes 1 to 18 form an integral part of these condensed interim financial statements.



Shahnaz Sajjad Ahmad
Chief Executive



Abdul Rehman Qureshi
Director



Kalim Aslam
Chief Financial Officer

**Notes to the Condensed Interim Financial Statements (Un-audited)
For the Six Months Period Ended December 31, 2024**

1. Legal status and operations

Bannu Woollen Mills Ltd. (the Company) was incorporated in Pakistan as a Public Company in the year 1960 under the Companies Act, 1913 (now the Companies Act, 2017) and its shares are quoted on Pakistan Stock Exchange Ltd. The Company is principally engaged in manufacture and sale of woollen yarn, cloth and blankets. The Company's registered office and mills are located at D.I. Khan Road, Bannu whereas the retail outlet is located at Raja Bazar, Rawalpindi.

2. Basis of preparation

2.1 Statement of compliance

These condensed interim financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting. The accounting and reporting standards as applicable in Pakistan for interim financial reporting comprise of:

- International Accounting Standard (IAS) 34, "Interim financial reporting", 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 the provisions of and directives issued under the Companies Act, 2017 differ with the requirements of IAS 34, the provisions of and directives issued under the Companies Act, 2017 have been followed.

2.2 These condensed interim financial statements do not include all of the information required for annual financial statements and should be read in conjunction with the annual audited financial statements of the Company as at and for the year ended June 30, 2024. Selected explanatory notes are included to explain events and transactions that are significant to the understanding of the changes in the Company's financial position and performance since the last annual audited financial statements.

2.3 These condensed interim financial statements are un-audited and are being submitted to the members as required by section 237 of the Companies Act, 2017. The figures for the six months period ended December 31, 2024 have, however, been subjected to limited scope review by the external Auditors.

2.4 Basis of measurement

These condensed interim financial statements have been prepared under the historical cost convention except for the Company's liability under defined benefit plan (gratuity), which is determined on the present value of defined benefit obligations determined by an independent actuary and property, plant and equipment at revalued amounts assessed by an independent valuer.

2.5 Functional and presentation currency

These condensed interim financial statements are presented in Pak Rupees, which

is also the Company's functional currency. All amounts have been rounded to the nearest thousand, unless otherwise stated.

2.6 Material accounting policies

The accounting policies adopted for the preparation of these condensed interim financial statements are the same as those applied in the preparation of audited financial statements of the Company as at and for the year ended June 30, 2024.

3. Changes In Accounting Standards, Interpretations And Amendments To Published Approved Accounting Standards

3.1 Standards, interpretations and amendments to published approved accounting standards that are effective

There are certain amendments and interpretations to the accounting and reporting standards which are mandatory for the Company's annual accounting periods which began on July 01, 2024. However, these do not have any significant impact on the Company's financial reporting.

3.2 Standards, interpretations and amendments to published approved accounting standards that are not yet effective

There are certain amendments and interpretations to the accounting and reporting standards that will be mandatory for the Company's annual accounting periods beginning on or after July 01, 2025. However, these will not have any material impact on the Company's financial reporting and, therefore, have not been disclosed in these condensed interim financial statements.

4. Accounting estimates and judgements

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

4.2 In preparing these condensed interim financial statements, the significant judgements made by management in applying the Company's accounting policies and the key sources of estimation uncertainty were the same as those applied to the financial statements for the year ended June 30, 2024.

5. Property, plant and equipment

		Un-audited Dec. 31, 2024	Audited June 30, 2024
	Note	--- Rupees in '000 ---	
Operating fixed assets	5.1	1,552,665	1,546,281
Capital work-in-progress		-	15,474
Right of use assets	5.2	11,380	7,468
		1,564,045	1,569,223

