

INTERLOOP

HALF YEAR REPORT
FOR THE PERIOD ENDED
DECEMBER 31, **2024**

**FULL FAMILY CLOTHING
PARTNER OF CHOICE**



OUR MISSION

To be an agent of **positive change** for the stakeholders and community by pursuing an **ethical** and **sustainable** business.

TABEL OF CONTENTS

Company Information	02
Directors' Review Report	04
ڈائریکٹران کی جائزہ رپورٹ	11

Unconsolidated Condensed Interim Financial Statements

Independent Auditors' Review Report to the Members	13
Unconsolidated Condensed Interim Statement of Financial Position	14
Unconsolidated Condensed Interim Statement of Profit or Loss	16
Unconsolidated Condensed Interim Statement of Comprehensive Income	17
Unconsolidated Condensed Interim Statement of Changes in Equity	18
Unconsolidated Condensed Interim Statement of Cash Flows	19
Notes to the Unconsolidated Condensed Interim Financial Statements	21

Consolidated Condensed Interim Financial Statements

Independent Auditors' Review Report to the Members	35
Consolidated Condensed Interim Statement of Financial Position	36
Consolidated Condensed Interim Statement of Profit or Loss	38
Consolidated Condensed Interim Statement of Comprehensive Income	39
Consolidated Condensed Interim Statement of Changes in Equity	40
Consolidated Condensed Interim Statement of Cash Flows	41
Notes to the Consolidated Condensed Interim Financial Statements	43

COMPANY INFORMATION

BOARD OF DIRECTORS

MUSADAQ ZULQARNAIN

Chairperson / Non-Executive Director

NAVID FAZIL

Chief Executive Officer / Executive Director

MUHAMMAD MAQSOOD

Executive Director / Group CFO

FARWA HASNAIN

Independent Director

FATIMA ASAD KHAN

Independent Director

ROMANA ABDULLAH

Independent Director

TARIQ IQBAL KHAN

Independent Director

FARYAL SADIQ

Executive Director

JAHAN ZEB KHAN BANTH

Non-Executive Director

CHIEF FINANCIAL OFFICER

MUHAMMAD MAQSOOD

COMPANY SECRETARY

RANA ALI RAZA

HEAD OF INTERNAL AUDIT

JAMSHAD IQBAL

CHIEF INFORMATION OFFICER

MUHAMMAD YAQUB AHSAN BHATTI

LEGAL ADVISOR

HAIDERMOTA & CO.

AUDITORS

KRESTON HYDER BHIMJI & CO.

Chartered Accountants

AUDIT COMMITTEE

TARIQ IQBAL KHAN

Chairperson

ROMANA ABDULLAH

Member

JAHAN ZEB KHAN BANTH

Member

HUMAN RESOURCE & REMUNERATION COMMITTEE

FATIMA ASAD KHAN

Chairperson

NAVID FAZIL

Member

FARWA HASNAIN

Member

FARYAL SADIQ

Member

JAHAN ZEB KHAN BANTH

Member

NOMINATION COMMITTEE

MUSADAQ ZULQARNAIN

Chairperson

NAVID FAZIL

Member

MUHAMMAD MAQSOOD

Member

RISK MANAGEMENT COMMITTEE

TARIQ IQBAL KHAN

Chairperson

MUHAMMAD MAQSOOD

Member

FATIMA ASAD KHAN

Member

ROMANA ABDULLAH

Member

ENVIRONMENTAL, SOCIAL & GOVERNANCE COMMITTEE

NAVID FAZIL

Chairperson

FARWA HASNAIN

Member

FARYAL SADIQ

Member

SHARE REGISTRAR / TRANSFER AGENT

CDC SHARE REGISTRAR SERVICES LIMITED

KARACHI OFFICE:

Share Registrar Department
CDC House, 99-B, Block B,
S.H.C.H.S, Main Shahra-e-Faisal,
Karachi – 74400
Tel: (92-21) 111-111-500
Fax: (92-21) 34326031

LAHORE OFFICE:

Mezzanine Floor,
South Tower, LSE Plaza,
19-Khayaban-e-Aiwan-e-Iqbal, Lahore.
Tel: (92-42) – 36362061-66

BANKERS

Allied Bank Limited
Bank Alfalah Limited
Faysal Bank Limited
Habib Bank Limited
Habib Metropolitan Bank Limited
MCB Bank Limited
MCB Islamic Bank Limited
Meezan Bank Limited
National Bank of Pakistan
Standard Chartered Bank Pak Limited
The Bank of Punjab
United Bank Limited

E- COMMUNICATION

Website: www.interloop-pk.com
LinkedIn: Interloop Limited

Twitter: @InterloopLtd
Instagram: interlooplimited
YouTube: Interloop Limited

REGISTERED OFFICE

Interloop Limited
Al-Sadiq Plaza, P-157,
Railway Road, Faisalabad, Pakistan
Phone: (92-41) 2619724
Fax: (92-41) 2639400
Email : info@interloop.com.pk
Website: www.interloop-pk.com

CORPORATE OFFICE

INTERLOOP LIMITED

1 KM, Khurrianwala- Jaranwala Road,
Khurrianwala, Faisalabad, Pakistan
Phone: (92-41) 4360400
Fax: (92-41) 2428704

PLANT LOCATIONS

HOSIERY PLANT 1

1 KM, Khurrianwala-Jaranwala Road,
Khurrianwala, Faisalabad, Pakistan.

HOSIERY PLANT 2 & 4

7 KM, Khurrianwala-Jaranwala Road,
Khurrianwala, Faisalabad, Pakistan.

HOSIERY PLANT 3 & DENIM PLANT

8 KM, Manga-Raiwind Road, Distt. Kasur,
Lahore, Pakistan.

APPAREL PLANT 1

117 / J.B near Paharang Nala, Millat Road,
Dhanola, Faisalabad, Pakistan

HOSIERY PLANT 5 & 6

APPAREL PLANT 2
6 KM, By Pass Road, Khurrianwala,
Faisalabad, Pakistan.

DIRECTORS' REVIEW REPORT

For the Half Year Ended December 31, 2024

"The Board of Directors of Interloop Limited (Interloop or the Company) is pleased to present financial results of the Company duly reviewed by the statutory auditors, for the half year ended December 31, 2024."

ECONOMIC AND INDUSTRIAL REVIEW

Pakistan's economy is demonstrating signs of resilience, with projections indicating a modest recovery in the latter half of fiscal year 2025 (FY2025). The International Monetary Fund (IMF) has revised its GDP growth forecast for Pakistan to 3%, down from the earlier projection of 3.2% for the fiscal year ending June 2025. This adjustment reflects challenges such as a decline in industrial output and lower yields of major crops, which have contributed to a modest GDP growth of 0.92% in the first quarter of FY2025. However, the IMF anticipates that economic recovery will gain momentum from the second quarter onwards, with a projected real value-added growth of 3.0% for FY2025.

Prudent external accounts management and increased inflows have improved key macro indicators. The trade deficit for 1HFY'25 remained stable at USD 11.2 billion on a year on year (YoY) basis, with exports growing by 10.5% to USD 16.6 billion and imports rising by 6.1% to USD 27.7 billion. This coupled with healthy remittance inflows of USD 17.8 billion, up 32.8% YoY during 1HFY'25, supported the current account balance to post a surplus of USD 1.2 billion during 1HFY'25, compared to a deficit of USD 1.4 billion in the same period of last year. Inflation eased to 7.2% in 1HFY'25, down from 28.8% in 1HFY'24, allowing the SBP to cut the policy rate by 850 basis points to 12%. The PKR also remained stable against USD providing positive support to the central bank's foreign exchange reserves, which surged by USD 2.4 billion to USD 11.7 billion by end of December 2024.

Textile and apparel exports reported a notable recovery during 1HFY'25, increasing by 9.7% YoY to USD 9.1 billion. The growth was primarily driven by value-added segments, with knitwear and readymade garments rising by 16.5% and 22.5% YoY, respectively. While the textile sector demonstrated resilience, it faced significant challenges due to a marked decline in domestic cotton production. Cotton arrivals have contracted sharply by 33% on YoY basis reaching 5.5 million bales by December 2024. This shortfall poses a threat to both near-term productivity and long-term growth prospects, necessitating increased reliance on imported cotton to meet the supply gap.

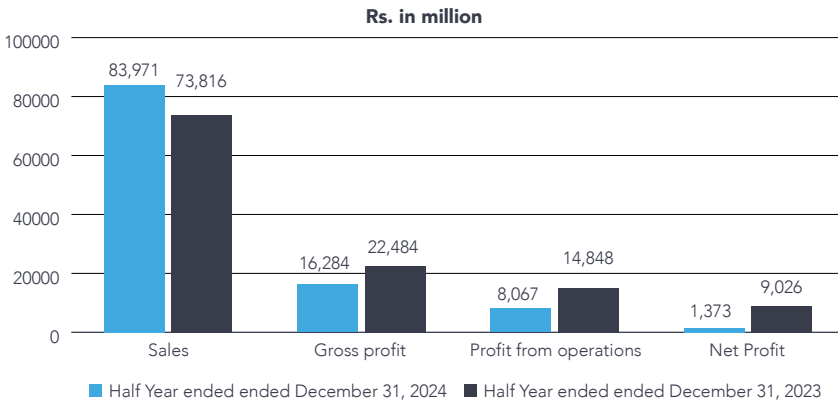
UNCONSOLIDATED FINANCIAL AND OPERATIONAL PERFORMANCE

During 1HFY'25 the Company recorded a healthy growth of 13.8% in revenue, increasing from Rs. 73,816 million in 1HFY'24 to Rs. 83,971 million. However, the cost of sales increased substantially by outpacing revenue growth and resulting in a lower gross profit of Rs. 16,284 million, primarily due to higher input costs and the gestation period in the Apparel master project. This pressure on gross profit translated to 45.7% decline in operating profit. Consequently, profit after taxation plummeted by 84.8% to Rs. 1,373 million, compared to Rs. 9,026 million in corresponding years. The reduced profit after tax is reflected in a drop in EPS from Rs. 6.44 per share to Rs. 0.98 per share.

The second quarter of fiscal year 2025 (Q2FY'25) demonstrated signs of recovery in profitability. The cost optimization measures and improved utilization resulted in improvement in gross profit margin by 9.9%, while the net profit margin increased to 2.7% in Q2FY'25 compared to 0.5% in Q1FY'25. The turnaround in trajectory is reflected in improved financial performance, earnings per share (basic and diluted) increased by 4.2x to Rs. 0.82 per share from Rs 0.16 per share. This improvement in EPS underscores the company's efforts towards its strategic objectives and its commitment to delivering shareholder value.

The summarized un-consolidated financial results for the half year ended December 31, 2024 as against December 31, 2023, are as follows:

	Half Year ended December 31		
	2024	2023	Variance
	Rs. in million		%
Sales – Net	83,971	73,816	13.8%
Gross Profit	16,284	22,484	-27.6%
Profit from Operations	8,067	14,848	-45.7%
Net Profit	1,373	9,026	-84.8%
Gross Profit Ratio	19.4%	30.5%	-36.3%
Net Profit Ratio	1.6%	12.2%	-86.6%
Earnings per Share - Basic and Diluted (Rupees)	0.98	6.44	-84.8%



CONSOLIDATED FINANCIAL REVIEW

Following is the summary of the consolidated financial performance of the group, providing a comprehensive view of the combined operations of its subsidiaries.

For the six months ended December 31, 2024, the Group recorded net sales of Rs. 87,349 million, reflecting an 18.1% year-on-year growth compared to Rs. 73,984 million in the same period last year. However, gross profit declined by 24.5% to Rs. 17,087 million, as rising input costs led to a contraction in gross margin to 19.6% from 30.6%. Profit from operations fell by 47.7% to Rs. 8,201 million, while net profit after tax dropped sharply by 85.0% to Rs. 1,483 million, compared to Rs. 9,857 million in the prior year. Consequently, the net profit margin contracted to 1.7%, down from 13.3%.

