

**3rd
Quarter
Report**

IDEAL SPINNING MILLS LIMITED



IdealGroup

**CONDENSED INTERIM
FINANCIAL INFORMATION**

**3rd Quarter Report
(UN-AUDITED)
March 31, 2026**



COMPANY INFORMATION

CHAIRMAN:	MR. MOHAMMAD SAEED
CHIEF EXECUTIVE OFFICER:	MR. AMJAD SAEED
DIRECTORS:	MRS. RUBINA AMJAD MR. OMER SAEED MR. AHSAN SAEED MR. KHIZER SAEED MR. MUHAMMAD AZHAR (INDEPENDENT) MR. RIZWAN-UL-HASSAN (INDEPENDENT)
AUDIT COMMITTEE:	
CHAIRMAN	MR. MUHAMMAD AZHAR
MEMBER	MR. MUHAMMAD SAEED
MEMBER	MR. AHSAN SAEED
H.R. & REMUNERATION COMMITTEE:	
CHAIRMAN	MR. MUHAMMAD AZHAR
MEMBER	MR. AHSAN SAEED
MEMBER	MRS. RUBINA AMJAD
NOMINATION COMMITTEE:	
CHAIRMAN	MR. OMER SAEED
MEMBER	MR. AHSAN SAEED
MEMBER	MR. KHIZER SAEED
RISK MANAGEMENT COMMITTEE:	
CHAIRMAN	MR. AHSAN SAEED
MEMBER	MR. OMER SAEED
MEMBER	MR. KHIZER SAEED
SUSTAINABILITY COMMITTEE:	
CHAIRMAN	MR. MUHAMMAD AZHAR
MEMBER	MR. AHSAN SAEED
MEMBER	MRS. RUBINA AMJAD
CHIEF FINANCIAL OFFICER:	MR. MUHAMMAD KASHIF ZAHUR
COMPANY SECRETARY:	MR. MUHAMMAD NADEEM
SHARE REGISTRAR:	F. D. Registrar Services Pvt. Limited 17 th Floor, Saima Trade Tower-A, I. I. Chundrigar Road Karachi.
AUDITORS:	M/S RIAZ AHMAD & COMPANY. CHARTERED ACCOUNTANTS
BANKERS:	BANK AL-FALAH LTD NATIONAL BANK OF PAKISTAN BANK AL-HABIB LTD THE BANK OF PUNJAB HABIB BANK LIMITED SAMBANK LTD MEEZAN BANK LTD
REGISTERED OFFICE:	ROOM NO 404 & 405, 4 TH FLOOR, BUSINESS CENTRE, MUMTAZ HASSAN ROAD, KARACHI. www.idealism.com
FACTORY:	35-K.M SHEIKHUPURA ROAD, TEHSIL JARANWALA, DISTT. FAISALABAD.

DIRECTORS' REVIEW REPORT TO THE SHAREHOLDERS

The Board of Directors feel pleasure in submitting un-audited financial statement of your company for the Nine months ended **31st March, 2026**.

COMPANY'S PERFORMANCE

Nine months brief financial position of the Company is presented here under:

	(RUPEES IN THOUSAND)	
	<u>31.03.2026</u>	<u>31.03.2025</u>
CONTINUING OPERATIONS:		
REVENUE FROM CONTRACTS WITH CUSTOMERS	923,376	1,180,385
COST OF SALES	<u>(738,262)</u>	<u>(1,085,401)</u>
GROSS PROFIT	185,114	94,984
DISTRIBUTION COST	(79,636)	(58,405)
ADMINISTRATIVE EXPENSES	(114,880)	(120,923)
OTHER EXPENSES	(2,163)	(589)
OTHER INCOME	20,326	22,003
FINANCE COST	<u>(22,058)</u>	<u>(35,844)</u>
LOSS BEFORE LEVY AND TAXATION	(13,297)	(98,774)
LEVY	<u>(8,880)</u>	<u>(13,385)</u>
LOSS BEFORE TAXATION	(22,177)	(112,159)
TAXATION	<u>-</u>	<u>-</u>
LOSS AFTER TAXATION FROM CONTINUING OPERATIONS	(22,177)	(112,159)
DISCONTINUED OPERATION:		
LOSS AFTER TAXATION FROM DISCONTINUED OPERATIONS	<u>(41,222)</u>	<u>(154,851)</u>
LOSS AFTER TAXATION	<u>(63,399)</u>	<u>(267,010)</u>
LOSS PER SHARE FROM CONTINUED OPERATIONS-BASIC AND DILUTED (RUPEES)	<u>(2.24)</u>	<u>(11.31)</u>
LOSS PER SHARE FROM DISCONTINUED OPERATIONS -BASIC AND DILUTED (RUPEES)	<u>(4.16)</u>	<u>(15.61)</u>

During the nine months under review, the Company achieved a 94.88% increase in gross profit from continuing operations, amounting to Rs. 185.114 million compared to Rs. 94.984 million in the corresponding period last year, despite rising raw material costs and increased fuel and power expenses.

