

FRONTIER CERAMICS LIMITED



Financial Statements

For the Third Quarter & Nine Months Period Ended
March 31, 2026

(UN-AUDITED)

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VISION AND MISSION STATEMENT

VISION STATEMENT

To become industry leader by instilling ethical and moral values, honest practices according to the Principles of Islam, offering the best innovative, competitive and quality products, ensuring direct benefit for all stake holders.

MISSION STATEMENT

- Deliver un-parallel value to customers by continuous striving and to exceed their expectations;
- Under the guiding principles of Islam, to inculcate the culture of honest practices, ethical and moral values in our employees;
- Special emphasis on workforce, health, safety, environment. Constant motivation of employees by fair benevolence;
- To ensure reasonable growth and profits of the Group, to the shareholders on their investment; and
- The Group will assert efforts towards the social development of society and be instrumental in the industrial growth of Pakistan.

COMPANY INFORMATION

BOARD OF DIRECTORS

Ms. Shabina Anjum	Independent Director & Chairperson
Mr. Omer Khalid	Non-Executive Director
Mr. Javid Khalid	Non-Executive Director
Mr. Zia Khalid	Executive Director
Ms. Numrah Khalid	Executive Director
Mr. Muhammad Riaz Khan	Independent Director
Mr. M.Nehmatullah Toor	Non-Executive Director

Audit Committee

Mr. Muhammad Riaz Khan	Chairman
Mr. Omer Khalid	Member
Mr. Javid Khalid	Member

Human Resource & Remuneration Committee

Ms. Shabina Anjum	Chairperson
Ms. Numrah Khalid	Member
Mr. Javid Khalid	Member

Chief Executive Officer

Mr. Nadeem Khalid

Chief Financial Officer

Khawaja Mushtaq Ahmed FCA,ACIS
khawaja.mushtaq@forte.com.pk

Company Secretary

Mr. Rehman Khan Sherwani
rehman.khan@forte.com.pk

Head of Internal Audit

Mr. Wasif Naeem
wasif.naeem@forte.com.pk

Bankers

Conventional Banks

Allied Bank Limited
Bank Al Habib Limited
Bank Alfalah Limited
Faysal Bank Limited
Habib Metropolitan Bank Limited
MCB Bank Limited
Silk Bank Limited
Meezan Bank Limited
United Bank Limited
Habib Bank Limited

Islamic Banks

Bank Al Habib Islamic Limited
Bank Alfalah Islamic Limited
Silk Emaan Islamic Bank Limited
UBL Ameen Limited
First Habib Islamic Income Fund
Alfalah Asset Management Limited

Auditors

M/S BDO Ebrahim & Co Chartered Accountants
4th Floor, Saeed Plaza, 22 East, Jinnah Avenue,
Blue Area, Islamabad.

Legal Advisor

Mr. Ishtiaq Ahmed
Advocate & Legal Consultant
Flat No. 42, Block C, 2nd Floor, Cantonment Plaza,
Saddar Road, Peshawar Cantt.

Registrar and Share Transfer Office

Central Depository Company of Pakistan Ltd
CDC House, 99-B, Block B, S.M.C.H.S,
Main Sharah-e-Faisal, Karachi. Ph: 021-111-111-500

Head Office/Registered Office

29-Industrial Estate, Jamrud Road, Peshawar
Ph: 091-5891470-79, Fax: 091-5830290.

Website

www.forte.com.pk

or scan QR code



FRONTIER CERAMICS LIMITED
DIRECTORS' REPORT TO THE SHAREHOLDERS
FOR THE THIRD QUARTER AND NINE MONTHS PERIOD ENDED MARCH 31, 2026

The Directors of your Company are pleased to present the financial statements for the third quarter and nine months ended March 31, 2026.

ECONOMIC AND INDUSTRY OVERVIEW

During the period under review, the construction and housing sector remained under pressure due to high financing costs, subdued consumer demand, and reduced development activity. These factors adversely impacted the demand for building materials, including tiles & ceramics, resulting in lower industry volumes.

BUSINESS CHALLENGES AND FINANCIAL PERFORMANCE

Notwithstanding the challenging operating environment, the Company demonstrated resilience and delivered a strong financial performance during the period under review. Through proactive management actions, the Company was able to not only sustain operations but also significantly enhance profitability.

Management implemented several measures including timely price revisions, improvement in overall product mix and optimization of energy consumption through beneficial energy mix.