The summarized consolidated financial results for the half year ended December 31, 2024, as against December 31, 2023, are as follows:

	Half Year ended December 31		
	2024	2023	Variance
	Rs. in million		%
Sales- Net	87,349	73,984	18.1%
Gross Profit	17,087	22,631	-24.5%
Profit from Operations	8,201	15,676	-47.7%
Net Profit	1,483	9,857	-85.0%
Gross Profit Ratio	19.6%	30.6%	-36.0%
Net Profit Ratio	1.7%	13.3%	-87.3%
Earnings per Share - Basic and Diluted (Rupees)	1.06	7.03	-85.0%

BUSINESS OUTLOOK AND CHALLENGES

Macroeconomic conditions have generally improved, and as per IMF's projections Pakistan economy is expected to grow 3% in FY2025 as the recovery expands in the second half of the year. Improved investor confidence, stable macroeconomic indicators and a steady revival in industrial activity are expected to further enhance the country's business landscape. However, global macroeconomic instability, geopolitical uncertainties, newly implemented trade related tax and tariff measures by the USA, and ongoing regional conflicts pose potential risks. Interloop's management remains vigilant, actively monitoring these developments and implementing proactive strategies to ensure seamless business operations. The company continues to prioritize its commitment to customers and stakeholders by delivering high-quality, sustainable products.

The Company reinforced its commitment to Corporate Social Responsibility (CSR) by expanding its initiatives in education, healthcare, and sports. The Company strengthened its Need-Based Scholarship Program, inducting new recipients at Government College Women University Faisalabad (GCWUF), University of Agriculture, Faisalabad and Lahore University of Management Sciences (LUMS). The Company aided underprivileged communities by donating medicines to the Rural Health Center Phool Nagar, Kasur and the Indus Hospital. To promote inclusivity in sports, the Company organized multiple events including the 4th Quaid-e-Azam T-20 Cup 2024 for wheelchair cricket, 4th T-20 Blind Cricket World Cup 2024, and the 2nd Interloop T-20 Women Championship 2024-25.

Interloop continues to lead the way in sustainability and responsible business practices. The commitment to environmental impact is reflected in voluntary compliances and certifications including LEED Platinum certification for Apparel plant and Alliance for Water Stewardship (AWS) Gold Certification for Denim and Hosiery plant, making Interloop only Company in the global textile sector to hold this distinction. It has also secured Forest Stewardship Council (FSC®) certification, ensuring that our plant-based fibers and yarns are sourced responsibly. These milestones underscore company's commitment to operational excellence, environmental stewardship and sustained long-term growth.

ACKNOWLEDGEMENT

The Board expresses gratitude to valued shareholders, customers, financial institutions, and regulators for their enduring trust and support. The Board also commends the dedication and hard work of the Company's management and employees. Board is confident that this spirit of commitment will endure in the years ahead.

For and on behalf of the Board of Directors



Navid Fazil
(Chief Executive Officer)

Faisalabad
February 19, 2025



Jahan Zeb Khan Banth
(Director)

کمپنی نے تعلیم، صحت اور کھیل کے شعبوں میں اپنی سرگرمیوں کو وسعت دے کر کارپوریٹ سماجی ذمہ داری کے عزم کو مزید مستحکم کیا۔ کمپنی نے گورنمنٹ کالج یونیورسٹی فیصل آباد (GCWUF)، یونیورسٹی آف ایگریکلچر فیصل آباد اور لاہور یونیورسٹی آف مینجمنٹ سائنسز (LUMS) میں نئے طلباء کو شامل کرتے ہوئے اپنے Need-Based-کارلر شپ پروگرام کو مستحکم بنایا۔ کمپنی نے دیہی مرکز صحت پھول نگر، قصور اور انڈس ہسپتال کو ادویات عطیہ کرتے ہوئے کم مراعات یافتہ آبادیوں کی مدد کی۔ کمپنی نے سپورٹس میں شمولیت کو فروغ دینے کی خاطر ڈیہل چیئر کرکٹ کے لیے چوتھے قائد اعظم ٹی 20 کپ 2024، چوتھے ٹی 20 سٹینڈ کرکٹ ورلڈ کپ 2024 اور دوسرے انٹروپ T-20 ویمن ٹینیس ٹی 20-25 سمیت متعدد ایونٹس کا اہتمام کیا۔

انٹروپ پائیداری اور ذمہ دارانہ کاروباری اصولوں میں اپنی قیادت برقرار رکھے ہوئے ہے۔ ماحولیاتی اثر کے بارے میں اس کا عزم، ایپریل پلانٹ کے لیے LEED پلانٹ سرٹیفیکیشن اور ڈینم اینڈ ہوزری پلانٹ کے لیے الیکٹریٹیٹی فار وائرڈ سٹیورڈ شپ (AWS) گولڈ سرٹیفیکیشن سمیت رضا کارانہ تعمیل اور اسناد سے عیاں ہے، جو انٹروپ کو گلوبل ٹیکسٹائل سیکٹر میں اس امتیاز کی حامل واحد کمپنی بناتے ہیں۔ اس نے Forest Stewardship Council (FSC) سرٹیفیکیشن بھی حاصل کی ہے، جو اس امر کو یقینی بناتی ہے کہ ہمارے پلانٹ میڈ فاہیرز اور یارن ذمہ دارانہ طریقے سے تیار کردہ ہیں۔ یہ سنگ مائل آپریشن کا ملیت، ماحولیاتی میزبانی اور طویل المدت پائیدار انفراسٹرکچر کے بارے میں کمپنی کے عزم کو اجاگر کرتے ہیں۔

اظہار تشکر

بورڈ، اپنے گرام قدرتی مشینز ہولڈرز، کسٹمرز، مالی اداروں اور ریگولیٹرز کا، ان کے دیرپا اعتماد اور اعانت پر شکر یہ ادا کرتا ہے۔ بورڈ کمپنی کی انتظامیہ اور ملازمین کی لگن اور انتھک محنت کو بھی سراہتا ہے۔ بورڈ کو یقین ہے کہ یہ جذبہ آنے والے برسوں میں بھی برقرار رہے گا۔

بورڈ آف ڈائریکٹرز کی جانب سے



نوید فاضل

(چیف ایگزیکٹو آفیسر)

مقام: فیصل آباد

تاریخ: 19 فروری 2025

Tahaw Zed

جہانزیب خان ہاتھ

(ڈائریکٹر)

مربوط مالی جائزہ

ذیل میں گروپ کی مربوط مالی کارکردگی کا خلاصہ پیش کیا جا رہا ہے، جو اس کی سبسڈریز کے مشترکہ آپریٹنگز کا جامع منظر نامہ فراہم کرتا ہے۔

گروپ نے 31 دسمبر، 2024 کو ختم ہونے والے چھ ماہ میں 87,349 ملین روپے کی خالص سیلز ریکارڈ کیس جو پچھلے سال کے اسی عرصہ میں 73,984 ملین روپے کے مقابلے میں سال کی بنیاد پر 18.1% افزائش کی عکاسی کرتی ہیں۔ تاہم، مجموعی منافع 24.5% کم ہو کر 17,087 ملین روپے رہ گیا، کیونکہ بڑھتی ہوئی ان ہٹ لاگتوں نے مجموعی مارجن کو 30.6% سے کم کر کے 19.6% کر دیا۔ آپریٹنگز سے منافع 47.7% کم ہو کر 8,201 ملین روپے رہ گیا، جبکہ ٹیکس کے بعد خالص منافع گزشتہ سال کے 9,857 ملین روپے کے مقابلے میں بہت تیزی سے 85.0% گر کر 1,483 ملین روپے ہو گیا۔ اس کے نتیجے میں خالص منافع مارجن 13.3% سے گر کر 1.7% پر آ گیا۔

31 دسمبر، 2023 کے مقابلے میں 31 دسمبر، 2024 کو ختم ہونے والے نصف سال کے مختصر مربوط مالی نتائج حسب ذیل ہیں:

31 دسمبر کو ختم ہونے والی ششماہی			
فرق	2023	2024	
فیصد	ملین روپے		
18.1%	73,984	87,349	خالص سیلز
-24.5%	22,631	17,087	مجموعی منافع
-47.7%	15,676	8,201	آپریٹنگز سے منافع
-85.0%	9,857	1,483	خالص منافع
-36.0%	30.6%	19.6%	مجموعی منافع کی شرح
-87.3%	13.3%	1.7%	خالص منافع کی شرح
-85.0%	7.03	1.06	آمدنی فی شیئر - بنیادی اور تحلیل شدہ (روپے)

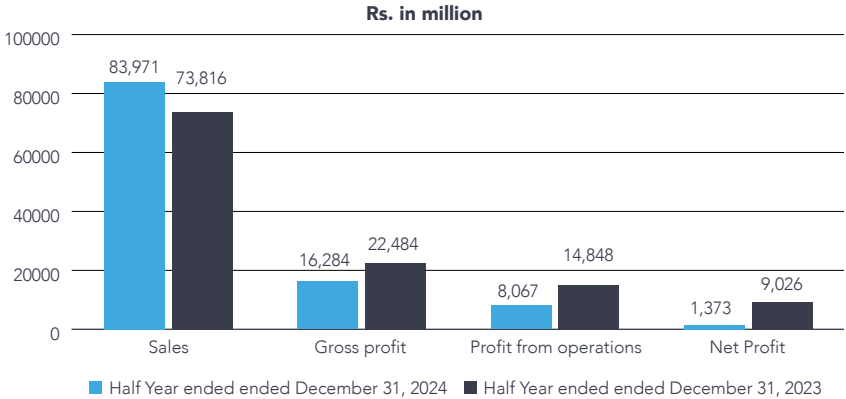
کاروباری نقطہ نظر اور چیلنجز

میکرو اکنامک حالات عام طور سے بہتر ہوئے ہیں اور آئی ایم ایف کے اندازوں کے مطابق سال 2025 میں پاکستان کی معیشت میں 3% افزائش کی امید ہے، کیونکہ سال کے دوسرے نصف میں بحالی وسعت اختیار کرے گی۔ امید ہے کہ سرمایہ کاروں کا بہتر اعتماد، مستحکم میکرو اکنامک اشاریے اور صنعتی سرگرمی کا مسلسل احیاء ملک کے کاروباری منظر نامے کو مزید ترقی دے گا۔ تاہم، عالمی میکرو اکنامک عدم استحکام، جغرافیائی و سیاسی غیر یقینی، امریکا کی طرف سے تجارت سے متعلق نافذ کردہ نئے ٹیکس اور صرف اقدامات اور جاری علاقائی تنازعات سے امکانی خطرات لاحق ہیں۔ انٹرنیٹ کی انتظامیہ چوکس ہے، ان واقعات پر سرگرمی سے نظر رکھے ہوئے ہے اور کاروباری آپریٹنگز کو کسی خلل کے بغیر یقینی بنانے کے لیے تعاون پر مبنی حکمت عملیوں پر عمل کر رہی ہے۔ کئی اعلیٰ معیار کی پائیدار پراڈکٹس فراہم کرتے ہوئے کسٹمرز اور اسٹیک ہولڈرز کے ساتھ اپنے عہد کو بدستور ترجیح دینے ہوئے ہے۔

مالی سال 2025 کی دوسری سہ ماہی (Q2FY'25) نے منافع میں بحالی کے اشارے ظاہر کیے۔ لاگت کی اصلاح کے اقدامات اور بہتر استعمال کا نتیجہ مجموعی پرافٹ مارجن میں 9.9% بہتری کی صورت میں نکلا، جب کہ خالص منافع مارجن مالی سال، 25 کی پہلی سہ ماہی میں 0.5% کے مقابلے میں مالی سال، 25 کی دوسری سہ ماہی میں بڑھ کر 2.7% پر آ گیا۔ ان مثبت تبدیلیوں کے فوائد کی عکاسی بہتر مالی کارکردگی اور فی شیئر آمدنی (بنیادی اور تھیل شدہ) سے ہوتی ہے، جو 0.16 روپے فی شیئر سے 4.2x بڑھ کر 0.82 روپے فی شیئر ہو گئی۔ ای پی ایس میں یہ بہتری اپنے تئز ویراتی مقاصد کی جانب کمپنی کی کوششوں اور شیئر ہولڈرز قدر فراہم کرنے کے لیے اس کے عزم کو اجاگر کرتی ہے۔