Notwithstanding the gross profit of Rs. 185.114 million from continuing operations, our efforts to control distribution, administrative, and finance costs were not sufficient to fully offset prevailing market challenges. Consequently, the Company reported an after-tax loss from continuing operations of Rs. 22.177 million, as compared to a loss of Rs. 112.159 million in the corresponding period of last year. These results reflect the ongoing challenges within the industry, while also demonstrating our continued focus on improving cost management and operational efficiency.

The operations of our Spinning Unit were closed, and a decision was made to dispose of the major portion of the plant and machinery, including standby equipment, following the approval of the Board of Directors of the Company on 11 July 2025 and the shareholders at the EOGM held on 11 August 2025.

The major portion of the plant and machinery and standby equipment related to the Spinning Unit situated at 32-Km Sheikhpura Road, Tehsil Jaranwala, District Faisalabad, has been classified as held for sale. During the period, certain plant and machinery were disposed of for a total consideration of Rupees 309.254 million received from various parties.

The Company remains fully committed to disposing of the remaining assets by the end of the financial year.

Future Prospects

Despite prevailing economic challenges, management remains cautiously optimistic about a gradual market recovery and improved business performance in the coming periods. The Company is actively evaluating a range of viable strategic options to enhance its future prospects, strengthen revenue streams, and ultimately return to profitability.


The Company is confident in its ability to navigate the recent economic slowdown through a focused approach on innovation, cost optimization, and enhanced operational efficiency. Furthermore, our continued commitment to sustainable growth and prudent strategic planning is expected to reinforce our market position and support long-term value creation.

ACKNOWLEDGEMENT

The Board extends heartfelt gratitude to our esteemed shareholders and bankers for their unwavering support and trust in the company. We also recognize and appreciate dedication and hard work of our staff and workers, whose efforts have been instrumental in achieving significant milestones. We look forward to their continued commitment in the years to come.

On behalf of the Board

Faisalabad
April 30, 2026


Amjad Saeed
Chief Executive Officer


Omer Saeed
Director

شعبہ ہولڈرز کوڈائزیکلرز کی جائز رپورٹ
بورڈ آف ڈائریکٹرز 31 مارچ 2026 کو ختم ہونے والے 9 ماہ کے لیے آپ کی کمپنی کی غیر آڈٹ شدہ مالیاتی رپورٹ جمع کرانے میں خوشی محسوس کرتے ہیں۔

کمپنی کی کارکردگی

کمپنی کے 9 ماہ کے مالی نتائج کا خلاصہ درج ذیل ہے:

(روپے ہزار میں)	
31-03-2026	31-03-2025
923,376	1,180,385
<u>(738,262)</u>	<u>(1,085,401)</u>
185,114	94,984
(79,636)	(58,405)
(114,880)	(120,923)
(2,163)	(589)
20,326	22,003
<u>(22,058)</u>	<u>(35,844)</u>
(13,297)	(98,774)
<u>(8,880)</u>	<u>(13,385)</u>
(22,177)	(112,159)
-	-
(22,177)	(112,159)
<u>(41,222)</u>	<u>(154,851)</u>
<u>(63,399)</u>	<u>(267,010)</u>
<u>(2.24)</u>	<u>(11.31)</u>
<u>(4.16)</u>	<u>(15.61)</u>

جاری آپریشنز

تفصیل

گاہکوں سے معاہدوں کی آمدنی

فروخت کی لاگت

مجموعی منافع

ترسیلی اخراجات

انتظامی اخراجات

دیگر اخراجات

دیگر آمدنی

مالی اخراجات

قبل از ٹیکس اور لیوی (نقصان)

لیوی

قبل از ٹیکس نقصان

ٹیکس

جاری آپریشن سے بعد از ٹیکس نقصان

منقطع آپریشن

منقطع آپریشن کا بعد از ٹیکس نقصان

کل نقصان بعد از ٹیکس

جاری آپریشن کا فی حصہ نقصان

منقطع آپریشن کا فی حصہ نقصان

زیر جائزہ 9 ماہ کے دوران کمپنی نے خام مال کی قیمتوں میں اضافے اور ایندھن کے بڑھتے ہوئے اخراجات کے باوجود جاری آپریشن سے مجموعی منافع میں 94.88 فیصد اضافہ کیا، جس کی رقم 185.114 ملین روپے ہے۔ جبکہ گزشتہ سال کی اسی مدت میں 94.984 ملین روپے ہے۔

185.114 ملین روپے کے منافع کے باوجود جاری آپریشنز سے ترسیل، انتظامی اور مالیاتی اخراجات کو کنٹرول کرنے کی ہماری کوششیں مارکیٹ میں موجود چیلنجوں کو مکمل طور پر پورا کرنے کے لیے کافی نہیں تھیں۔ جاری آپریشنز سے بعد از ٹیکس نقصان 22.177 ملین روپے ہے۔ جو کہ گزشتہ سال کی اسی مدت میں 112.159 ملین روپے تھا۔ یہ نتائج صنعت کے اندر جاری چیلنجوں کی عکاسی کرتے ہیں، جبکہ لاگت کے انتظام اور آپریشنل کارکردگی کو بہتر بنانے پر ہماری مسلسل توجہ کو بھی ظاہر کرتے ہیں۔