	Note	Un-audited Dec. 31, 2024	Audited June 30, 2024
		- - - Rupees in '000 - - -	
5.1 Operating fixed assets			
Book value as at June 30, 2024		1,546,281	
Additions during the period:			
- plant and machinery		19,368	
Less: book value of disposals made during the period			
- plant and machinery		(1,233)	
- vehicles		(332)	
		(1,565)	
Depreciation charge for the period		(11,419)	
Book value as at December 31, 2024		<u><u>1,552,665</u></u>	
5.2 Right of use assets			
Book value as at June 30, 2024		7,468	
Additions during the period		7,691	
Impact of modification		280	
Depreciation charge for the period		(4,059)	
Book value as at December 31, 2024		<u><u>11,380</u></u>	
6. Investments in an Associated Company - Quoted			
Janana De Malucho Textile Mills Ltd. (JDM)			
Opening carrying value of investment before recognition of impairment loss			1,831,258
Shareholding held: 25.24%			
Loss for the period - net of taxation			(107,002)
			<u>1,724,256</u>
Less: impairment loss:			
- balance as at June 30, 2024			(681,313)
- loss recognised during the period	6.2		189,704
			(491,609)
Carrying value as at December 31, 2024			<u><u>1,232,647</u></u>
6.1 Market value of the Company's investments in JDM as at December 31, 2024 was Rs.103.014 million (June 30, 2024: Rs.94.500 million).			
6.2 The value of investments in JDM as at Dec 31, 2024 and June 30, 2024 is based on independent valuation carried-out by M/s. Reanda Haroon Zakaria Aamir Salman Rizwan, Chartered Accountants - a QCR rated firm, having office at 275, Block H1, M.A. Johar Town, Lahore, engaged by the management. The Company has used Market Value of Net Assets Approach to calculate the Value in Use under IAS-36. These calculations have been made on discounted cash flow based valuation methodology.			

	Un-audited	Audited
	Dec. 31,	June 30,
	2024	2024
	--- Rupees in '000 ---	
7. Trade debts - unsecured		
Considered good	273,895	125,963
Considered doubtful	36,875	21,974
	310,770	147,937
Less: allowance for expected credit loss	(21,958)	(21,811)
	288,812	126,126
7.1 Allowance for expected credit loss		
Balance at beginning of the period / year	21,811	21,568
Charge for the period / year	147	243
Balance at end of the period / year	21,958	21,811
8. Surplus on revaluation of property, plant and equipment- net		
Surplus on revaluation of the Company's property, plant and equipment	1,277,696	1,281,744
Share of surplus on revaluation of property, plant and equipment of an Associated Company	1,461,771	1,461,771
	2,739,467	2,743,515
9. Trade and other payables		
Creditors	5,594	4,100
Security deposits - interest free, repayable on demand	11,200	11,200
Accrued expenses	88,659	74,992
Due to Waqf-e-Kuli Khan	4,903	3,674
Tax deducted at source	54	1
Staff retirement benefits (gratuity) due but unpaid	1,272	1,272
Workers' (profit) participation fund	6,333	2
Workers' welfare fund	6,489	4,052
Others	335	704
	124,839	99,997
10. Provision for Income tax and levies- net		
Balance as at June 30, 2024	11,882	
Add: provision made during the period		
- current period	20,076	
- prior year	-	
Less: payments / adjustments made during the period against completed assessment	11,153	
Balance as at December 31, 2024	20,805	

10.1 Income tax assessments of the Company have been completed upto the tax year 2024 i.e. accounting year ended June 30, 2024.

10.2 There has been no significant change in status of taxation matters during the current period as detailed in notes 21.2 to 21.8 to the audited financial statements of the Company for the year ended June 30, 2024 except for the following:

Tax has been charged under sections 161/205 of the Income Tax Ordinance, 2001 for the tax year 2017 at Rs.119.504 million against which an appeal was filed with the Commissioner Inland Revenue (Appeals), who decided the appeal and remanded back the case to the Assessing Officer for reconsideration of the facts of the case.

10.3 Income tax expense is recognised in each interim period based on best estimate. Amounts accrued for income tax expense in one interim period may have to be adjusted in a subsequent interim period of that financial year if the estimate changes.

11. Contingencies and commitments

11.1 There has been no significant change in the status of contingencies during the current period as reported in the audited financial statements of the Company for the year ended June 30, 2024.

11.2 Commitments against letter of credit outstanding as at December 31, 2024 amounted to Rs.18.247 million (June 30, 2024: Rs.50.453 million).