31 دسمبر، 2023 کے مقابلے میں 31 دسمبر، 2024 کو ختم ہونے والی ششماہی کے فیئر مریٹو شدہ مالی نتائج کا خلاصہ حسب ذیل ہے:

31 دسمبر کو ختم ہونے والی ششماہی			
فرق	2023	2024	
فیصد	ملین روپے		
13.8%	73,816	83,971	خالص سیلز
-27.6%	22,484	16,284	مجموعی منافع
-45.7%	14,848	8,067	آپریٹنگ سے منافع
-84.8%	9,026	1,373	خالص منافع
-36.3%	30.5%	19.4%	مجموعی منافع کی شرح
-86.6%	12.2%	1.6%	خالص منافع کی شرح
-84.8%	6.44	0.98	آمدنی فی شیئر - بنیادی اور تھیل شدہ (روپے)



ڈائریکٹران کی جائزہ رپورٹ

انٹرویو لیمنڈ (انٹرویو یا کمپنی) کے بورڈ آف ڈائریکٹرز 31 دسمبر، 2024 کو ختم ہونے والے چھ ماہ کے کمپنی کے قانونی آڈیٹرز کی طرف سے مناسب طور پر نظر ثانی شدہ مالی نتائج پیش کر رہے ہیں۔

معاشی اور صنعتی جائزہ:

پاکستان کی معیشت مالی سال (FY2025) 2025 کی دوسری ششماہی میں معتدل بحالی کا اشارہ کرنے والی توقعات کے ساتھ، چلک کی علامات ظاہر کرتی ہے۔ بین الاقوامی مالیاتی فنڈ (آئی ایم ایف) نے جون 2025 میں ختم ہونے والے مالی سال کے لیے جی ڈی پی (مجموعی قومی پیداوار) کی افزائش کی پیش گوئی پر نظر ثانی کرتے ہوئے اسے 3.2% سے کم کر کے 3% کر دیا ہے۔ یہ رد و بدل صنعتی پیداوار میں کمی اور بڑی فصلوں کی کم پیداوار جیسی مشکلات کی عکاسی کرتا ہے، جنہوں نے مالی سال 2025 کی پہلی ششماہی میں 0.92% کے معتدل جی ڈی پی میں کمیوں کو درآد کیا۔ تاہم، آئی ایم ایف کو امید ہے کہ معاشی بحالی مالی سال 2025 کے لیے 3% کی متوقع حقیقی افزائش کے ساتھ دوسری سہ ماہی سے تیز رفتاری کے ساتھ آگے بڑھے گی۔

مختاط بیرونی ڈالر کا ٹکڑا ٹینجمنٹ اور بڑھتے ہوئے سرمایہ جاتی ذرائع نے اہم معاشی اشاریوں میں بہتری پیدا کی ہے۔ برآمدات 10.5% سے بڑھ کر 16.6 بلین امریکی ڈالر ہونے اور درآمدات کے 6.1% بڑھ کر 27.7 بلین امریکی ڈالر پر پہنچ جانے سے مالی سال 25 کی پہلی ششماہی کے لیے تجارتی خسارہ سال کی بنیاد پر 11.2 بلین امریکی ڈالر پر مستحکم رہا۔ اس کے ساتھ ساتھ، مستحکم تر سیلاب زر، نے جاری کھاتے کے توازن کو مستحکم کرنے میں اہم کردار ادا کیا جو 1HFY25 کے دوران 17.8 ارب امریکی ڈالر تک پہنچ گئے اور سالانہ بنیادوں پر 32.8 فیصد اضافہ ہوا، جس کے نتیجے میں 1HFY25 کے دوران 1.2 ارب امریکی ڈالر کا فاضل ریکارڈ کیا گیا، جبکہ گزشتہ سال اسی مدت میں 1.4 ارب امریکی ڈالر کا خسارہ دیکھا گیا تھا۔ فراڈز، مالی سال 24 کی پہلی ششماہی میں 28.8% سے کم ہو کر مالی سال 25 کی پہلی ششماہی میں 7.2% پر آ گیا، جس سے اسٹیٹ بینک آف پاکستان (SBP) کو شرح سود 850 بیسز پوائنٹس کم کر کے 12% پر لانے کا موقع ملا۔ امریکی ڈالر کے مقابلے میں پاکستانی روپیہ مستحکم رہا، جس نے مرکزی بینک کے زرمبادلہ کے ذخائر کو مثبت مدد فراہم کی، جو دسمبر 2024 کے اختتام تک 2.4 بلین امریکی ڈالر کے اضافے کے ساتھ 11.7 بلین امریکی ڈالر پر آئے۔

ٹیکسٹائل اور ایپریل کی برآمدات میں مالی سال، 25 کی پہلی ششماہی میں قابل ذکر بحالی ہوئی جو سال کی بنیاد پر 9.7% بڑھ کر 9.1 بلین امریکی ڈالر پر پہنچ گئیں۔ اس افزائش کی بنیاد وجہ سال کی بنیاد پر، برنت وڈ اور ریڈی میڈ گارمنٹس میں ملز تہیب 16.5% اور 22.5% اضافہ ہوا۔ اگرچہ ٹیکسٹائل سیکٹر نے مضبوطی اور استحکام کا مظاہرہ کیا، کپاس کی ملکی پیداوار میں قابل ذکر کمی کی وجہ سے اسے خاطر خواہ مشکلات کا سامنا رہا۔ کپاس کی آمد میں سال کی بنیاد پر تیزی سے 33% کمی ہوئی اور دسمبر 2024 تک یہ 5.5 بلین گانٹھ پر آگئی۔ اس کمی سے قلیل المدت پیداوار اور طویل المدت افزائش کے امکانات، دونوں کو خطرہ لاحق ہے، جس سے رسد کے خلاء کو پر کرنے کے لیے درآمدی کپاس پر زیادہ انحصار ضروری ہو گیا ہے۔

غیر مربوط مالی اور عملی نتائج:

کمپنی نے مالی سال، 2025 کی پہلی ششماہی کے دوران آمدنی میں 13.38% کی صحت مند افزائش ریکارڈ کی، جو مالی سال، 2024 کی پہلی ششماہی کی 73,816 بلین روپے سے بڑھ کر 83,971 بلین روپے ہو گئی۔ تاہم، باہر فروخت کے اخراجات میں نمایاں اضافہ ہوا، جو آمدنی میں اضافے سے زیادہ رہا اور اس کا نتیجہ 16,284 بلین روپے کے کم مربوط منافع کی صورت میں نکلا۔ اس کی بنیاد وجوہات میں بلند پیداواری لاگت اور ریلو سٹ کے ماسٹر پراجیکٹ کے تکمیلی عملے کا دورانیہ شامل ہیں۔ مربوط منافع پر یہ باؤ کا روبری منافع میں 45.7% کمی کی صورت میں نکلا۔ نتیجتاً بعد از ٹیکس منافع 84.8% کم ہو کر 1,373 بلین روپے پر آ گیا، گزشتہ سالوں میں یہ 9,026 بلین روپے تھا۔ اس کم بعد از ٹیکس منافع کی عکاسی فی شیئر آمدنی (EPS) میں گراؤ سے ہوتی ہے جو 6.44 روپے فی شیئر سے کم ہو کر 0.98 روپے فی شیئر رہ گئی۔

UNCONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS

For The Quarter and Half Year Ended December 31, 2024

INDEPENDENT AUDITORS' REVIEW REPORT TO THE MEMBERS OF INTERLOOP LIMITED

REPORT ON REVIEW OF UNCONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS

INTRODUCTION

We have reviewed the accompanying unconsolidated condensed interim statement of financial position of Interloop Limited ("the Company") as at December 31, 2024 and the related unconsolidated condensed interim statement of profit or loss, unconsolidated condensed interim statement of comprehensive income, unconsolidated condensed interim statement of changes in equity, unconsolidated condensed interim statement of cash flows, and notes to the unconsolidated condensed interim financial statements for the six-month period then ended (here-in-after referred to as the unconsolidated condensed interim financial statements). Management is responsible for the preparation and presentation of these unconsolidated condensed 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 financial statements based on our review.

The figures of the unconsolidated condensed interim statement of profit or loss and the unconsolidated condensed interim statement of 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 half year ended December 31, 2024.

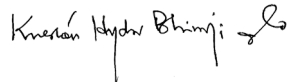
SCOPE OF REVIEW

We conducted our review in accordance with the 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 unconsolidated condensed interim financial statements are not prepared, in all material respects, in accordance with the approved accounting standards as applicable in Pakistan for interim financial reporting.

The engagement partner on the review resulting in this independent auditors' report is Syed Aftab Hameed - FCA.



Place: Faisalabad
Date: February 19, 2025
UDIN: RR202410475yPCFJw8cL

KRESTON HYDER BHIMJI & CO.
Chartered Accountants

UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION

As at December 31, 2024

	Note	Un audited December 31, 2024 (Rupees in '000)	Audited June 30, 2024 (Rupees in '000)
ASSETS			
NON CURRENT ASSETS			
Property, plant and equipment	5	73,848,627	67,804,680
Intangible assets		442,062	454,557
Long term investment	6	1,727,763	1,727,763
Long term loans		199,921	176,873
Long term deposits		100,891	89,451
Deferred taxation – net		203,793	350,141
		76,523,057	70,603,465
CURRENT ASSETS			
Stores and spares		3,431,991	3,184,425
Stock in trade		32,028,684	26,360,852
Trade debts	7	48,072,857	41,193,604
Loans and advances		3,529,898	1,924,171
Deposit, prepayments and other receivables		372,551	347,722
Derivative financial instruments		180,681	59,248
Accrued income		1,133	1,497
Refunds due from Government and statutory authorities		11,109,087	7,128,807
Short term investments		500,000	500,000
Cash and bank balances		341,410	370,386
		99,568,292	81,070,712
TOTAL ASSETS		176,091,349	151,674,177

	Note	Un audited December 31, 2024 (Rupees in '000)	Audited June 30, 2024 (Rupees in '000)
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorized share capital	8	50,000,000	50,000,000
Issued, subscribed and paid up capital	9	14,017,095	14,017,095
Capital reserves		3,158,734	3,158,734
Revenue reserve – unappropriated profit		34,224,989	36,356,646
		51,400,818	53,532,475
NON CURRENT LIABILITIES			
Long term financing	10	23,802,754	16,194,813
Lease liabilities		161,607	190,965
Deferred liabilities		12,184,398	10,786,348
		36,148,759	27,172,126
CURRENT LIABILITIES			
Trade and other payables		14,937,679	15,536,209
Unclaimed dividend		3,456	3,077
Accrued mark up		1,044,567	2,689,232
Short term borrowings		69,608,248	49,903,571
Current portion of non current liabilities		2,947,822	2,837,487
		88,541,772	70,969,576
CONTINGENCIES AND COMMITMENTS	11	–	–
TOTAL EQUITY AND LIABILITIES		176,091,349	151,674,177