ہمارے سٹیٹ پیٹ کا کام بند کر دیا گیا تھا اور 11 جولائی 2025 کو کمپنی کے بورڈ آف ڈائریکٹرز اور 11 اگست 2025 کو مستفید EOGM میں حصص یافتگان کی منظوری کے بعد پلانٹ اور مشینری کے بڑے حصے بشمول سٹیٹ پیٹ آلات کو فروخت کرنے کا فیصلہ کیا گیا تھا۔

32 کلومیٹر شیٹو پورہ روڈ تحصیل جڑانوالہ، ضلع فیصل آباد پر واقع سینٹک پیٹنٹ یونٹ سے منقطع پلانٹ اور مشینری اور شیڈ ہائی آلات کے بڑے حصے کو فروخت کے لیے رکھا گیا ہے۔ اس مدت کے دوران 309.254 ملین روپے کی کچھ پلانٹ اور مشینری مختلف پارٹیوں کو فروخت کر دی گئی ہے۔


کمپنی مالی سال کے اختتام تک باقی اثاثوں کو فروخت کرنے کے لیے پرعزم ہے۔

مستقبل کے امکانات

موجودہ چیلنجوں کے باوجود انتظامیہ آنے والے اودار میں مارکیٹ کی بندرج بحالی اور بہتر کاروباری کارکردگی کی توقع رکھتی ہے۔ کمپنی مستقبل میں کمپنی کے کاروباری امکانات کو بہتر بنانے اور آمدنی بڑھانے اور باآخر منافع حاصل کرنے کے لیے مختلف قابل عمل اقدامات پر غور کر رہی ہے۔ کمپنی جدت، الاگت کی اصلاح اور آپریشنل کارکردگی پر مضبوط توجہ کے ذریعے حالیہ معاشی سترومی پر قابو پانے کے بارے میں پر امید ہے۔ پائیدار ترقی کے لیے ہماری وابستگی اور دانشمداندہ اسٹریٹجک منصوبہ بندی ہماری مارکیٹ کی پوزیشن کو مزید تقویت بخشنے کی اور طویل مدتی قدر کی تخلیق میں معاونت کرے گی۔

اعتراف

بورڈ ہمارے معزز شیئر ہولڈرز اور بینکرز کا کمپنی پر ان کی غیر متزلزل حمایت اور اعتماد کے لیے تہہ دل سے شکر یہ ادا کرتا ہے۔ ہم اپنے تمام ملازمین اور کارکنوں کی لگن اور محنت کو بھی تسلیم کرتا ہے اور ان کی تعریف کرتا ہے، جن کی کوششیں اہم سنگ میلوں کو حاصل کرنے میں اہم کردار ادا کر رہی ہیں۔ ہم ان کے مسلسل عزم کے منتظر ہیں۔


عمر سعید
ڈائریکٹر

بورڈ کی جانب سے
احمد سعید
چیف ایگزیکٹو آفیسر
30 اپریل 2026 فیصل آباد

CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2026

	NOTE	Un-audited 31 March 2026	Audited 30 June 2025	NOTE	Un-audited 31 March 2026	Audited 30 June 2025
EQUITY AND LIABILITIES						
SHARE CAPITAL AND RESERVES						
Authorised share capital						
20,000,000 (30 June 2025; 20,000,000) ordinary shares of Rupees 10 each		200,000	200,000			
Issued, subscribed and paid up share capital						
9,920,000 (30 June 2025; 9,920,000) ordinary shares of Rupees 10 each fully paid in cash		99,200	99,200	5	1,105,901	1,572,160
Sponsors' loans		241,800	241,800		9,121	8,319
Reserves					1,115,022	1,581,079
Capital reserves						
Equity portion of shareholders' loans		183,291	183,291			
Surplus on revaluation of freehold land		360,555	360,555			
		543,846	543,846			
Accumulated loss		(765,125)	(701,726)			
TOTAL EQUITY		110,721	183,120			
LIABILITIES						
NON-CURRENT LIABILITIES						
Staff retirement gratuity		25,373	20,247		87,122	97,009
CURRENT LIABILITIES					232,073	283,211
Trade and other payables		445,839	550,470			
Short term borrowings	3	1,657,012	1,788,458			
Accrued mark-up		5,864	13,179		238,463	187,627
Undeclared dividend		2,592	2,596		7,990	15,782
		2,111,307	2,354,703	6	54,529	41,724
		2,136,680	2,374,950		982,801	976,991
TOTAL LIABILITIES					158,578	-
CONTINGENCIES AND COMMITMENTS	4				1,141,379	976,991
TOTAL EQUITY AND LIABILITIES		2,256,401	2,558,070		2,256,401	2,558,070