The financial performance for the period ended March 31, 2026 is summarized below:

	Mar 31,2026	Mar 31,2025
(Rupees in Millions)		
Turnover – net	3,593.69	3,258.54
Gross profit	296.90	207.89
Operating Profit	222.82	139.74
Profit before taxation	258.06	122.15
Profit after taxation	185.68	82.09
Earnings per share (Rs.)	4.90	2.17

During the period, net turnover increased by 10.29% due to increase in volume, Hence, your Company ended up at a bottom-line after-tax profit of Rs.185.68 million as compared to corresponding period of Rs. 82.09 million

OPERATIONAL REVIEW

The industry continues to face challenges due to widespread sales tax evasion in the informal sector, which has led to unfair pricing and pressure on margins for compliant manufacturers. To address this issue, the government has introduced stricter monitoring measures, including camera-based tracking of production, aimed at reducing under-reporting and improving tax compliance. Consistent and effective implementation of these measures across all manufacturers will help create a more level and competitive playing field within the industry.

The Company continued to focus on improving its product mix, enhancing manufacturing efficiencies, and strengthening distribution channels. Various initiatives were undertaken to rationalize costs, optimize energy consumption, and improve supply chain efficiency. However, the overall market slowdown limited the impact of these measures during the period.

FUTURE OUTLOOK

The Company remains cautiously optimistic regarding the outlook for the coming quarters. Demand recovery is expected to be gradual and largely dependent on macroeconomic stability, easing of interest rates, and revival of construction activity.

Management will continue to focus on:

- Enhancing operational efficiencies and cost optimization
- Strengthening brand positioning and market share
- Expanding value-added product offerings
- Maintaining financial discipline and liquidity management

These strategic priorities are aimed at sustaining profitability and positioning the Company to capitalize on future growth opportunities.

ACKNOWLEDGEMENT

The Directors would like to express their gratitude to shareholders, customers, business partners, financial institutions, and employees for their continued support and commitment to the Company.

The Directors also encourage shareholders to review the Directors' Report for the year ended June 30, 2025, which provides a comprehensive overview of the Company's long-term strategy and operations.

On behalf of the Board of Directors



Nadeem Khalid
Chief Executive Officer



Numrah Khalid
Director

Peshawar:

Dated: April 30, 2026

فرنٹیر سیراکس ڈولمیٹڈ

شیر ہولڈرز کو ڈائریکٹرز کی رپورٹ

برائے تیسری سہ ماہی اور نو ماہ کی مدت کے اختتام پر 31 مارچ 2026

آپ کی کمپنی کے ڈائریکٹرز 31 مارچ 2026 کو ختم ہونے والی تیسری سہ ماہی اور نو مہینوں کے مالیاتی گوشوارے پیش کرنے پر خوش ہیں۔

اقتصادی اور صنعت کا جائزہ۔

زیر جائزہ مدت کے دوران، تعمیرات اور ہاؤسنگ سیکٹر زیادہ مالیاتی لاگت، صارفین کی کم مانگ، اور ترقیاتی سرگرمیوں میں کمی کی وجہ سے دباؤ میں رہا۔ ان عوامل نے ٹائلز اور سیرامکس سمیت تعمیراتی مواد کی مانگ پر منفی اثر ڈالا، جس کے نتیجے میں صنعت کا حجم کم ہوا۔

کاروباری چیلنجز اور مالیاتی کارکردگی۔

چیلنجنگ آپریٹنگ ماحول کے باوجود، کمپنی نے پلک کا مظاہرہ کیا اور زیر جائزہ مدت کے دوران مضبوط مالی کارکردگی پیش کی۔ متحرک انتظامی اقدامات کے ذریعے، کمپنی نہ صرف آپریٹنگ کو برقرار رکھنے میں کامیاب رہی بلکہ منافع میں بھی نمایاں اضافہ کر سکی۔

انتظامیہ نے متعدد اقدامات کو لاگو کیا جس میں بروقت قیمت پر نظر ثانی، مجموعی پروڈکٹس میں بہتری اور فائدہ مند انرجی کس کے ذریعے توانائی کی کھپت کو بہتر بنانا شامل ہے۔

31 مارچ 2026 کو ختم ہونے والی مدت کے لیے مالی کارکردگی کا خلاصہ ذیل میں دیا گیا ہے:

تفصیلات	31 مارچ 2025	31 مارچ 2026
خالص فروخت	3,258.54	3,593.69
مجموعی منافع	207.89	296.90
آپریٹنگ منافع	139.74	222.82
ٹیکس سے پہلے منافع	122.15	258.06
ٹیکس کے بعد منافع	82.09	185.68
فی شیر آمدنی (روپے)	2.17	4.90

اس عرصے کے دوران، حجم میں اضافے کی وجہ سے خالص فروخت میں 10.29 فیصد کا اضافہ ہوا، تاہم، آپ کی کمپنی نے رواں مدت میں بعد از ٹیکس 185.68 ملین روپے کا منافع حاصل کیا جو کہ گذشتہ سال 82.09 ملین تھا۔

