

FORM-7

The General Manager
Pakistan Stock Exchange Limited
Stock Exchange Building
Stock Exchange Road
Karachi

Ref: PSX-03/2025-26
April 28, 2026

Subject: Financial Results for the period Ended March 31, 2026

Dear Sir,


We have to inform you that the Board of Directors of our company, in their meeting held on April 28, 2026 at 11:45 a.m., at 7-A, Muhammad Ali Society, Karachi recommended the following:

- | | |
|---|-----|
| i) <u>CASH DIVIDEND</u> | NIL |
| ii) <u>BONUS SHARES</u> | NIL |
| iii) <u>RIGHT SHARES</u> | NIL |
| iv) <u>ANY OTHER ENTITLEMENT/CORPORATE ACTION</u> | N/A |
| v) <u>ANY OTHER PRICE-SENSITIVE INFORMATION</u> | N/A |

The Financial results of the Company are enclosed.

The Quarterly Report for the period ended March 31, 2026 will be transmitted through PUCARS separately, within the specified time.

For **GADOON TEXTILE MILLS LIMITED**


Chairman

CC: The Director / HOD (Enforcement)
Securities & Exchange Commission of Pakistan
NIC Building, 63 Jinnah Avenue
Blue Area, Islamabad.

GADOON TEXTILE MILLS LIMITED
Condensed Interim Statement of Profit or Loss (Un-audited)
For the Nine Months Ended March 31, 2026

	Note	Nine Months Ended		Quarter Ended	
		March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025
----- (Rupees in '000) -----					
Sales - net		56,546,213	55,353,450	19,572,872	17,590,110
Cost of sales	12	(53,250,757)	(50,262,513)	(18,781,072)	(15,789,085)
Gross profit		3,295,456	5,090,937	791,800	1,801,025
Distribution cost		(769,317)	(671,908)	(241,149)	(222,424)
Administrative expenses		(530,035)	(429,589)	(180,225)	(143,363)
		(1,299,352)	(1,101,497)	(421,374)	(365,787)
		1,996,104	3,989,440	370,426	1,435,238
Finance cost		(1,875,578)	(1,909,069)	(503,084)	(493,126)
Other operating expenses		(100,722)	(320,038)	(10,517)	(123,428)
		19,804	1,760,333	(143,175)	818,684
Other income		395,031	392,174	132,750	24,919
Share of profit from associates		635,041	850,805	97,809	235,026
Profit before revenue tax and income tax		1,049,876	3,003,312	87,384	1,078,629
Revenue tax		(659,192)	(353,566)	(256,273)	(51,785)
Profit / (loss) before income tax		390,684	2,649,746	(168,889)	1,026,844
Taxation - net		447,202	(646,931)	241,598	(332,507)
Profit for the period		837,886	2,002,815	72,709	694,337
Earnings per share - basic and diluted (Rupees)		29.89	71.45	2.59	24.77

The annexed notes from 1 to 19 form an integral part of these condensed interim financial statements.


MUHAMMAD ALI TABBA
Chairman / Director


MUHAMMAD ROHAIL TABBA
Chief Executive Officer


MUHAMMAD IMRAN MOTEN
Chief Financial Officer





GADOON TEXTILE MILLS LIMITED
Condensed Interim Statement of Financial Position
As at March 31, 2026