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


AMIR SAEED
CHIEF EXECUTIVE OFFICER


OMER SAEED
DIRECTOR


MUHAMMAD KASHIF ZAHUR
CHIEF FINANCIAL OFFICER

**CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS (Un-audited)
FOR THE THIRD QUARTER ENDED 31 MARCH 2026**

NOTE	Third Quarter ended		Quarter ended	
	31 March 2026	31 March 2025	31 March 2026	31 March 2025
------(RUPEES IN THOUSAND)-----				
CONTINUING OPERATIONS :				
REVENUE FROM CONTRACTS WITH CUSTOMERS	923,376	1,180,385	326,858	352,661
COST OF SALES	8 (738,262)	(1,085,401)	(251,196)	(336,371)
GROSS PROFIT / (LOSS)	185,114	94,984	75,662	16,290
DISTRIBUTION COST	(79,636)	(58,405)	(30,289)	(15,401)
ADMINISTRATIVE EXPENSES	(114,880)	(120,923)	(29,683)	(45,486)
OTHER EXPENSES	(2,163)	(589)	(664)	837
OTHER INCOME	20,326	22,003	6,379	7,844
FINANCE COST	(22,058)	(35,844)	(6,809)	(4,764)
LOSS BEFORE LEVY AND TAXATION	(13,297)	(98,774)	14,596	(40,680)
LEVY	(8,880)	(13,385)	(3,402)	(3,038)
LOSS BEFORE TAXATION	(22,177)	(112,159)	11,194	(43,718)
TAXATION	-	-	-	-
LOSS AFTER TAXATION FROM CONTINUING OPERATIONS	(22,177)	(112,159)	11,194	(43,718)
DISCONTINUED OPERATION :				
LOSS AFTER TAXATION FROM DISCONTINUED OPERATION	7 (41,222)	(154,851)	(25,785)	(23,746)
LOSS AFTER TAXATION	(63,399)	(267,010)	(14,591)	(67,464)
LOSS PER SHARE FROM CONTINUED OPERATIONS - BASIC AND DILUTED (RUPEES)	(2.24)	(11.31)	1.13	(4.41)
LOSS PER SHARE FROM DISCONTINUED OPERATIONS - BASIC AND DILUTED (RUPEES)	(4.16)	(15.61)	(2.60)	(2.39)

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


AMJAD SAAD
CHIEF EXECUTIVE OFFICER


OMER SAAD
DIRECTOR


MUHAMMAD KASHIF ZAHUR
CHIEF FINANCIAL OFFICER

**CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (Un-audited)
FOR THE THIRD QUARTER ENDED 31 MARCH 2026**

Third Quarter ended		Quarter ended	
31 March 2026	31 March 2025	31 March 2026	31 March 2025

----- (RUPEES IN THOUSAND) -----

LOSS AFTER TAXATION	(63,399)	(267,010)	(14,591)	(67,464)
OTHER COMPREHENSIVE INCOME				
Items that will not be reclassified subsequently to profit or loss	-	-	-	-
Items that may be reclassified subsequently to profit or loss	-	-	-	-
Other comprehensive income for the period	-	-	-	-
TOTAL COMPREHENSIVE LOSS FOR THE PERIOD	<u>(63,399)</u>	<u>(267,010)</u>	<u>(14,591)</u>	<u>(67,464)</u>

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


AMJAD SAEED
CHIEF EXECUTIVE OFFICER


OMER SAEED
DIRECTOR


MUHAMMAD KASHIF ZAHUR
CHIEF FINANCIAL OFFICER

CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (Un-audited)
FOR THE THIRD QUARTER ENDED 31 MARCH 2026

	SHARE CAPITAL	SPONSORS' LOANS	CAPITAL RESERVES			ACCUMULATED LOSS	TOTAL EQUITY
			Equity portion of shareholders' loan	Surplus on revaluation of freehold land	Total		
----- (RUPEES IN THOUSAND) -----							
Balance as at 30 June 2024 - (Audited)	99,200	241,800	183,291	360,555	543,846	(278,321)	606,525
Loss for the period	-	-	-	-	-	(267,010)	(267,010)
Other comprehensive income for the period	-	-	-	-	-	-	-
Total comprehensive loss for the period	-	-	-	-	-	(267,010)	(267,010)
Balance as at 31 March 2025 - (Un-audited)	99,200	241,800	183,291	360,555	543,846	(545,331)	339,515
Loss for the period	-	-	-	-	-	(156,549)	(156,549)
Other comprehensive income for the period	-	-	-	-	-	154	154
Total comprehensive loss for the period	-	-	-	-	-	(156,395)	(156,395)
Balance as at 30 June 2025 - (Audited)	99,200	241,800	183,291	360,555	543,846	(701,726)	183,120
Loss for the period	-	-	-	-	-	(63,399)	(63,399)
Other comprehensive income for the period	-	-	-	-	-	-	-
Total comprehensive loss for the period	-	-	-	-	-	(63,399)	(63,399)
Balance as at 31 March 2026 - (Un-audited)	99,200	241,800	183,291	360,555	543,846	(765,125)	119,721