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



Chief Executive Officer



Director



Chief Financial Officer
Half Year Report | 15

UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS

For The Quarter and Half Year Ended December 31, 2024

Note	Quarter ended		Half Year Ended	
	December 31, 2024	December 31, 2023	December 31, 2024	December 31, 2023
	(Rupees in '000)		(Rupees in '000)	
Sales – net	42,336,017	35,315,646	83,970,836	73,815,749
Cost of sales	12 (33,810,028)	(25,578,273)	(67,686,520)	(51,332,095)
Gross profit	8,525,989	9,737,373	16,284,316	22,483,654
Distribution costs	(1,654,426)	(1,155,030)	(3,485,185)	(2,526,720)
Administrative expenses	(2,371,181)	(2,268,798)	(4,624,586)	(4,288,810)
Other operating expenses	(326,531)	(434,785)	(556,697)	(1,141,732)
	(4,352,138)	(3,858,613)	(8,666,468)	(7,957,262)
Other income	172,616	210,518	449,594	321,346
Profit from operations	4,346,467	6,089,278	8,067,442	14,847,738
Finance cost	(2,699,078)	(2,596,954)	(5,550,101)	(4,803,166)
Profit before income tax and levies	1,647,389	3,492,324	2,517,341	10,044,572
Levies	(428,405)	(496,653)	(998,375)	(994,885)
Profit before income tax	1,218,984	2,995,671	1,518,966	9,049,687
Income tax	(68,645)	(11,855)	(146,349)	(23,512)
Profit for the period	1,150,339	2,983,816	1,372,617	9,026,175
Earnings per share – basic and diluted (Rupees)	0.82	2.13	0.98	6.44

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



Chief Executive Officer



Director



Chief Financial Officer

UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME

For The Quarter and Half Year Ended December 31, 2024

	Quarter ended		Half Year Ended	
	December 31, 2024 (Rupees in '000)	December 31, 2023 (Rupees in '000)	December 31, 2024 (Rupees in '000)	December 31, 2023 (Rupees in '000)
Profit for the period	1,150,339	2,983,816	1,372,617	9,026,175
Other comprehensive income	-	-	-	-
Total comprehensive income for the period	1,150,339	2,983,816	1,372,617	9,026,175

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



Chief Executive Officer



Director



Chief Financial Officer
Half Year Report | 17

UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY

For The Half Year Ended December 31, 2024

	Share Capital	Capital Reserves		Revenue Reserve	Total
		Share Premium	Employee Share Option Compensation Reserve	Unappropriated Profit	
(Rupees in '000)					
Balance as at July 01, 2023 – Audited	14,014,469	3,143,605	6,968	26,641,364	43,806,406
Profit for the period	–	–	–	9,026,175	9,026,175
Other comprehensive income for the period	–	–	–	–	–
Total comprehensive income for the period	–	–	–	9,026,175	9,026,175
Employee share option scheme (ESOS)	–	–	4,187	–	4,187
Transactions with owners:					
Dividend to ordinary shareholders	–	–	–	(2,802,894)	(2,802,894)
Balance as at December 31, 2023 (Un-audited)	14,014,469	3,143,605	11,155	32,864,645	50,033,874
Balance as at July 01, 2024 – Audited	14,017,095	3,158,734	–	36,356,646	53,532,475
Profit for the period	–	–	–	1,372,617	1,372,617
Other comprehensive income for the period	–	–	–	–	–
Total comprehensive income for the period	–	–	–	1,372,617	1,372,617
Transactions with owners:					
Dividend to ordinary shareholders	–	–	–	(3,504,274)	(3,504,274)
Balance as at December 31, 2024 (Un-audited)	14,017,095	3,158,734	–	34,224,989	51,400,818

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



Chief Executive Officer



Director



Chief Financial Officer

UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF CASH FLOWS

For The Half Year Ended December 31, 2024

	Un audited December 31, 2024 (Rupees in '000)	Un audited December 31, 2023 (Rupees in '000)
a) CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before income tax and levies	2,517,341	10,044,572
Adjustments for:		
Depreciation on operating fixed assets	3,133,805	1,801,898
Depreciation on right of use assets	52,109	34,783
Amortization of intangible assets	36,411	36,443
Workers' profit participation fund	129,278	533,545
Workers' welfare fund	51,374	205,404
Staff retirement gratuity	1,798,596	1,234,189
Employee share option compensation expense	-	4,187
Loss on disposal of non current assets	132,158	9,777
Exchange loss – net	816	10,567
Provision for obsolete inventory	197,248	20,226
Unrealized gain on derivative financial instruments	(180,681)	(53,759)
Realized gain on derivative financial instruments	(218,441)	(207,093)
Profit on investments in TFCs	(50,110)	(60,288)
Finance cost	5,550,101	4,803,166
Operating cash flows before working capital changes	13,150,005	18,417,617
Changes in working capital (Increase) / decrease in current assets		
Stores and spares	(247,566)	(385,740)
Stock in trade	(5,865,080)	(6,693,005)
Trade debts	(6,879,253)	(167,383)
Loans and advances	(1,565,882)	(5,706)
Deposit, prepayments and other receivables	(24,829)	243,540
Refunds due from Government and statutory authorities	(3,056,612)	(1,606,464)
Increase in current liabilities		
Trade and other payables	169,931	1,220,395
	(17,469,291)	(7,394,363)
Cash (used in)/generated from operations	(4,319,286)	11,023,254
Finance cost paid	(7,149,154)	(4,101,300)
Income tax paid	(1,922,043)	(1,312,813)
Staff retirement gratuity paid	(386,698)	(401,018)
Workers' profit participation fund paid	(975,837)	(1,154,742)
Long term loans paid	(62,893)	(27,203)
Changes in long term deposits	(11,440)	1,190
Settlement of derivative financial instruments	218,441	207,093
Exchange loss/(gain) – net	58,432	11,105
Net cash (used in)/generated from operating activities	(14,550,478)	4,245,566

	Un audited December 31, 2024 (Rupees in '000)	Un audited December 31, 2023 (Rupees in '000)
b) CASH FLOWS FROM INVESTING ACTIVITIES		
Additions in:		
Property, plant and equipment	(9,510,866)	(7,949,804)
Intangible assets	(29,242)	(47,606)
Proceeds from disposal of non current assets	160,616	63,970
Long term investments	–	(1,727,763)
Profit received from investments in TFCs	50,474	60,253
Net cash used in investing activities	(9,329,018)	(9,600,950)
c) CASH FLOWS FROM FINANCING ACTIVITIES		
Long term financing obtained	9,045,034	2,650,000
Repayment of long term financing	(1,328,142)	(782,089)
Payment of lease rentals	(67,154)	(44,137)
Short term borrowings – net	19,704,677	5,613,185
Dividend paid	(3,503,895)	(2,803,020)
Net cash generated from financing activities	23,850,520	4,633,939
Net decrease in cash and cash equivalents (a+b+c)	(28,976)	(721,445)
Cash and cash equivalents at beginning of the period	370,386	1,544,502
Cash and cash equivalents at end of the period	341,410	823,057

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



Chief Executive Officer



Director



Chief Financial Officer

NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS

For The Quarter and Half Year Ended December 31, 2024

1. LEGAL STATUS AND OPERATIONS

Interloop Limited (the Company) was incorporated in Pakistan on April 25, 1992 and publicly listed on Pakistan Stock Exchange on April 5, 2019. The registered office of the Company is situated at Al-Sadiq Plaza, P-157, Railway Road, Faisalabad. The manufacturing facilities are located at 1-km, 6-km, 7-km Jaranwala Road, Khurrianwala, Faisalabad and 8-km Manga Mandi, Raiwand Road, Lahore. The Company is a vertically integrated multi-category Full Family Clothing, manufacturing Hosiery, Denim, Knitted Apparel and Seamless Active wear, for top international brands and retailers, besides producing yarns for a range of textile customers. The Company's commitment to environmental, social responsibility & governance (ESG) is deeply rooted in its mission and has gained its global recognition as a pioneer in responsible manufacturing. The Company's diverse & engaged workforce and operational excellence has established it as a Partner of Choice for its customers.

2. BASIS OF PREPARATION

These unconsolidated 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 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 with the requirements of IAS 34, the provisions of and directives issued under the Companies Act, 2017 have been followed.

These unconsolidated condensed interim financial statements have been subjected to limited scope review by the auditors, as required under section 237 of Companies Act, 2017. These unconsolidated condensed interim financial statements do not include all the information as required in annual financial statements prepared in accordance with approved accounting standards as applicable in Pakistan, and should therefore be read in conjunction with the financial statements for the year ended June 30, 2024.

3. CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

The preparation of unconsolidated condensed interim financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

In preparing these unconsolidated condensed interim financial statements, the significant judgments made by the management in applying accounting policies and the key sources of estimates were the same as those applied to the annual financial statements of the Company for the year ended June 30, 2024.

4. MATERIAL ACCOUNTING POLICY INFORMATION

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

	Note	Un audited December 31, 2024 (Rupees in '000)	Audited June 30, 2024 (Rupees in '000)
5. PROPERTY, PLANT AND EQUIPMENT			
Operating fixed assets	5.1	65,679,361	46,610,901
Capital work in progress	5.2	7,972,497	20,951,344
Right of use assets		196,768	242,435
		73,848,626	67,804,680
5.1 Operating fixed assets			
Cost			
Opening balance		70,984,360	53,970,523
Additions during the period/year	5.1.1	22,489,713	17,525,729
Disposals during the period/year		(583,296)	(511,892)
Closing balance		92,890,777	70,984,360
Accumulated depreciation			
Opening balance		24,373,459	20,382,455
Depreciation for the period/year		3,133,805	4,320,377
Adjustment during the period/year		(295,848)	(329,373)
Closing balance		27,211,416	24,373,459
Written down value		65,679,361	46,610,901
5.1.1 Additions during the period/year			
Freehold land		630,317	25,240
Buildings on freehold land		2,573,649	8,638,517
Buildings on Leasehold land		–	1,140
Plant and machinery		13,830,845	6,885,230
Tools and equipment		1,446,435	273,945
Office equipment		615,571	259,726
Electric installations		2,071,930	392,403
Furniture and fixtures		853,485	204,264
Vehicles		467,481	845,264
		22,489,713	17,525,729

	Note	Un audited December 31, 2024 (Rupees in '000)	Audited June 30, 2024 (Rupees in '000)
5.2 Capital work in progress			
Civil works		3,218,306	3,650,569
Plant and machinery		1,215,594	12,226,029
Capital stores	5.2.1	753,937	4,134,937
Advances to suppliers		2,784,660	939,809
		7,972,497	20,951,344

5.2.1 Capital stores include factory tools and equipment, office equipment, electric installations and furniture and fixtures that are held in store for future use and capitalization.

	Note	Un audited December 31, 2024 (Rupees in '000)	Audited June 30, 2024 (Rupees in '000)
6. LONG TERM INVESTMENT			
Unquoted equity – at cost			
Subsidiary company			
Top Circle Hosiery Mills Co., Inc.	6.1	1,727,763	1,727,763

6.1 This represents investment in 640 fully paid ordinary shares of \$ 1 each of Top Circle Hosiery Mills Co., Inc., which is incorporated under the laws of the United States of America. This investment represents 64% of issued subscribed and paid up capital of Top Circle Hosiery Mills Co., Inc.