	Quarter ended		Six months period ended	
	Dec. 31, 2024	Dec. 31, 2023	Dec. 31, 2024	Dec. 31, 2023
12. Sales - net				
Own manufactured:	----- Rupees in '000 -----			
Fabrics and blankets	625,468	681,121	1,006,284	910,637
Processing charges	-	856	-	1,074
	625,468	681,977	1,006,284	911,711
Less:				
Sales tax	97,712	104,629	157,235	140,557
Trade discount	2,212	1,160	2,212	1,160
	99,924	105,789	159,447	141,717
	525,544	576,188	846,837	769,994
13. Cost of sales				
Raw materials consumed	83,438	177,770	171,020	243,184
Salaries, wages and benefits	79,720	71,240	151,109	143,731
Power and fuel	22,461	35,302	46,927	61,824
Stores and spares consumed	6,947	8,612	12,381	16,783
Repair and maintenance	16,397	7,260	22,301	12,743
Depreciation	3,925	3,878	7,734	7,755
Insurance	4,572	1,391	5,963	2,782
Others	919	421	1,423	838
	218,379	305,874	418,858	489,640

	Quarter ended		Six months period ended	
	Dec. 31, 2024	Dec. 31, 2023	Dec. 31, 2024	Dec. 31, 2023
----- Rupees in '000 -----				
Adjustment of work-in-process				
Opening	113,245	60,079	67,002	59,527
Closing	(133,103)	(75,458)	(133,103)	(75,458)
	(19,858)	(15,379)	(66,101)	(15,931)
Cost of goods manufactured	198,521	290,495	352,757	473,709
Adjustment of finished goods				
Opening stock	590,227	575,371	657,087	534,851
Closing stock	(420,117)	(429,989)	(420,117)	(429,989)
	170,110	145,382	236,970	104,862
	368,631	435,877	589,727	578,571

14. Income taxation

- current (note 11)	20,076	16,848
- prior year (note 11)	-	1,471
- deferred	28,735	11,954
	48,811	30,273

15. Transactions with related parties

15.1 Significant transactions with related parties during the period were as follows:

i) Associated Companies

Expenses shared	1,887	2,929
Rent of marketing office	3,350	3,045

ii) Key management personnel

Salary and other employment benefits	50,581	49,842
--------------------------------------	---------------	--------

15.2 Period-end balance was as follows:

Payable to Gammon Pakistan Ltd.	-	1,523
---------------------------------	---	-------

16. Financial risk management

16.1 Financial risk factors

The Company's activities expose it to a variety of financial risks: market risk (including currency risk, fair value interest rate risk, cash flow interest rate risk and price risk), credit risk and liquidity risk.

The condensed interim financial statements do not include all financial risk

management information and disclosures required in the annual financial statements, and should be read in conjunction with the Company's financial statements as at and for the year ended June 30, 2024.

There have been no changes in the risk management department or in any risk management policies since the year ended June 30, 2024.

16.2 Fair value estimation

During the period, there were no significant changes in the business or economic circumstances that affect the fair value of the Company's financial assets and financial liabilities. Further, there were no reclassifications of financial assets.

17. Corresponding figures

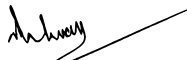
The comparative condensed interim statement of financial position presented in these condensed interim financial statements has been extracted from the audited financial statements of the Company for the year ended June 30, 2024, whereas the comparative condensed interim statement of profit or loss & other comprehensive income, condensed interim statement of changes in equity and condensed interim statement of cash flows have been extracted from the un-audited condensed interim financial statements for the period ended December 31, 2023.

18. Date of authorisation for issue

These condensed interim financial statements were approved and authorised for issue by the Board of Directors of the Company on February 18, 2025.



Shahnaz Sajjad Ahmad
Chief Executive



Abdul Rehman Qureshi
Director



Kalim Aslam
Chief Financial Officer

If undelivered please return to
Share Department
BANNU WOOLLEN MILLS LIMITED
D.I. Khan Road, BANNU
Phone # 0928-612274
Email: bannuwollen@yahoo.com