		March 31, 2026 (Un-audited)	June 30, 2025 (Audited)
	Note	----- (Rupees in '000) -----	
ASSETS			
Non-Current Assets			
Property, plant and equipment	5	30,405,434	27,619,937
Biological assets		564,686	563,983
Long term loans		9,182	1,467
Long term deposits		72,032	72,668
Long term investments	6	6,711,890	6,518,977
		<u>37,763,224</u>	<u>34,777,032</u>
Current Assets			
Stores, spares and loose tools		1,747,856	2,100,960
Stock-in-trade	7	18,921,198	26,212,864
Trade debts		7,234,171	4,956,001
Loans and advances		274,028	306,403
Trade deposits and short term prepayments		103,031	61,948
Other receivables		1,598,027	2,620,022
Cash and bank balances		795,600	83,256
		<u>30,673,911</u>	<u>36,341,454</u>
Total Assets		<u><u>68,437,135</u></u>	<u><u>71,118,486</u></u>
EQUITY AND LIABILITIES			
Share Capital and Reserves			
Authorized			
57,500,000 ordinary shares of Rs.10/- each		<u>575,000</u>	<u>575,000</u>
Issued, subscribed and paid-up capital			
Capital reserves		280,296	280,296
Reserves		16,637,541	16,637,541
Total Equity		<u>7,830,955</u>	<u>6,993,069</u>
Non-Current Liabilities			
Long term finance	8	3,942,011	3,638,198
Deferred government grant	9	81,938	107,509
Retirement benefit obligation		1,413,914	1,272,354
Deferred tax liabilities		207,926	743,934
		<u>5,645,789</u>	<u>5,761,995</u>
Current Liabilities			
Trade and other payables		17,412,920	12,939,736
Unclaimed dividend		31,987	32,273
Levies payable		45,517	383,967
Current portion of long term finance	8	776,092	729,389
Current portion of deferred government grant	9	23,555	27,650
Accrued mark up		410,295	540,843
Provision for taxation		17,848	103,638
Short term borrowings	10	19,324,340	26,688,089
		<u>38,042,554</u>	<u>41,445,585</u>
Total Liabilities		<u>43,688,343</u>	<u>47,207,580</u>
Total Equity And Liabilities		<u><u>68,437,135</u></u>	<u><u>71,118,486</u></u>
CONTINGENCIES AND COMMITMENTS			
	11		

The annexed notes from 1 to 19 form an integral part of these condensed interim financial statements.

MUHAMMAD ALI TABBA
Chairman / Director



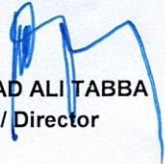
MUHAMMAD SYHAIL TABBA
Chief Executive Officer


MUHAMMAD IMRAN MOTEN
Chief Financial Officer

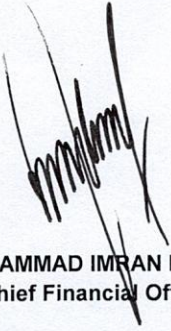
GADOON TEXTILE MILLS LIMITED
Condensed Interim Statement of Comprehensive Income (Un-audited)
For the Nine Months Ended March 31, 2026

	<u>Nine Months Ended</u>		<u>Quarter Ended</u>	
	<u>March 31,</u> <u>2026</u>	<u>March 31,</u> <u>2025</u>	<u>March 31,</u> <u>2026</u>	<u>March 31,</u> <u>2025</u>
	----- (Rupees in '000) -----			
Profit for the period	837,886	2,002,815	72,709	694,337
Other comprehensive income	-	-	-	-
Total comprehensive income for the period	837,886	2,002,815	72,709	694,337

The annexed notes from 1 to 19 form an integral part of these condensed interim financial statements.


MUHAMMAD ALI TABBA
 Chairman / Director


MUHAMMAD SOHAIL TABBA
 Chief Executive Officer


MUHAMMAD IMRAN MOTEN
 Chief Financial Officer



GADOON TEXTILE MILLS LIMITED
Condensed Interim Cash Flow Statement (Un-audited)
For the Nine Months Ended March 31, 2026