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


AMIRJAD SAEED
CHIEF EXECUTIVE OFFICER


OMER SAEED
DIRECTOR


MUHAMMAD KASHIF ZAHUR
CHIEF FINANCIAL OFFICER

**CONDENSED INTERIM STATEMENT OF CASH FLOWS (Un-audited)
FOR THE THIRD QUARTER ENDED 31 MARCH 2026**

	Third Quarter ended	
	31 March 2026	31 March 2025
(RUPEES IN THOUSAND)		
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash used in operations	9	(72,506)
Finance cost paid	(48,656)	(110,243)
Income tax and levy paid	(44,011)	(47,742)
Staff retirement gratuity paid	(4,993)	(12,424)
Net decrease / (increase) in long term deposits and prepayments	(202)	(6,842)
Net cash used in operating activities	(170,368)	(119,286)
CASH FLOWS FROM INVESTING ACTIVITIES		
Capital expenditure on property, plant and equipment	(12,499)	(28,081)
Proceeds from disposal of property, plant and equipment	17,871	9,501
Proceeds from sale of non-current assets held for sale	309,254	-
Net cash from / (used in) investing activities	314,626	(18,580)
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayment of long term financing	-	(105,000)
Dividend paid	(4)	(3)
Short term borrowings - net	(131,446)	227,851
Net cash (used in) / from financing activities	(131,450)	122,848
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS	12,808	(15,018)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	41,724	96,362
Net foreign exchange difference on translating cash and bank balances	(3)	1
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	54,529	81,345

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


AMJAD SAEED
CHIEF EXECUTIVE OFFICER


OMER SAEED
DIRECTOR


MUHAMMAD KASHIF ZAHUR
CHIEF FINANCIAL OFFICER

**SELECTED NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (Un-audited)
FOR THE THIRD QUARTER ENDED 31 MARCH 2026****1. THE COMPANY AND ITS OPERATIONS**

- 1.1** Ideal Spinning Mills Limited (the Company) is a public limited company incorporated in Pakistan on 08 June 1989 under the repealed Companies Ordinance, 1984 (Now Companies Act, 2017) and listed on Pakistan Stock Exchange Limited on 30 September 1991. The principal activity of the Company is manufacturing and sale of cloth and hosiery products. The Company's registered office is situated at Room No. 404-405, 4th Floor, Business Centre, Mumtaz Hassan Road, Karachi.
- 1.2** The Company was previously operating a spinning Unit situated at 32-Km Sheikupura Road, Tehsil Jaranwala, District Faisalabad. However, due to continuous challenges faced by the spinning business especially the demand of yarn and costs of operation, after the approval by the members in Extra Ordinary General Meeting (EOGM) dated 11 August 2025, it was decided to discontinue the spinning operations. Therefore, the major portion of plant and machinery of the Company along with stand-by equipment were approved for disposal. The Company is considering various viable options to materialize in future for improving the business prospects of the Company and to boost revenue and ultimately gaining profit.

2. BASIS OF PREPARATION, MATERIAL ACCOUNTING POLICY INFORMATION, CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS AND FINANCIAL RISK MANAGEMENT**2.1 Statement of compliance**

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

- International Accounting Standard (IAS) 34, Interim Financial Reporting, issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017; and

- Provisions of, directives and notifications issued under the Companies Act, 2017.

Where the provisions of, directives and notifications issued under the Companies Act, 2017 differ with the requirements of IAS 34, the provisions of, directives and notifications issued under the Companies Act, 2017 have been followed.

- 2.2** These condensed interim financial statements do not include all the information required for annual financial statements and should be read in conjunction with the annual financial statements of the Company for the year ended 30 June 2025. These condensed interim financial statements are un-audited, however have been subjected to limited scope review by the auditors and are being submitted to the shareholders as required by the Listed Companies (Code of Corporate Governance) Regulations, 2019 and section 237 of the Companies Act, 2017.

2.3 Material accounting policy information

The material accounting policy information and methods of computations adopted for the preparation of these condensed interim financial statements are the same as applied in the preparation of the annual audited financial statements of the Company for the year ended 30 June 2025 except for the new accounting policy disclosed in Note 2.6 to these condensed interim financial statements.

2.4 Critical accounting estimates and judgements

The preparation of these condensed interim financial statements in conformity with approved accounting and reporting standards requires the use of certain critical accounting estimates. It also requires management to exercise its judgements in the process of applying Company's accounting policies. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

During preparation of these condensed interim financial statements, the significant judgments made by the management in applying the Company's accounting policies and the key sources of estimation and uncertainty were the same as those that applied in the annual audited financial statements of the Company for the year ended 30 June 2025.

2.5 Financial risk management

The Company's financial risk management objectives and policies are consistent with those disclosed in the annual audited financial statements for the year ended 30 June 2025.

2.6 Non-current assets held for sale

Non-current assets are classified as assets held for sale when their carrying amount is to be recovered principally through a sale transaction and the sale is considered highly probable. These are stated at the lower of carrying amount and fair value less cost to sell.