	Note	Un audited December 31, 2024 (Rupees in '000)	Audited June 30, 2024 (Rupees in '000)
7. TRADE DEBTS			
Foreign			
– Secured		14,386,400	18,317,679
– Unsecured	7.1	31,446,622	21,189,023
		45,833,022	39,506,702
Local			
– Unsecured	7.1	2,239,835	1,686,902
		48,072,857	41,193,604

7.1 Management considers that these debts are good and will be recovered in due course.

8. AUTHORIZED SHARE CAPITAL

Un audited December 31, 2024 [Number of shares in '000]	Audited June 30, 2024		Un audited December 31, 2024 (Rupees in '000)	Audited June 30, 2024 (Rupees in '000)
5,000,000	5,000,000	Ordinary shares of Rs. 10 each	50,000,000	50,000,000

9. ISSUED, SUBSCRIBED AND PAID UP CAPITAL

Un audited December 31, 2024 [Number of shares in '000]	Audited June 30, 2024		Un audited December 31, 2024 (Rupees in '000)	Audited June 30, 2024 (Rupees in '000)
132,429	132,429	Ordinary shares of Rs. 10 each fully paid in cash	1,324,289	1,324,289
1,269,281	1,269,281	Ordinary shares of Rs. 10 each issued as fully paid bonus shares	12,692,806	12,692,806
1,401,710	1,401,710		14,017,095	14,017,095

	Un audited December 31, 2024 (Rupees in '000)	Audited June 30, 2024 (Rupees in '000)
10. LONG TERM FINANCING		
From financial institutions – secured		
Opening balance	18,917,362	17,288,082
Add: Obtained during the period/year	9,045,034	3,568,165
Less: Paid during the period/year	(1,328,142)	(1,974,071)
Less: Effect of adjustment of Government grant	16,045	35,186
	26,650,299	18,917,362
Less: Current portion of long term financing	(2,847,545)	(2,722,549)
	23,802,754	16,194,813

11. CONTINGENCIES AND COMMITMENTS

11.1 Contingencies

11.1.1 The Punjab Revenue Authority has created a demand of an amount of Rs. 29.931 million in respect of an alleged default on withholding of provincial sales tax on account of various transport services received by the Company during the period from March 01, 2015 to May 31, 2016 along with default surcharge and penalty under Punjab Sales Tax on Services Act, 2012, rejecting the exemption claim of the taxpayer company. The Company being aggrieved, filed an appeal before Commissioner (Appeals) Punjab Revenue Authority (PRA) which is pending adjudication at the terminal date.

The Company has not made any provision against the above demand as the management is confident that the ultimate outcome of the appeal would be in favour of the Company, inter alia on the basis of the advice of the tax consultant and relevant law and facts.

11.1.2 Bank guarantees issued by various banks on behalf of the Company in favour of:

	Un audited December 31, 2024 (Rupees in '000)	Audited June 30, 2024 (Rupees in '000)
Sui Northern Gas Pipelines limited against supply of gas	1,729,196	1,598,138
The Director, Excise and Taxation, Karachi against imposition of infrastructure cess	1,112,353	942,353
Faisalabad Electric Supply Company (FESCO) against supply of electricity	152,195	152,195
Punjab Revenue Authority	11,533	11,533
Total Parco Pakistan Limited	6,000	6,000
	3,011,277	2,710,219
11.1.3 Post dated cheques issued in favour of custom authorities for release of imported goods.	8,839,358	9,694,785
11.2 Commitments		
Under letters of credit for:		
Capital expenditure	6,960,356	3,107,762
Raw materials	3,769,904	3,385,803
Stores and spares	131,909	65,948
	10,862,169	6,559,513

	Quarter ended		Half Year Ended	
	December 31, 2024	December 31, 2023	December 31, 2024	December 31, 2023
	(Rupees in '000)		(Rupees in '000)	
12. COST OF SALES				
Raw material consumed	19,728,590	15,481,999	40,518,064	31,445,729
Stores and spares consumed	981,134	749,917	1,942,109	1,435,275
Knitting, processing and packing charges	1,406,210	640,868	3,408,345	1,514,560
Salaries, wages and benefits	7,322,981	5,543,123	14,573,096	10,810,497
Staff retirement gratuity	793,494	529,640	1,572,914	1,050,799
Fuel and power	2,316,206	2,040,242	5,137,026	4,306,139
Repairs and maintenance	245,307	194,489	413,087	363,540
Insurance	55,369	36,574	107,669	68,614
Depreciation on operating fixed assets	1,479,024	842,272	2,730,281	1,554,349
Depreciation on right of use assets	24,770	14,060	49,499	31,679
Amortization of intangible assets	107	133	213	266
Rent, rate and taxes	10,268	22,027	20,583	41,853
Other manufacturing costs	100,580	96,803	159,480	185,302
	34,464,040	26,192,147	70,632,366	52,808,602
Work in process				
Opening balance	4,815,630	2,890,531	4,466,813	3,124,698
Closing balance	(4,578,557)	(2,886,673)	(4,578,557)	(2,886,673)
	237,073	3,858	(111,744)	238,025
Cost of goods manufactured	34,701,113	26,196,005	70,520,622	53,046,627
Finished goods				
Opening balance	9,211,866	7,090,236	7,268,849	5,993,436
Closing balance	(10,102,951)	(7,707,968)	(10,102,951)	(7,707,968)
	(891,085)	(617,732)	(2,834,102)	(1,714,532)
	33,810,028	25,578,273	67,686,520	51,332,095

13. TRANSACTIONS WITH RELATED PARTIES

Related parties include subsidiaries, associated companies and undertakings, entities under common directorship, directors, major shareholders, key management personnel, employees benefit trust and post employment benefit plans. The Company in the normal course of business carries out transactions with various related parties. Detail of transactions with related parties during the period are as follows:

Name	Nature of transaction	Half Year Ended	
		Un audited December 31, 2024 (Rupees in '000)	Un audited December 31, 2023 (Rupees in '000)
Interloop Holdings (Pvt) Limited – Associate	Services received	290,785	127,584
	Purchase of asset	–	334
	Gratuity transferred	–	2,601
Texlan Center (Pvt) Limited – Associate	Sale of yarn	1,108,450	1,526,501
	Sale of packing material	22,963	76,308
	Purchase of assets	13,908	–
Momentum Logistics (Pvt) Limited – Associate	Services received	793,498	427,773
PrintKraft (Pvt) Limited – Associate	Purchase of packing material	327,265	314,423
Interloop Europe – Associate	Sale of socks	284,984	788,642
Octans Digital (Pvt) Limited – Associate	Services received	20,136	12,913
	Purchase of asset	–	46
Socks & Socks (Pvt) Limited – Associate	Sale/(purchase) of goods – net	187,252	(32,261)
	Services received	91,898	–
Interloop Employees Provident Fund – Trustee	Contributions to the fund	67,547	49,263
Interloop Welfare Trust – Trustee	Donations paid	20,000	284,000
Lyallpur Literary Council – Trustee	Donation paid	3,000	6,000
ILNA Inc USA – Associate	Services received	780,453	690,455
Zhejiang Top Circle Textiles Co., Ltd – Subsidiary	Services received	1,741,446	109,416
Abacus Consulting Technology (Pvt) Limited - Associate	Services received	3,276	–
Key management personnel and other related parties	Sale of assets	1,108	9,504
	Remuneration and other benefits	3,572,715	2,325,267
	Rent expenses	942	856
	Repayment of housing finance loan	1,154	2,308
	Markup on housing finance loan	52	260
	Dividend paid	2,955,774	2,371,103
	Directorship fee	12,414	8,525

	Un audited December 31, 2024 (Rupees in '000)	Audited June 30, 2024 (Rupees in '000)
14. SHARIAH SCREENING DISCLOSURE		
Loans/advances as per Islamic mode		
Loans	34,542,790	25,599,555
Shariah compliant bank deposits/ bank balances		
Bank balances	47,296	59,325
Revenue earned from a shariah compliant business		
	83,970,836	156,128,865
Mark up on Islamic mode of financing		
	(1,787,929)	(4,097,945)
Realized gain on derivative financial instruments		
	218,441	442,679
Dividend income		
	–	19,794
Profits or interest on any conventional loan or advance		
Profit on term finance certificates (TFCs)	50,110	118,072
Interest on workers' profit participation fund	(26,723)	(30,484)
Interest on lease liabilities	(18,889)	(32,070)
Interest on other conventional loans	(3,458,905)	(5,453,123)

Relationship with shariah compliant banks

Name of institutions	Relationship with institutions
Allied Bank Limited (Islamic Banking)	Bank balance and long term financing
Bank Alfalah Limited (Islamic)	Bank balance and short term borrowing
Bank of Punjab (Taqwa Islamic Banking)	Bank balance and short term borrowing
Faysal Bank Limited	Bank balance, long term financing and short term borrowing
Habib Bank Limited (Islamic Banking)	Bank balance, long term financing and short term borrowing
MCB Islamic Bank	Bank balance, long term financing and short term borrowing
Meezan Bank Limited	Bank balance, long term financing and short term borrowing
Standard Chartered Bank Pakistan Limited	Short term borrowing
United Bank Limited – Ameen	Bank balance and short term borrowing

15. OPERATING SEGMENTS

Management has determined the operating segments based on the information that is presented to the Board of Directors of the Company for allocation of resources and assessment of performance. Operating segments are reported in a manner consistent with internal reporting provided to the Chief Operating Decision Maker ('CODM'). Segment performance is generally evaluated based on certain key performance indicators including business volume and gross profit.

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

a) Hosiery

This segment relates to the sale of socks.

b) Spinning

This segment relates to the sale of yarn.

c) Denim

This segment mainly relates to sale of garments.

d) Apparel

This segment relates to the sale of fashion apparels.

e) Other operating segments

This represent various segments of the Company which currently do not meet the minimum reporting threshold mentioned in International Financial Reporting Standards ' Operating Segments' (IFRS 8). These mainly includes energy, yarn dyeing and active wear.

15.2 Reconciliation of reportable segment assets and liabilities

	Hosiery			Spinning			Denim			Apparel			Other Segments			Elimination of Inter segment transaction			Total Company		
	Un audited December 31, 2024	Audited June 30, 2024	Un audited December 31, 2024	Audited June 30, 2024	Un audited December 31, 2024	Audited June 30, 2024	Un audited December 31, 2024	Audited June 30, 2024	Un audited December 31, 2024	Audited June 30, 2024	Un audited December 31, 2024	Audited June 30, 2024	Un audited December 31, 2024	Audited June 30, 2024	Un audited December 31, 2024	Audited June 30, 2024	Un audited December 31, 2024	Audited June 30, 2024	Un audited December 31, 2024	Audited June 30, 2024	
	Rupees in '000			Rupees in '000			Rupees in '000			Rupees in '000			Rupees in '000			Rupees in '000			Rupees in '000		
Total assets for reportable segment	78,499,459	68,320,454	12,801,654	7,715,957	16,776,109	14,943,787	42,203,885	40,347,253	11,827,066	10,528,827	13,984,076	9,817,899	176,091,349	151,674,177							
Total liabilities for reportable segment	44,444,385	37,130,345	1,060,949	763,164	2,697,553	2,504,924	4,642,861	3,945,324	1,188,500	1,174,065	70,656,283	52,595,880	124,690,531	98,141,702							
Segment capital expenditures	6,929,020	5,890,310	140,295	43,815	585,084	255,019	1,115,207	5,725,436	770,502	1,736,241	-	-	9,540,108	13,650,821							

15.3 The Company disaggregated revenue based on geographical location of its customers:

Half year ended	
Un audited	
December 31, 2024	December 31, 2023
Rupees in '000	
78,492,040	70,388,117
5,478,796	3,457,632
83,970,836	73,815,749

Foreign countries
Pakistan

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 Company finances its operations through equity, borrowings and management of working capital with a view to maintain an appropriate mix between various sources of finance to minimize risk. The Company follows an effective cash management and planning policy and maintains flexibility in funding by keeping committed credit lines available. Market risks are managed by the Company through the adoption of appropriate policies to cover currency risks and interest rate risks.

The Company has managed its currency risks by forward currency contracts.

There have been no changes in the risk management policies during the period since June 30, 2024 except those specifically mentioned. Consequently these unconsolidated condensed interim financial statements do not include all the financial risk management information and disclosures required in the annual financial statements.

16.2 Fair value measurements of financial instruments

Fair value is defined as the price that would be received to sell an asset or paid to settle a liability in an orderly transaction between market participants at the measurement date. To provide an indication about the reliability of the inputs used in determining fair value, the Company classifies its financial instruments into the three levels prescribed under the IFRSs.

Level 1: The fair value of financial instruments traded in active markets (such as publicly traded equity securities) is based on quoted (unadjusted) market prices at the end of the reporting period. The quoted market price used for financial assets held by the Company is the current bid price. These instruments are included in Level 1.