	Note	Nine Months Ended	
		March 31, 2026	March 31, 2025
(Rupees in '000)			
A. CASH FLOWS FROM OPERATING ACTIVITIES			
Cash generated from operating activities	14	15,374,069	6,144,358
Retirement benefits paid		(223,866)	(241,070)
Income taxes paid		(1,172,238)	(1,033,103)
Finance cost paid		(2,006,126)	(2,145,636)
		(3,402,230)	(3,419,809)
Net cash generated from operating activities		11,971,839	2,724,549
B. CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of property, plant and equipment		(4,824,846)	(4,627,417)
Short term investments		-	(19,000,000)
Sale proceeds from disposal of property, plant and equipment		146,996	95,292
Sale proceeds from disposal of biological asset		35,796	173,459
Loans (paid to) / repaid by employees		(40,340)	19,506
Long term deposits received / (given)		636	(251)
Dividend received		442,128	1,057,241
Proceeds from disposal of investment		-	19,196,073
Profit received from bank deposits		23,320	59,916
Long term advances received		-	4,722
Net cash used in investing activities		(4,216,310)	(3,021,459)
C. CASH FLOWS FROM FINANCING ACTIVITIES			
Long term finance obtained		916,253	-
Repayment of long-term finance		(442,207)	(427,473)
Repayment of term loan		-	(1,800,000)
Repayment of temporary economic refinance facility		(115,328)	(112,788)
Export loan - net		963,180	636,145
Export refinance - net		(479,006)	8,564
Import Loan - net		4,275,116	2,736,220
Dividend Paid		(286)	(53)
Repayment renewable energy financing		(37,868)	-
Net cash generated from financing activities		5,079,854	1,040,615
Net increase in cash and cash equivalents (A+B+C)		12,835,383	743,705
Cash and cash equivalents at the beginning of the period		(17,992,502)	(9,165,670)
Cash and cash equivalents at the end of the period		(5,157,119)	(8,421,965)
CASH AND CASH EQUIVALENTS			
Cash and bank balances		795,600	1,024,829
Short term borrowings excluding export refinance, import loan and discounting liability		(5,952,719)	(9,446,794)
		(5,157,119)	(8,421,965)
CHANGES ARISING FROM FINANCING ACTIVITIES			

CHANGES ARISING FROM FINANCING ACTIVITIES

	July 01, 2025	Financing cash inflows	Financing cash outflows	Non-cash changes	March 31, 2026
(Rupees in 000's)					
Loan from financial institutions	4,502,746	916,253	(595,403)	-	4,823,596
Unclaimed and unpaid dividend	32,273	-	(286)	-	31,987

The annexed notes from 1 to 19 form an integral part of these condensed interim financial statements.

MUHAMMAD ALI TABBA
 Chairman / Director

MUHAMMAD SOHAIL TABBA
 Chief Executive Officer

MUHAMMAD MIRAN MOTEN
 Chief Financial Officer



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GADOON TEXTILE MILLS LIMITED
Condensed Interim Statement of Changes In Equity (Un-audited)
For the Nine Months Ended March 31, 2026

	Capital Reserves				Sub-total	Revenue Reserves				Grand total
	Issued, subscribed and paid-up share capital	Share premium	Amalgamation reserve	Against long term investment Capacity Expansion & BMR		General reserve	Amalgamation reserve	Unappropriated profit	Sub-total	
	(Rupees in '000)									
Balance as at July 01, 2024	280,296	103,125	34,416	16,500,000	16,637,541	1,000,000	727,333	2,853,128	4,580,461	21,498,298
Total comprehensive income for the period										
Profit for the period	-	-	-	-	-	-	-	2,002,815	2,002,815	2,002,815
Other comprehensive income	-	-	-	-	-	-	-	-	-	-
Total comprehensive income for the period	-	-	-	-	-	-	-	2,002,815	2,002,815	2,002,815
Balance as at March 31, 2025	280,296	103,125	34,416	16,500,000	16,637,541	1,000,000	727,333	4,855,943	6,583,276	23,501,113
Balance as at July 01, 2025	280,296	103,125	34,416	16,500,000	16,637,541	1,000,000	727,333	5,265,736	6,993,069	23,910,906
Total comprehensive income for the period										
Profit for the period	-	-	-	-	-	-	-	837,886	837,886	837,886
Other comprehensive income	-	-	-	-	-	-	-	-	-	-
Total comprehensive income for the period	-	-	-	-	-	-	-	837,886	837,886	837,886
Balance as at March 31, 2026	280,296	103,125	34,416	16,500,000	16,637,541	1,000,000	727,333	6,103,622	7,830,955	24,748,792

The annexed notes from 1 to 19 form an integral part of these condensed interim financial statements.

MUHAMMAD ALI TABBA
Chairman / Director

MUHAMMAD SOHAIL TABBA
Chief Executive Officer

MUHAMMAD IMRAN MOTEN
Chief Financial Officer



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Directors' Report to the Members

Dear Members

The Directors of your Company take pleasure in presenting the performance review and the unaudited financial statements for the nine months ended March 31, 2026.

Overview

During the period, despite a challenging operating environment, the Company's net sales increased by 2.15% to Rs. 56.55 billion, compared to Rs. 55.35 billion in the same period last year (SPLY), reflecting continued customer confidence. However, due to elevated conversion costs and limited pricing flexibility, net profit after tax declined significantly by 58.16% to Rs. 837.88 million, despite ongoing cost optimization and efficiency initiatives and strong support from the value-added segment.