Un-audited	Audited
31 March	30 June
2026	2025

(RUPEES IN THOUSAND)

3. SHORT TERM BORROWINGS

From banking companies - secured

Running finances

Other short term finances

18,244	182,353
315,000	400,862
333,244	583,215

From others - unsecured

Related parties

1,323,768 1,205,243

1,657,012 1,788,458

4. CONTINGENCIES AND COMMITMENTS

a) Contingencies

There is no significant change in the status of contingencies as disclosed in the annual audited financial statements of the Company for the year ended 30 June 2025 except as follows:

Guarantees of Rupees 95.611 million (30 June 2025: Rupees 95.611 million) are given by the banks of the Company to Sui Northern Gas Pipelines Limited against gas connections and to Faisalabad Electric Supply Company Limited against electricity connections.

b) Commitments

Commitments arising from short term leases to be recognised on a straight line basis as expense under the practical expedient applied by the Company with respect to IFRS 16 are of Rupees 6.215 million (30 June 2025: Rupees 4.520 million) which are to be paid within one year (30 June 2025: within one year).

5. PROPERTY, PLANT AND EQUIPMENT

Operating fixed assets (Note 5.1)

Capital work-in-progress (Note 5.2)

1,094,031 1,560,290
11,870 11,870

1,105,901 1,572,160

5.1 Operating fixed assets

Opening net book value

Add: Cost of additions during the period / year (Note 5.1.1)

1,560,290 1,692,554
12,499 32,825

1,572,789 1,725,379

Less:

Book value of deletions during the period / year (Note 5.1.2)

Classified as non-current assets held for sale during the period / year (Note 7)

17,257 40,740
406,403 -

423,660 40,740

1,149,129 1,684,639

Less: Depreciation charged during the period / year

55,098 124,349

1,094,031 1,560,290

5.1.1 Cost of additions during the period / year

Plant and machinery

Electric installations

Factory equipment

Computers

Electric appliances

Furniture and fixtures

Vehicles

2,187 25,157

913 6,823

- 282

170 270

- 182

- 111

9,229 -

12,499 32,825

5.1.2 Book value of deletions during the period / year

Plant and machinery

Vehicles

8,224 39,842

9,033 898

17,257 40,740

	Un-audited	Audited
	31 March 2026	30 June 2025
(RUPEES IN THOUSAND)		
5.2 Capital work-in-progress		
Stand-by equipment	3,475	3,475
Advance against office building	-	-
Advances against plant and machinery	-	-
Advances against stand-by equipment	-	-
Advance against electric appliance	-	-
Advance against vehicle	-	-
Advances against factory equipment	-	-
Advances against Enterprise Resource Planning (ERP)	8,395	8,395
	11,870	11,870

6. CASH AND BANK BALANCES

With banks:

On current accounts	25,575	14,225
On PLS saving accounts	25,396	26,016
	50,971	40,241

Cash in hand	3,558	1,483
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	54,529	41,724
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7. NON-CURRENT ASSETS HELD FOR SALE

The non-current assets classified as held for sale in their respective categories are summarized hereunder :

(a) Non-current assets classified as held for sale

Plant and machinery	309,817	-
Stand-by equipment	96,586	-
	406,403	-

Disposals during the year of plant and machinery	(247,825)	-
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	158,578	-
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7.1 Major portion of plant and machinery and stand-by equipment related to Spinning Unit situated at 32-Km Shakupura Road, Tehsil Jaranwala, District Faisalabad are presented as held for sale following the approval of Board of Directors of the Company and shareholders in EOGM held on 11 August 2025. Disposal of some plant and machinery was made during the period against collective consideration of Rupees 309,254 million received from various parties. The Company is fully committed to dispose of the remaining assets uptill the end of the financial year.

(b) Analysis of results of discontinued operation

	(Un-audited)			
	Third Quarter ended		Quarter ended	
	31 March 2026	31 March 2025	31 March 2026	31 March 2025
----- (RUPEES IN THOUSAND) -----				
Revenue from contracts with customers	23,366	1,806,557	-	618,944
Cost of sales	(60,363)	(1,813,702)	(8,032)	(603,643)
Gross loss	(36,997)	(7,145)	(8,032)	13,301
Distribution cost	-	(1,591)	-	(37)
Administrative expenses	(42,052)	(54,964)	(11,498)	(12,024)
Other expenses	(5,114)	(360)	(80)	(120)
Other income	62,516	1,196	(3,852)	(354)
Finance cost	(19,283)	(70,140)	(2,323)	(17,535)
	(3,933)	(125,859)	(17,753)	(30,070)
Loss before taxation and levy from discontinued operation	(40,930)	(133,004)	(25,785)	(16,769)
Levy	(292)	(21,847)	-	(6,977)
Loss before taxation from discontinued operation	(41,222)	(154,851)	(25,785)	(23,746)
Taxation	-	-	-	-
Loss after taxation	-	-	-	-
From discontinued operation	(41,222)	(154,851)	(25,785)	(23,746)

(c) Analysis of the cash flows of discontinued operation

Cash outflows from operating activities	(222,012)
Cash inflows from investing activities	310,354
Cash outflows from financing activities	(151,755)

(Un-audited)
Third Quarter ended
31 March 2026

(Un-audited)			
Third Quarter ended		Quarter ended	
31 March 2026	31 March 2025	31 March 2026	31 March 2025