Level 2: The fair value of financial instruments that are not traded in an active market (for example over-the-counter derivatives) is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on entity specific estimates. If all significant inputs required to determine fair value of an instrument are observable, the instrument is included in Level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity instruments.

The following table presents the Company's significant financial assets and liabilities measured and recognized at fair value at December 31, 2024 on a recurring basis:

	Unaudited			
	As at December 31, 2024			
	Level 1	Level 2	Level 3	Total
	Rupees in '000			
Financial assets				
Trading derivatives	–	180,681	–	180,681
Total financial assets	–	180,681	–	180,681

	Audited			
	As at June 30, 2024			
	Level 1	Level 2	Level 3	Total
	Rupees in '000			
Financial assets				
Trading derivatives	–	59,248	–	59,248
Total financial assets	–	59,248	–	59,248

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.

17. GENERAL

17.1 Corresponding figures

In order to comply with the requirements of IAS 34, the unconsolidated condensed interim statement of financial position has been compared with the balances of annual audited financial statements of immediately preceding financial year, whereas, the unconsolidated condensed interim statement of profit or loss, unconsolidated condensed interim statement of comprehensive income, unconsolidated condensed interim statement of changes in equity and unconsolidated condensed interim statement of cash flows have been compared with the balances of comparable periods of immediately preceding financial year.

17.2 Rounding

Figures have been rounded off to the nearest thousand rupees.

18. DATE OF AUTHORIZATION FOR ISSUE

These unconsolidated condensed interim financial statements were authorized for issue on February 19, 2025 by the Board of Directors of the Company.



Chief Executive Officer



Director



Chief Financial Officer
Half Year Report | 33

CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS

For The Quarter and Half Year Ended December 31, 2024

INDEPENDENT AUDITORS' REVIEW REPORT TO THE MEMBERS OF INTERLOOP LIMITED

REPORT ON REVIEW OF CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS

INTRODUCTION

We have reviewed the accompanying consolidated condensed interim statement of financial position of Interloop Limited ("the Holding Company") as at December 31, 2024 and the related consolidated condensed interim statement of profit or loss, consolidated condensed interim statement of comprehensive income, consolidated condensed interim statement of changes in equity, consolidated condensed interim statement of cash flows, and notes to the consolidated condensed interim financial statements for the six-month period then ended (here-in-after referred to as the consolidated condensed interim financial statements). Management is responsible for the preparation and presentation of these consolidated condensed 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 financial statements based on our review.

The figures of the consolidated condensed interim statement of profit or loss and the consolidated condensed interim statement of 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 half year ended December 31, 2024.

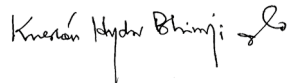
SCOPE OF REVIEW

We conducted our review in accordance with the 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 consolidated condensed interim financial statements are not prepared, in all material respects, in accordance with the approved accounting standards as applicable in Pakistan for interim financial reporting.

The engagement partner on the review resulting in this independent auditors' report is Syed Aftab Hameed - FCA.



Place: Faisalabad
Date: February 19, 2025
UDIN: RR202410475kUwDjfb8

KRESTON HYDER BHIMJI & CO.
Chartered Accountants

CONSOLIDATED CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION

As at December 31, 2024

	Note	Un audited December 31, 2024 (Rupees in '000)	Audited June 30, 2024 (Rupees in '000)
ASSETS			
NON CURRENT ASSETS			
Property, plant and equipment	6	75,817,755	69,601,770
Intangible assets		442,166	454,709
Long term investment		190,650	191,526
Long term loans		199,921	176,873
Long term deposits		100,891	89,451
Deferred taxation - net		203,793	349,849
		76,955,176	70,864,178
CURRENT ASSETS			
Stores and spares		3,431,991	3,184,425
Stock in trade		32,599,812	26,903,189
Trade debts	7	49,948,635	41,638,589
Loans and advances		3,794,271	1,937,369
Deposit, prepayments and other receivables		796,972	911,260
Derivative financial instruments		180,681	59,248
Accrued income		1,133	1,497
Refunds due from Government and statutory authorities		11,109,087	7,128,807
Short term investments		500,000	500,000
Cash and bank balances		1,217,891	1,510,910
		103,580,473	83,775,294
TOTAL ASSETS		180,535,649	154,639,472

	Note	Un audited December 31, 2024 (Rupees in '000)	Audited June 30, 2024 (Rupees in '000)
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorized share capital	8	50,000,000	50,000,000
Issued, subscribed and paid up share capital	9	14,017,095	14,017,095
Reserves		3,038,062	3,048,006
Unappropriated profit		35,035,393	37,096,363
Equity attributable to owners of parent company		52,090,550	54,161,464
Non – controlling interest		1,359,840	1,325,672
		53,450,390	55,487,136
NON CURRENT LIABILITIES			
Long term financing	10	23,802,754	16,194,813
Lease liabilities		343,106	190,965
Deferred liabilities		12,184,398	10,786,348
		36,330,258	27,172,126
CURRENT LIABILITIES			
Trade and other payables		16,845,587	16,010,051
Unclaimed dividend		3,456	3,077
Accrued mark up		1,044,848	2,689,751
Short term borrowings		69,913,288	50,439,844
Current portion of non current liabilities		2,947,822	2,837,487
		90,755,001	71,980,210
CONTINGENCIES AND COMMITMENTS	11	–	–
TOTAL EQUITY AND LIABILITIES		180,535,649	154,639,472

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

Chief Executive Officer

Director

Chief Financial Officer
Half Year Report | 37

CONSOLIDATED CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS

For The Quarter and Half Year Ended December 31, 2024

Note	Quarter ended		Half Year Ended	
	December 31, 2024	December 31, 2023	December 31, 2024	December 31, 2023
	(Rupees in '000)		(Rupees in '000)	
Sales – net	44,602,760	35,484,234	87,348,950	73,984,337
Cost of sales	12 (35,655,387)	(25,599,857)	(70,261,505)	(51,353,679)
Gross profit	8,947,373	9,884,377	17,087,445	22,630,658
Operating expenses				
Distribution costs	(1,862,229)	(1,191,887)	(3,759,590)	(2,563,577)
Administrative expenses	(2,671,327)	(2,375,124)	(5,104,672)	(4,395,136)
Other operating expenses	(349,423)	(478,612)	(591,922)	(1,185,559)
	(4,882,979)	(4,045,623)	(9,456,184)	(8,144,272)
Other income	292,087	221,493	569,717	332,321
Surplus on acquisition of subsidiaries	–	857,304	–	857,304
Profit from operations	4,356,481	6,917,551	8,200,978	15,676,011
Finance cost	(2,705,672)	(2,594,785)	(5,566,065)	(4,800,997)
Profit before levies and income tax	1,650,809	4,322,766	2,634,913	10,875,014
Levies	(428,405)	(496,653)	(998,375)	(994,885)
Profit before income tax	1,222,404	3,826,113	1,636,538	9,880,129
Income tax	(73,822)	(11,855)	(153,473)	(23,512)
Profit for the period	1,148,582	3,814,258	1,483,065	9,856,617
Attributable to:				
Shareholders of parent company	1,149,215	3,823,928	1,443,304	9,866,287
Non – controlling interest	(633)	(9,670)	39,761	(9,670)
	1,148,582	3,814,258	1,483,065	9,856,617
Earnings per share – basic and diluted (Rupees)	0.82	2.72	1.06	7.03

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



Chief Executive Officer



Director



Chief Financial Officer

CONSOLIDATED CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME

For The Quarter and Half Year Ended December 31, 2024

	Quarter ended		Half Year Ended	
	December 31, 2024 (Rupees in '000)	December 31, 2023 (Rupees in '000)	December 31, 2024 (Rupees in '000)	December 31, 2023 (Rupees in '000)
Profit for the period	1,148,582	3,814,258	1,483,065	9,856,617
Other comprehensive loss:				
Items that will be reclassified subsequently to profit or loss:				
Exchange difference on translation of foreign operations	(140,958)	(42,790)	(15,537)	(42,790)
Total comprehensive income for the period	1,007,624	3,771,468	1,467,528	9,813,827
Attributable to:				
Shareholders of parent company	1,059,001	3,796,542	1,433,360	9,838,901
Non – controlling interest	(51,377)	(25,074)	34,168	(25,074)
	1,007,624	3,771,468	1,467,528	9,813,827

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



Chief Executive Officer



Director



Chief Financial Officer
Half Year Report | 39

CONSOLIDATED CONDENSED INTERIM STATEMENT OF CASH FLOWS

For The Half Year Ended December 31, 2024

	Un audited December 31, 2024 (Rupees in '000)	Un audited December 31, 2023 (Rupees in '000)
a) CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before levies and income tax	2,634,913	10,875,014
Adjustments for:		
Depreciation on operating fixed assets	3,240,396	1,823,736
Depreciation on right of use assets	102,231	34,783
Amortization of intangible assets	36,450	36,443
Workers' profit participation fund	129,278	533,545
Workers' welfare fund	51,374	205,404
Staff retirement gratuity	1,798,596	1,234,189
Employee share option compensation expense	–	4,187
Loss on disposal of non current assets	132,092	9,777
Exchange (gain)/loss – net	(45,721)	10,567
Provision for obsolete inventory	197,248	–
Unrealized gain on derivative financial instruments	(180,681)	(53,759)
Realized gain on derivative financial instruments	(218,441)	(207,093)
Profit on investments in TFCs	(50,110)	(60,288)
Gain on acquisition of subsidiaries	–	(857,304)
Reversal of impairment	(69,581)	–
Finance cost	5,566,065	4,800,997
Operating cash flows before working capital changes	13,324,109	18,390,198
Changes in working capital		
(Increase) / decrease in current assets		
Stores and spares	(247,566)	(385,740)
Stock in trade	(5,893,871)	(6,757,082)
Trade debts	(8,310,046)	61,299
Loans and advances	(1,817,056)	(5,706)
Deposit, prepayments and other receivables	167,846	690,000
Tax refunds due from Government	(3,056,612)	(1,611,060)
Increase in current liabilities		
Trade and other payables	1,603,998	215,855
	(17,553,308)	(7,792,434)
Cash (used in)/generated from operations	(4,229,199)	10,597,764
Finance cost paid	(7,165,356)	(4,099,131)
Income tax paid	(1,929,167)	(1,333,846)
Staff retirement gratuity paid	(386,698)	(401,018)
Workers' profit participation fund paid	(975,837)	(1,154,742)
Long term loans paid	(62,893)	(27,203)
Changes in long term deposits	(11,440)	1,190
Settlement of derivative financial instruments	218,441	207,093
Exchange loss – net	106,962	16,044
Net cash (used in)/generated from operating activities	(14,435,187)	3,806,151

	Un audited December 31, 2024 (Rupees in '000)	Un audited December 31, 2023 (Rupees in '000)
b) CASH FLOWS FROM INVESTING ACTIVITIES		
Additions in:		
Property, plant and equipment	(9,604,799)	(9,897,451)
Intangible assets	(29,242)	(47,817)
Proceeds from disposal of non current assets	164,135	63,970
Changes in long term investment	876	200,256
Profit received from investments in TFCs	50,474	60,253
Net cash used in investing activities	(9,418,556)	(9,620,789)
c) CASH FLOWS FROM FINANCING ACTIVITIES		
Long term financing obtained	9,045,034	2,650,000
Repayment of long term financing	(1,328,142)	(782,089)
Payment of lease rentals	(125,716)	(44,138)
Short term borrowings – net	19,473,444	5,601,470
Dividend paid	(3,503,895)	(2,803,020)
Net cash generated from financing activities	23,560,725	4,622,223
Net decreased in cash and cash equivalents (a+b+c)	(293,019)	(1,192,415)
Cash and cash equivalents at beginning of the period	1,510,910	1,544,502
Cash and cash equivalents on acquisition of subsidiary	–	2,053,571
Cash and cash equivalents at end of the period	1,217,891	2,405,658

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



Chief Executive Officer



Director



Chief Financial Officer

NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS

For The Quarter and Half Year Ended December 31, 2024

1. THE GROUP AND ITS OPERATIONS

The Group comprises of:

Interloop Limited– The Holding Company

Interloop Limited (the Holding Company) was incorporated in Pakistan on April 25, 1992 and publicly listed on Pakistan Stock Exchange on April 5, 2019. The registered office of the Holding Company is situated at Al-Sadiq Plaza, P-157, Railway Road, Faisalabad. The manufacturing facilities are located at 1-km, 6-km, 7-km Jaranwala Road, Khurrianwala, Faisalabad and 8-km Manga Mandi, Raiwand Road, Lahore. The Holding Company is a vertically integrated multi-category Full Family Clothing, manufacturing Hosiery, Denim, Knitted Apparel and Seamless Active wear, for top international brands and retailers, besides producing yarns for a range of textile customers. The Holding Company's commitment to environmental, social responsibility & governance (ESG) is deeply rooted in its mission and has gained it global recognition as a pioneer in responsible manufacturing. The Holding Company's diverse & engaged workforce and operational excellence has established it as a Partner of Choice for its customers.