Economic Prospects

Our economy continues its gradual recovery momentum with buoyed inflation, calibrated monetary easing, gradual recovery in commercial activity and domestic demand, along with stable external account position. However, towards the end of the period, escalated geopolitical situation(s) led to disruption in regional trade and triggered an unusual surge in global fuel prices, freight and insurance costs. These external shocks reflected in the domestic economy and affected the stable inflationary trend as energy price and logistics costs registered a surge.

During the period, the trade deficit widened to USD 27.8 billion compared to USD 23.99 billion SPLY, as exports contracted by 8% while imports increased by 6.64%. The rise in imports was primarily driven by petroleum and industrial inputs, reflecting a gradual recovery in domestic economic activity. Despite the widening trade gap, strong workers' remittances provided a critical buffer, resulting in a marginal surplus of USD 8 million, compared to USD 1.67 billion in the corresponding period last year.

The State Bank of Pakistan in their recent monetary policy committee increased the policy rate from 10.5% to 11.5%, considering it necessary to keep inflation expectations anchored amidst emerging pressure and preserve macroeconomic stability.

Pakistan's cotton production in 2025-26 remained broadly consistent at 5.6 million bales, compared to 5.5 million bales in SPLY, but remains far below domestic demand of 10-11 million bales. The persistent supply gap continues to drive heavy reliance on imports, straining foreign exchange reserves and keeping local cotton prices elevated.

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Registered Office:

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District Swabi
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Financial Performance

A comparison of the key financial results of the Company for the nine months ended March 31, 2026, is as follows:

Profit and loss summary	March 31, 2026	March 31, 2025	Favorable / (Unfavorable)
	Rupees '000		Percentage
Sales (net)	56,546,213	55,353,450	2.15
Gross Profit	3,295,456	5,090,937	(35.27)
Distribution Cost	769,317	671,908	14.50
Administrative Expenses	530,035	429,589	23.38
Other Operating Expenses	100,722	320,038	(68.53)
Finance Cost	1,875,578	1,909,069	(1.75)
Other Income	1,030,072	1,242,979	(17.13)
Profit Before Taxation	1,049,876	3,003,312	(65.04)
Profit After Taxation	837,886	2,002,815	(58.16)
Earnings Per Share (Rs.)	29.89	71.45	

- During the period, overall sales witnessed an increase over the SPLY. While yarn prices remained under pressure, which impact was successfully offset by higher sales volumes.
- Conversion costs remained elevated due to high energy prices, particularly higher gas tariffs. Such increased energy costs adversely affected gross margins.
- The rise in Distribution costs is primarily attributed to the higher overall volumes and increased logistic charges. The increase in administrative expenses was primarily due to continued inflationary impact.
- Finance costs decreased by 1.75% to Rs. 1,875 million, compared to Rs. 1,909 million but continued to weigh-in on the bottom line. The elevated finance cost is attributable to increased working capital requirements due to higher conversion costs coupled with the capital expenditure incurred mainly in renewable energy and energy efficient equipment.

Segmental Review of Business Performance

During the period under review, cotton prices reflected a declining trend, however, an increase was noted towards the latter part of the period resulting in a corresponding effect on yarn prices; yet, the benefit arising from lower raw material costs, was offset by continued pressure on conversion costs. Moreover, demand remained stagnant due to a cautious procurement approach and the availability of competitive import alternatives in the market. Despite these challenges, the spinning segment was able to maintain its sales volumes through diversified product mix and proactive market outreach.

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The knitted bedding segment retained volumes and margins despite challenging market conditions based on the Company's capitalization on favorable raw material prices, supported by strong customer relationships and ongoing efforts to expand the customer base.

An overview of the business performance across segments is detailed in the operating segment note of the financial statements.

Corporate Social Responsibility ("CSR")

The Company is committed to supporting the community through responsible and meaningful actions. Our CSR initiatives focus on promoting care, inclusion and the overall well-being of society through thoughtful and impactful contributions.