------(RUPEES IN THOUSAND)-----

8. COST OF SALES

Raw materials consumed	322,544	544,178	136,658	177,443
Cost of raw material sold	-	-	-	-
Stores, spare parts and loose tools consumed	73,221	85,095	23,972	31,016
Salaries, wages and other benefits	134,235	186,881	38,735	57,862
Fuel and power	95,785	141,834	29,088	36,305
Sizing materials consumed	33,929	42,687	10,915	18,033
Outside processing / conversion and other charges	12,636	7,707	4,525	1,622
Packing materials consumed	50,746	50,512	15,359	11,953
Repair and maintenance	1,062	866	623	250
Insurance	5,082	4,953	1,951	1,676
Rent, rates and taxes	5,085	5,085	1,695	1,695
Other factory overheads	303	2,379	189	2,211
Depreciation	22,715	24,541	7,451	8,186
	757,343	1,096,718	271,161	348,252
Work-in-process				
Opening stock	14,553	17,395	11,128	30,416
Closing stock	(13,128)	(26,954)	(13,128)	(26,954)
	1,425	(9,559)	(2,000)	3,462
Cost of goods manufactured	758,768	1,087,159	269,161	351,714
Finished goods				
Opening stock	142,024	126,005	144,565	112,420
Closing stock	(162,530)	(127,763)	(162,530)	(127,763)
	(20,506)	(1,758)	(17,965)	(15,343)
	738,262	1,085,401	251,196	336,371

(Un-audited)	
Third Quarter ended	
31 March 2026	31 March 2025

(RUPEES IN THOUSAND)

9. CASH (USED IN) / GENERATED FROM OPERATIONS

Loss before levy and taxation	(54,227)	(231,778)
Adjustments for non-cash charges and other items:		
Amortization	-	864
Depreciation	55,098	86,300
Gain on sale of non-current assets held for sale	(61,429)	-
Gain on disposal of property, plant and equipment	(614)	(1,448)
Allowance for expected credit losses - net	3,063	-
Credit balances written back	(244)	(2,500)
Provision for staff retirement gratuity	10,119	22,738
Finance cost	41,341	105,984
Provision for doubtful loans and advances - net	1,741	-
Net exchange (gain) / loss	192	(35)
Working capital changes (Note 9.1)	(67,546)	77,840
	(72,506)	57,965

9.1 Working capital changes

(Increase) / decrease in current assets	
Stores, spare parts and loose tools	9,987 (131)
Stock-in-trade	51,138 206,277
Trade debts	(54,028) 28,902
Loans and advances	6,051 2,761
Short term deposits and prepayments	(3,313) (5,223)
Other receivables	27,006 10,606
	36,841 243,192
Decrease in trade and other payables	(104,387) (165,352)
	(67,546) 77,840

10. SEGMENT INFORMATION

	Weaving		Socks		Total - Company	
	(Un-audited)		(Un-audited)		(Un-audited)	
	Third Quarter ended		Third Quarter ended		Third Quarter ended	
	31 March 2026	31 March 2025	31 March 2026	31 March 2025	31 March 2026	31 March 2025
	(RUPEES IN THOUSAND)					
Revenue from contracts with customers	233,024	576,685	690,352	603,700	923,376	1,180,385
Cost of sales	(188,427)	(600,162)	(549,835)	(485,239)	(736,262)	(1,065,401)
Gross profit / (loss)	44,597	(23,477)	140,517	118,461	187,114	94,984
Distribution cost	(2,459)	(3,571)	(77,177)	(54,834)	(79,636)	(58,405)
Administrative expenses	(38,571)	(51,039)	(76,309)	(69,884)	(114,880)	(120,923)
Profit / (loss) before levy, taxation, unallocated expenses and income	3,557	(78,087)	(12,969)	(6,257)	(9,402)	(84,344)
Unallocated expenses and income:						
Other expenses					(2,163)	(589)
Other Income					20,316	22,003
Finance cost					(22,658)	(35,844)
Levy					(8,880)	(13,385)
Taxation					-	-
Loss after taxation from continued operations					(22,177)	(112,159)
Loss after taxation from discontinued operations (Note 7)					(41,222)	(154,851)
Loss after taxation					(63,399)	(267,010)

10.1 Reconciliation of reportable segment assets and liabilities

	Spinning (Note 10.1.1)		Weaving		Socks		Total - Company	
	(Un-audited)	(Audited)	(Un-audited)	(Audited)	(Un-audited)	(Audited)	(Un-audited)	(Audited)
	31 March 2026	30 June 2025	31 March 2026	30 June 2025	31 March 2026	30 June 2025	31 March 2026	30 June 2025
	(RUPEES IN THOUSAND)							
Total assets for reportable segments as per condensed interim statement of financial position	941,327	1,466,161	351,557	387,375	727,225	681,659	2,020,109	2,515,195
Unallocated assets								
Advance income tax and levy-net							77,714	42,875
Non-current assets held for sale							158,578	-
Total assets as per condensed interim statement of financial position							2,256,401	2,558,070
Total liabilities as per condensed interim statement of financial position	715,502	1,036,555	242,611	256,507	1,178,567	1,081,888	2,136,680	2,374,950

10.1.1 As mentioned in Note 1.2 and Note 7.1 to the condensed interim financial statements, the spinning segment has been discontinued and major portion of plant and machinery and stand-by equipment were classified as held for sale. However, there are certain corporate and other assets / liabilities which are to be allocated to other segments until 30 June 2025. Therefore those specific assets and liabilities are still shown in spinning segment.