Top Circle Hosiery Mills Co., Inc. – The Subsidiary Company (Holding - 64% (June 30, 2024: 64%))

Top Circle Hosiery Mills Co., Inc. was incorporated in 1992. The registered office of the company is situated at 329 Franklin St. Weissport, PA, USA and manufacturing facility is located in 800 Quyang Road, Shanghai, China. The principle business activity is manufacturing and trading of highest quality hosiery products. The company has 100% equity stake directly and indirectly in following companies;

- Shanghai Haolu Trading Co., Ltd
- Pinghu Top Circle Knitting Co., Ltd
- Zhejiang Top Circle Textiles Co., Ltd
- Shanghai Chenzhou Industry Co., Ltd
- Haolu Trading USA Co., Inc.

2. BASIS OF PREPARATION

These consolidated 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 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 with the requirements of IAS 34, the provisions of and directives issued under the Companies Act, 2017 have been followed.

These consolidated condensed interim financial statements have been subjected to limited scope review by the auditors, as required under section 237 of Companies

Act, 2017. These consolidated condensed interim financial statements do not include all the information as required in annual financial statements prepared in accordance with approved accounting standards as applicable in Pakistan, and should therefore be read in conjunction with the financial statements for the year ended June 30, 2024.

3. BASIS OF CONSOLIDATION

Subsidiaries

Subsidiaries are the entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group and is deconsolidated from the date that control ceases.

The assets and liabilities of Subsidiary Companies have been consolidated on a line by line basis and carrying value of investments held by the Holding Company is eliminated against Holding Company's share in paid up capital of the Subsidiary Companies.

Intragroup balances and transactions have been eliminated.

Non-controlling interests are that part of net results of the operations and of net assets of Subsidiary Companies attributable to interest which are not owned by the Holding Company. Non-controlling interests are presented as separate item in the consolidated condensed interim financial statements.

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

The preparation of consolidated condensed interim financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

In preparing these consolidated condensed interim financial statements, the significant judgments made by the management in applying accounting policies and the key sources of estimates were the same as those applied to the annual financial statements of the Group for the year ended June 30, 2024.

5. MATERIAL ACCOUNTING POLICY INFORMATION

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

	Note	Un audited December 31, 2024 (Rupees in '000)	Audited June 30, 2024 (Rupees in '000)
6. PROPERTY, PLANT AND EQUIPMENT			
Operating fixed assets	6.1	67,360,007	48,407,540
Capital work in progress	6.2	8,065,543	20,951,795
Right of use assets		392,205	242,435
		75,817,755	69,601,770
6.1 Operating fixed assets			
Cost			
Opening balance		74,600,451	53,970,523
Additions during the period/year	6.1.1	22,491,051	17,582,908
Transfer on acquisition of subsidiaries		–	3,653,153
Disposals during the period/year		(589,411)	(522,259)
Exchange loss		(7,952)	(83,874)
Closing balance		96,494,139	74,600,451
Accumulated depreciation			
Opening balance		26,192,911	20,382,455
Depreciation expense for the period/year		3,239,553	4,464,195
Transfer on acquisition of subsidiaries		–	1,684,308
Adjustment during the period/year		(298,332)	(338,047)
Closing balance		29,134,132	26,192,911
Written down value		67,360,007	48,407,540
6.1.1 Additions during the period/year			
Freehold land		630,317	25,240
Buildings on freehold land		2,573,649	8,639,657
Plant and machinery		13,832,183	6,938,419
Tools and equipment		1,446,435	273,945
Office equipment		615,571	259,726
Electric installations		2,071,930	392,403
Furniture and fixtures		853,485	204,264
Vehicles		467,481	849,254
		22,491,051	17,582,908

	Note	Un audited December 31, 2024 (Rupees in '000)	Audited June 30, 2024 (Rupees in '000)
6.2 Capital work in progress			
Civil works		3,218,306	3,650,569
Plant and machinery		1,308,640	12,226,480
Capital stores	6.2.1	753,937	4,134,937
Advances to suppliers		2,784,660	939,809
		8,065,543	20,951,795

6.2.1 Capital stores include factory tools and equipment, office equipment, electric installations and furniture and fixtures that are held in store for future use and capitalization.

	Note	Un audited December 31, 2024 (Rupees in '000)	Audited June 30, 2024 (Rupees in '000)
7. TRADE DEBTS			
Foreign			
– Secured		14,386,400	18,317,679
– Unsecured	7.1	33,322,400	21,634,008
		47,708,800	39,951,687
Local			
– Unsecured	7.1	2,239,835	1,686,902
		49,948,635	41,638,589

7.1 Management considers that these debts are good and will be recovered in due course.

8. AUTHORIZED SHARE CAPITAL

Un audited December 31, 2024 [Number of shares in '000]	Audited June 30, 2024		Un audited December 31, 2024 (Rupees in '000)	Audited June 30, 2024 (Rupees in '000)
5,000,000	5,000,000	Ordinary shares of Rs. 10 each	50,000,000	50,000,000

9. ISSUED, SUBSCRIBED AND PAID UP SHARE CAPITAL

Un audited December 31, 2024 [Number of shares in '000]	Audited June 30, 2024		Un audited December 31, 2024 (Rupees in '000)	Audited June 30, 2024 (Rupees in '000)
132,429	132,429	Ordinary shares of Rs. 10 each fully paid in cash	1,324,289	1,324,289
1,269,281	1,269,281	Ordinary shares of Rs. 10 each issued as fully paid bonus shares	12,692,806	12,692,806
1,401,710	1,401,710		14,017,095	14,017,095

	Un audited December 31, 2024 (Rupees in '000)	Audited June 30, 2024 (Rupees in '000)
10. LONG TERM FINANCING		
From financial institutions – secured		
Opening balance	18,917,362	17,288,082
Add: Obtained during the period/year	9,045,034	3,568,165
Less: Paid during the period/year	(1,328,142)	(1,974,071)
Less: Effect of adjustment of Government grant	16,045	35,186
	26,650,299	18,917,362
Less: Current portion of long term financing	(2,847,545)	(2,722,549)
	23,802,754	16,194,813

11. CONTINGENCIES AND COMMITMENTS

11.1 Contingencies

11.1.1 The Punjab Revenue Authority has created a demand of an amount of Rs. 29.931 million in respect of an alleged default on withholding of provincial sales tax on account of various transport services received by the Holding Company during the period from March 01, 2015 to May 31, 2016 along with default surcharge and penalty under Punjab Sales Tax on Services Act, 2012, rejecting the exemption claim of the taxpayer Holding company. The Holding Company being aggrieved, filed an appeal before Commissioner (Appeals) Punjab Revenue Authority (PRA) which is pending adjudication at the terminal date.

The Holding Company has not made any provision against the above demand as the management is confident that the ultimate outcome of the appeal would be in favour of the Holding Company, inter alia on the basis of the advice of the tax consultant and relevant law and facts.

11.1.2 Bank guarantees issued by various banks on behalf of the Group in favour of:

	Un audited December 31, 2024 (Rupees in '000)	Audited June 30, 2024 (Rupees in '000)
Sui Northern Gas Pipelines limited against supply of gas	1,729,196	1,598,138
The Director, Excise and Taxation, Karachi against imposition of infrastructure cess	1,112,353	942,353
Faisalabad Electric Supply Company (FESCO) against supply of electricity	152,195	152,195
Punjab Revenue Authority	11,533	11,533
Total Parco Pakistan Limited	6,000	6,000
	3,011,277	2,710,219
11.1.3 Post dated cheques issued in favour of custom authorities for release of imported goods.	8,839,358	9,694,785
11.2 Commitments		
Under letters of credit for:		
Capital expenditure	6,960,356	3,107,762
Raw material	3,769,904	3,385,803
Stores and spares	131,909	65,948
	10,862,169	6,559,513

	Quarter ended		Half Year Ended	
	December 31, 2024	December 31, 2023	December 31, 2024	December 31, 2023
	(Rupees in '000)		(Rupees in '000)	
12. COST OF SALES				
Raw material consumed	21,316,577	15,612,999	42,491,685	31,576,729
Stores and spares consumed	992,789	749,917	1,955,867	1,435,275
Knitting, processing and packing charges	1,446,345	531,452	3,477,067	1,405,144
Salaries, wages and benefits	7,418,772	5,543,123	14,769,996	10,810,497
Staff retirement gratuity	793,494	529,640	1,572,914	1,050,799
Fuel and power	2,347,088	2,040,242	5,210,245	4,306,139
Repairs and maintenance	250,955	194,489	428,628	363,540
Insurance	55,369	36,574	107,669	68,614
Depreciation on operating fixed assets	1,512,014	842,272	2,800,350	1,554,349
Depreciation on right of use assets	38,948	14,060	83,307	31,679
Amortization of intangible assets	107	133	213	266
Rent, rate and taxes	10,268	22,027	20,583	41,853
Other manufacturing costs	100,582	96,803	159,481	185,302
	36,283,308	26,213,731	73,078,005	52,830,186
Work in process				
Opening balance	4,855,696	2,890,531	4,523,957	3,124,698
Closing balance	(4,646,039)	(2,886,673)	(4,646,039)	(2,886,673)
	209,657	3,858	(122,082)	238,025
Cost of goods manufactured	36,492,965	26,217,589	72,955,923	53,068,211
Finished goods				
Opening balance	9,464,852	7,090,236	7,608,012	5,993,436
Closing balance	(10,302,430)	(7,707,968)	(10,302,430)	(7,707,968)
	(837,578)	(617,732)	(2,694,418)	(1,714,532)
	35,655,387	25,599,857	70,261,505	51,353,679

13. TRANSACTIONS WITH RELATED PARTIES

Related parties include associated companies and undertakings, entities under common directorship, directors, major shareholders, key management personnel, employees benefit trust and post employment benefit plans. The Group in the normal course of business carries out transactions with various related parties. Detail of transactions with related parties during the period are as follows:

Name	Nature of transaction	Half Year Ended	
		Un audited December 31, 2024 (Rupees in '000)	Un audited December 31, 2023 (Rupees in '000)
Interloop Holdings (Pvt) Limited – Associate	Services received	290,785	127,584
	Purchase of asset	–	334
	Gratuity transferred	–	2,601
Texlan Center (Pvt) Limited – Associate	Sale of yarn	1,108,450	1,526,501
	Sale of packing material	22,963	76,308
	Purchase of asset	13,908	–
Momentum Logistics (Pvt) Limited – Associate	Services received	793,498	427,773
PrintKraft (Pvt) Limited – Associate	Purchase of packing material	327,265	314,423
Interloop Europe – Associate	Sale of socks	284,984	788,642
Octans Digital (Pvt) Limited – Associate	Services received	20,136	12,913
	Purchase of asset	–	46
Socks & Socks (Pvt) Limited – Associate	Sale/(purchase) of goods – net	187,252	(32,261)
	Services Received	91,898	–
Interloop Employees Provident Fund – Trustee	Contributions to the fund	67,547	49,263
Interloop Welfare Trust – Trustee	Donations paid	20,000	284,000
Lyallpur Literary Council – Trustee	Donation paid	3,000	6,000
ILNA Inc USA – Associate	Services received	780,453	690,455
Abacus Consulting Technology (Pvt) Limited - Associate	Services received	3,276	–
Key management personnel and other related parties	Sale of assets	1,108	9,504
	Remuneration and other benefits	3,572,715	2,325,267
	Rent expenses	942	856
	Repayment of housing finance loan	1,154	2,308
	Markup on housing finance loan	52	260
	Dividend paid	2,955,774	2,371,103
	Directorship fee	12,414	8,525