During the period, the Company visited the Karachi Down Syndrome Program, where our team spent time with children and adults through interactive activities. This experience highlighted the importance of inclusion, understanding and recognizing the potential of every individual. The Company also supported healthcare by donating hospital sheets to Murshid Hospital & Health Care Centre, with the aim of improving patient comfort and assisting healthcare staff in maintaining a better care environment. In addition, during Ramadan, the Company organized an Iftar at Sirat-ul-Jannah in collaboration with SWAT – Social Welfare and Trust. This initiative provided an opportunity to share a meal with children at the orphanage and reflect the values of kindness, generosity and togetherness.

Employee Training and Development

The Company views the development of its people as one of the cornerstones of sustainable organizational growth. During this period, the Company delivered a focused set of training initiatives spanning ethics, HSE, teamwork and employee well-being, each designed to build capability and reinforce a culture of responsibility at every level of the organization.

During the period, a series of targeted training sessions reinforced core organizational values and operational excellence. Code of Conduct Policy sessions at KP and Amazai equipped employees with practical guidance on ethical behavior, accountability and compliance, fostering a culture of integrity across both sites. A Fire Safety Induction further underscored the Company's commitment to workplace safety by building employee awareness around emergency preparedness and response protocols. At KP, a Building High Performance Teams session engaged employees in collaborative learning focused on communication, teamwork and shared goal alignment. Complementing these efforts, a Ramadan & Health session conducted in partnership with SOCH to promote the guidance on nutrition and well-being during the holy month, supporting employees both professionally and personally. Our female employees also actively participated in the WomenEra – Women, Wellness & Wisdom learning experience, a platform designed to promote learning, connection and personal growth. The experience enabled participants to gain fresh perspectives, strengthen confidence and enhance both their professional and personal development.

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Together, these initiatives demonstrate the Company's commitment to nurturing a workforce that is ethically grounded, safety-conscious, collaborative and holistically supported.

Diversity, Equity & Inclusion (DEI)

The Company remains committed to fostering a culture rooted in diversity, equity and inclusion (DEI), an integral part of its long-term vision. We believe an inclusive environment strengthens our workforce and enhances our ability to serve the communities in which we operate. The Company continues to support CSR and community initiatives, promoting equal opportunities and engagement for all, without discrimination.

Going forward, management remains focused on expanding its participation in initiatives that advance DEI principles and create meaningful, sustainable impact for all stakeholders.

Future Outlook

Pakistan's economic outlook remains cautiously optimistic and reflects gradual strengthening of macroeconomic stability; however, the associated risks from global geo-political uncertainties pose threats. Sustained progress will depend on maintaining disciplined policies implementation, strengthening external buffers and advancing structural reform commitments under the IMF programme.

With regards to the spinning industry, intense pressure remains due, notably to the energy tariff disparity with those of regional competitors. The operational challenges are further exacerbated by the supply and price volatility in domestic cotton, influx of cheaper import alternatives, liquidity constraints, primarily attributable to delayed tax refunds and outflow of super tax payments.

While persistent high energy costs and competition from imported yarn presents an ongoing challenge, the Company continues to persevere to enhance operational resilience through cost optimization, maximum capacity utilization and disciplined working capital management. Strategically, the Company remains focused on expanding into value-added segments, targeting untapped markets and continuing to refine the sales mix in line with evolving demand trends to strengthen profitability and deliver sustainable, long-term value to all our shareholders

Composition of Board

The total number of Directors is eight including the Chief Executive as a deemed Director as per the following:

Total number of directors:	
a) Male	07
b) Female	01

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The composition of the Board is as follows:

Particulars	No.	Name of Directors
a) Independent Directors	03	Syed Muhammad Shabbar Zaidi Mr. Moin M. Fudda Ms. Fauzia Hasnain
b) Executive Director	01	Mr. Muhammad Sohail Tabba
c) Other Non-Executive Directors	04	Mr. Muhammad Ali Tabba Mr. Jawed Yunus Tabba Mr. Muhammad Hassan Tabba Mr. Ibrahim Sohail Tabba

Further, there is no change in the remuneration policy of non-executive directors as disclosed in the Annual Report 2025.

Acknowledgments

The Directors record their appreciation of the performance of the Company's stakeholders, employees, staff and executives.

For and on behalf of the Board

Chairman / Director

Karachi: April 28, 2026

Chief Executive Officer

Head Office:

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