10.2 Geographical information

The Company's segment wise revenue from external customers as per geographical regions is detailed below:

	Weaving		Socks		Total - Company	
	(Un-audited)		(Un-audited)		(Un-audited)	
	Third Quarter ended		Third Quarter ended		Third Quarter ended	
	31 March 2026	31 March 2025	31 March 2026	31 March 2025	31 March 2026	31 March 2025
	(RUPEES IN THOUSAND)					
Europe	-	-	573,689	136,716	573,689	136,716
North America	-	-	69,381	345,750	69,381	345,750
Pakistan	233,024	576,685	47,282	117,234	280,306	693,919
	233,024	576,685	690,352	603,700	923,376	1,180,385

10.3 Disaggregation of revenue from contracts with customers by major products / service lines

Socks / others		3,268	643,940	486,466	643,940	489,724
Waste		-	9,837	7,009	6,837	7,009
Conversion, CMT income and cloth sale	233,024	573,417	39,575	110,225	272,599	683,642
	233,024	576,685	690,352	603,700	923,376	1,180,385

10.4 Revenue is recognized at point in time as per terms and conditions of underlying contracts with customers.

11. TRANSACTIONS WITH RELATED PARTIES

Related parties comprise associated company / undertakings, other related parties and key management personnel. The Company in the normal course of business carries out transactions with various related parties. Detail of transactions and balances with related parties is as follows:

(Un-audited)			
Third Quarter ended		Third Quarter ended	
31 March 2026	31 March 2025	31 March 2026	31 March 2025

------(RUPEES IN THOUSAND)-----

i) Transactions

Associated company / undertaking

Rental expense	5,085	5,085	1,695	1,695
Sale of goods	869	-	-	-

Other related parties

Loans obtained from directors - net	118,525	429,400	33,250	(20,700)
Remuneration and meeting fee paid to Chief Executive Officer, directors and executives	37,267	33,465	6,390	9,912

Un-audited 31 March 2026	Audited 30 June 2025
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(RUPEES IN THOUSAND)

ii) Period end balances

Associated company / undertaking

Trade and other payables	13,804	13,239
Trade debts	-	-

Other related parties

Sponsors' loans	241,800	241,800
Short term borrowings	1,323,768	1,205,243
Loans and advances	865	485

12. DISCLOSURES REQUIREMENTS FOR COMPANY NOT ENGAGED IN SHARIAH NON-PERMISSIBLE BUSINESS ACTIVITIES AS ITS CORE ACTIVITIES

Description	Un-audited	Audited
	31 March 2026	30 June 2025

(RUPEES IN THOUSAND)

Financing obtained as per Islamic mode

Short term borrowings	1,323,768	1,205,243
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Interest or mark-up accrued on any conventional loan or advance

Short term borrowings	36,575	102,893
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Shariah-compliant bank deposits and bank balances

Bank balances	(3,064)	3,309
---------------	---------	-------

Description	Un-audited	Un-audited
	31 March 2026	31 March 2025
(RUPEES IN THOUSAND)		
Revenue earned from Shariah-compliant business segment	946,742	2,986,942
Profit earned from Shariah-compliant bank deposits and bank balances	6	10
Total interest earned on any conventional loan or advance	1,410	2,092
Source and detailed breakup of other income, including breakup of other or miscellaneous portions of other income into Shariah-compliant and non-compliant income		
Shariah-compliant income		
Scrap sales	190	-
Rental income	18,950	17,148
Gain on disposal of property plant and equipment	614	1,448
Gain on disposal of non-current assets held for sale	61,429	-
Profit earned from bank deposits / bank balances	6	10
Credit balances written back	244	2,500
Non-Shariah compliant income		
Profit earned from bank deposits / bank balances	1,410	2,092

Relationship with Shariah-compliant financial institutions / banks

Bank Name	Relationship
Habib Bank Limited	Bank balances
AlBaraka Bank (Pakistan) Limited	Bank balances
Meezan Bank Limited	Bank balances
BankIslami Pakistan Limited	Bank balance

There were no liquidity damages or late payments during the period. Moreover, there were no investments made by the Company.

13. DATE OF AUTHORIZATION

These condensed interim financial statements were approved and authorized for issue on 30 April 2026 by the Board of Directors of the Company.

14. CORRESPONDING FIGURES

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

Corresponding figures have been re-arranged, wherever necessary, for the purpose of comparison. However, no significant re-arrangements have been made.

15. GENERAL

Figures have been rounded off to the nearest thousand of Rupees unless otherwise stated.


AMJAD SAEED
 CHIEF EXECUTIVE OFFICER


OMER SAEED
 DIRECTOR


MUHAMMAD KASHIF ZAHUR
 CHIEF FINANCIAL OFFICER

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