	Un audited December 31, 2024 (Rupees in '000)	Audited June 30, 2024 (Rupees in '000)
14. SHARIAH SCREENING DISCLOSURE		
Loans/advances as per Islamic mode		
Loans	34,542,790	25,599,555
Shariah compliant bank deposits/ bank balances		
Bank balances	47,296	59,325
Revenue earned from a shariah compliant business	87,348,950	158,182,719
Mark up on Islamic mode of financing	(1,787,929)	(4,097,945)
Exchange gain earned	–	23,026
Realized gain on derivative financial instruments	218,441	442,679
Profits or interest on any conventional loan or advance		
Profit on term finance certificates (TFCs)	50,110	118,072
Interest on workers' profit participation fund	(26,723)	(30,484)
Interest on lease liabilities	(18,889)	(32,070)
Interest on other conventional loans	(3,467,441)	(5,481,797)

Relationship with shariah compliant banks

Name of institutions

Allied Bank Limited (Islamic Banking)
 Bank Alfalah Limited (Islamic)
 Bank of Punjab (Taqwa Islamic Banking)
 Faysal Bank Limited
 Habib Bank Limited (Islamic Banking)
 MCB Islamic Bank
 Meezan Bank Limited
 Standard Chartered Bank Pakistan Limited
 United Bank Limited – Ameen

Relationship with institutions

Bank balance and long term financing
 Bank balance and short term borrowing
 Bank balance and short term borrowing
 Bank balance, long term financing and short term borrowing
 Bank balance, long term financing and short term borrowing
 Bank balance, long term financing and short term borrowing
 Bank balance, long term financing and short term borrowing
 Short term borrowing
 Bank balance and short term borrowing

15. OPERATING SEGMENTS

Management has determined the operating segments based on the information that is presented to the Board of Directors of the Holding Company for allocation of resources and assessment of performance. Operating segments are reported in a manner consistent with internal reporting provided to the Chief Operating Decision Maker ('CODM'). Segment performance is generally evaluated based on certain key performance indicators including business volume and gross profit.

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

a) Hosiery

This segment relates to the sale of socks.

b) Spinning

This segment relates to the sale of yarn.

c) Denim

This segment mainly relates to sale of garments.

d) Apparel

This segment relates to the sale of fashion apparels.

e) Other operating segments

These represent various segments of the Group which currently do not meet the minimum reporting threshold mentioned in International Financial Reporting Standards ' Operating Segments' (IFRS 8). These mainly includes energy, yarn dyeing, active wear and other subsidiaries.

15.1 Segment Information

	Hosiery		Spinning		Denim		Apparel		Other Segments		Elimination of inter-segment transaction		Total Group	
	Un audited		Un audited		Un audited		Un audited		Un audited		Un audited		Un audited	
	December 31, 2024	December 31, 2023	December 31, 2024	December 31, 2023	December 31, 2024	December 31, 2023	December 31, 2024	December 31, 2023	December 31, 2024	December 31, 2023	December 31, 2024	December 31, 2023	December 31, 2024	December 31, 2023
	Rupees in '000		Rupees in '000		Rupees in '000		Rupees in '000		Rupees in '000		Rupees in '000		Rupees in '000	
Revenue														
External sale	57,719,640	57,195,483	5,239,213	4,297,007	10,577,857	6,666,487	9,479,036	4,967,464	4,333,204	857,896	-	-	87,348,950	73,984,337
Intersegment sale	13,056	15,367	4,181,768	5,715,191	7,115	5,312	85,873	6,079	7,308,029	6,902,288	(12,644,237)	(11,595,841)	-	-
Cost of sales	57,732,696	57,210,850	9,420,981	10,012,198	10,584,972	6,671,799	9,564,909	4,973,543	11,641,233	7,760,184	(11,595,841)	(12,644,237)	87,348,950	73,984,337
	(41,145,023)	(36,541,394)	(8,949,472)	(9,337,226)	(9,655,634)	(6,657,260)	(12,095,632)	(5,111,674)	(10,011,585)	(6,550,362)	11,595,841	12,644,237	(70,261,505)	(51,353,679)
Gross profit/(loss)	16,587,673	20,669,456	471,509	674,972	929,338	214,339	(2,530,723)	(138,131)	1,629,948	1,209,822	-	-	17,087,445	22,630,658
Distribution cost	(2,163,826)	(1,802,691)	(54,100)	(63,098)	(601,383)	(342,841)	(614,932)	(273,894)	(325,329)	(80,963)	-	-	(3,759,590)	(2,563,577)
Administrative expenses	(3,399,979)	(3,293,314)	(104,120)	(85,308)	(555,276)	(350,602)	(681,794)	(594,062)	(563,503)	(161,650)	-	-	(5,104,672)	(4,395,136)
	(5,563,805)	(5,096,005)	(158,220)	(148,606)	(1,156,659)	(693,443)	(1,296,746)	(778,046)	(888,832)	(242,613)	-	-	(8,864,262)	(6,958,713)
Profit/(loss) before taxation and unallocated income and expenses	11,023,868	15,573,451	313,289	526,366	(27,321)	(478,904)	(3,827,469)	(916,177)	740,816	967,209	-	-	8,223,183	15,671,945
Unallocated income and expenses														
Other operating expenses														
Other income														
Gain on acquisition of subsidiaries														
Finance cost														
Levies														
Income tax														
Profit for the period	1,179,712	810,845	86,605	95,229	251,224	255,965	1,323,243	303,385	534,293	429,538	-	-	3,379,077	1,894,962
Depreciation and amortization														

15.2 Reconciliation of reportable segment assets and liabilities

	Hosiery		Spinning		Denim		Apparel		Other Segments		Elimination of Inter segment transaction		Total Group	
	Un audited December 31, 2024	Audited June 30, 2024	Un audited December 31, 2024	Audited June 30, 2024	Un audited December 31, 2024	Audited June 30, 2024	Un audited December 31, 2024	Audited June 30, 2024	Un audited December 31, 2024	Audited June 30, 2024	Un audited December 31, 2024	Audited June 30, 2024	Un audited December 31, 2024	Audited June 30, 2024
	Rupees in '000		Rupees in '000		Rupees in '000		Rupees in '000		Rupees in '000		Rupees in '000		Rupees in '000	
Total assets for reportable segment	78,699,459	66,592,691	12,801,054	7,715,957	16,776,109	14,943,787	42,203,585	40,347,253	16,271,366	15,221,885	13,994,076	9,817,899	180,535,649	154,639,472
Total liabilities for reportable segment	44,444,385	36,936,475	1,060,949	763,164	2,697,553	2,504,924	4,642,861	3,945,324	3,583,228	2,406,569	70,656,283	52,595,880	127,085,259	99,152,336
Segment capital expenditures	6,929,020	5,890,310	140,295	43,815	585,084	255,019	1,115,207	5,725,436	864,465	3,762,924	-	-	9,634,041	15,677,504

15.3 The Company disaggregated revenue based on geographical location of its customers:

Half year ended		
Un audited		
December 31, 2024	December 31, 2023	
Rupees in '000		
Foreign countries	81,870,154	70,526,705
Pakistan	5,478,796	3,457,632
	87,348,950	73,984,337

16. FINANCIAL RISK MANAGEMENT

16.1 Financial Risk Factors

The Group'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 Group finances its operations through equity, borrowings and management of working capital with a view to maintain an appropriate mix between various sources of finance to minimize risk. The Group follows an effective cash management and planning policy and maintains flexibility in funding by keeping committed credit lines available. Market risks are managed by the Group through the adoption of appropriate policies to cover currency risks and interest rate risks.

The Group has managed its currency risks by forward currency contracts.

There have been no changes in the risk management policies during the period since June 30, 2024 except those specifically mentioned. Consequently these consolidated condensed interim financial statements do not include all the financial risk management information and disclosures required in the annual financial statements.

16.2 Fair value measurements of financial instruments

Fair value is defined as the price that would be received to sell an asset or paid to settle a liability in an orderly transaction between market participants at the measurement date. To provide an indication about the reliability of the inputs used in determining fair value, the Group classifies its financial instruments into the three levels prescribed under the IFRSs.

Level 1: The fair value of financial instruments traded in active markets (such as publicly traded equity securities) is based on quoted (unadjusted) market prices at the end of the reporting period. The quoted market price used for financial assets held by the Group is the current bid price. These instruments are included in Level 1.

Level 2: The fair value of financial instruments that are not traded in an active market (for example over-the-counter derivatives) is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on entity specific estimates. If all significant inputs required to determine fair value of an instrument are observable, the instrument is included in Level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity instruments.

The following table presents the Group's significant financial assets and liabilities measured and recognized at fair value at December 31, 2024 on a recurring basis:

	Unaudited			
	As at December 31, 2024			
	Level 1	Level 2	Level 3	Total
	Rupees in '000			
Financial assets				
Trading derivatives	–	180,681	–	180,681
Total financial assets	–	180,681	–	180,681

	Audited			
	As at June 30, 2024			
	Level 1	Level 2	Level 3	Total
	Rupees in '000			
Financial assets				
Trading derivatives	–	59,248	–	59,248
Total financial assets	–	59,248	–	59,248

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

17. GENERAL

17.1 Corresponding figures

In order to comply with the requirements of IAS 34, the consolidated condensed interim statement of financial position has been compared with the balances of annual audited financial statements of immediately preceding financial year, whereas, the consolidated condensed interim statement of profit or loss, consolidated condensed interim statement of comprehensive income, consolidated condensed interim statement of changes in equity and consolidated condensed interim statement of cash flows have been compared with the balances of comparable periods of immediately preceding financial year.

17.2 Rounding

Figures have been rounded off to the nearest thousand rupees.

18. DATE OF AUTHORIZATION FOR ISSUE

These consolidated condensed interim financial statements were authorized for issue on February 19, 2025 by the Board of Directors of the Holding Company.



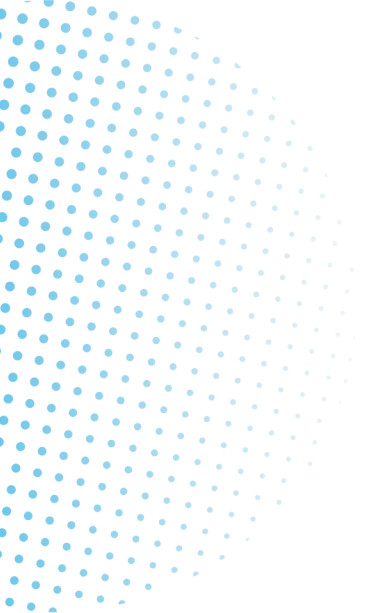
Chief Executive Officer



Director



Chief Financial Officer



CORPORATE OFFICE

1-KM, Khurrianwala-Jaranwala Road
Khurrianwala, Faisalabad, Pakistan
Tel: +92 41 4360400
Fax: +92 41 2428704

REGISTERED OFFICE

Al-Sadiq Plaza, P-157, Railway Road,
Faisalabad, Pakistan
Tel: +92 41 2619724
Fax: +92 41 2639400
Email: corporatecommunication@interloop.com.pk



 Interloop Limited  InterloopLtd  Interlooplimited
 Interloop Limited  www.interloop-pk.com