آپریشنل جائزہ۔

غیر رسمی شعبے میں سیلز ٹیکس کی بڑے پیمانے پر چوری کی وجہ سے صنعت کو مسلسل چیلنجز کا سامنا ہے، جس کی وجہ سے قیمتوں کا غیر منصفانہ تعین اور تعمیل کرنے والے مینوفیکچررز کے مارجن پر دباؤ ہے۔ اس مسئلے کو حل کرنے کے لیے، حکومت نے نگرانی کے سخت اقدامات متعارف کروائے ہیں، جن میں پیداوار کی کیمرے پر مبنی ٹریکنگ شامل ہے، جس کا مقصد کم رپورٹنگ اور ٹیکس کی تعمیل کو بہتر بنانا ہے۔ تمام مینوفیکچررز پر ان اقدامات کا مستقل اور موثر نفاذ صنعت کے اندر مزید سطحی اور مسابقتی کھیل کا میدان بنانے میں مدد کرے گا۔

کمپنی نے اپنے پروڈکٹ کس کو بہتر بنانے، مینوفیکچرنگ کی استعداد کار بڑھانے اور ڈسٹری بیوٹن چینلز کو مضبوط بنانے پر توجہ مرکوز رکھی۔ لاگت کو معقول بنانے، توانائی کی کھپت کو بہتر بنانے اور سپلائی چین کی کارکردگی کو بہتر بنانے کے لیے مختلف اقدامات کیے گئے۔ تاہم، مارکیٹ کی مجموعی مندی نے اس عرصے کے دوران ان اقدامات کے اثرات کو محدود کر دیا۔

مستقبل کا آؤٹ لک۔

کمپنی آنے والی سہ ماہیوں کے آؤٹ لک کے حوالے سے محتاط طور پر پر امید ہے۔ توقع ہے کہ ڈیمانڈ ریکوری بتدریج ہوگی اور بڑی حد تک معاشی استحکام، شرح سود میں نرمی، اور تعمیری سرگرمیوں کی بحالی پر منحصر ہے۔

انتظامیہ مندرجہ ذیل نکات پر توجہ مرکوز رکھے گی:

• آپریشنل صلاحیتوں اور لاگت کی مسابقت کو بڑھانا

• برانڈ پوزیشننگ اور مارکیٹ شیئر کو مضبوط بنانا

• ویلیو ایڈڈ مصنوعات کی پیشکش کو بڑھانا

• مالیاتی نظم و ضبط اور لیویڈیٹی مینجمنٹ کو برقرار رکھنا

ان اسٹریٹجک ترجیحات کا مقصد منافع کو برقرار رکھنا اور مستقبل میں ترقی کے مواقع سے فائدہ اٹھانے کے لیے کمپنی کو پوزیشن دینا ہے۔

اعتراف۔

ڈائریکٹرز شیئر ہولڈرز سے اظہار تشکر کرنا چاہیں گے۔ گاہکوں کا روبرو شراکت داروں، مالیاتی اداروں، اور ملازمین کو کمپنی کے ساتھ مسلسل تعاون اور وابستگی کے لیے۔

ڈائریکٹرز شیئر ہولڈرز کی حوصلہ افزائی کرتے ہیں کہ وہ 30 جون 2025 کو ختم ہونے والے سال کے لیے ڈائریکٹرز رپورٹ کا جائزہ لیں، جو کمپنی کی طویل مدتی حکمت عملی اور کارروائیوں کا ایک جامع جائزہ فراہم کرتی ہے۔

بورڈ آف ڈائریکٹرز کی جانب سے



نمبرہ خالد
ڈائریکٹر



ندیم خالد

چیف ایگزیکٹو آفیسر

پشاور:

بتاریخ: 30 اپریل 2026

FRONTIER CERAMICS LIMITED
CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION (UN-AUDITED)
AS AT MARCH 31, 2026

		March 31, 2026	June 30, 2025
	Note	Rupees Un-audited	Rupees Audited
ASSETS			
NON CURRENT ASSETS			
Property, plant and equipment			
Operating fixed assets	7	2,288,114,498	2,431,024,130
Investment property	8	471,375	489,741
		<u>2,288,585,873</u>	<u>2,431,513,871</u>
Long term deposits		5,925,450	5,925,450
Long term advances	9	550,880,130	550,880,130
		<u>2,845,391,453</u>	<u>2,988,319,451</u>
CURRENT ASSETS			
Stores, spares and loose tools	10	195,751,559	233,692,687
Stock in trade	11	553,855,518	561,169,457
Trade debts		21,829,614	21,829,614
Due from related parties	12	992,519,434	236,469,796
Advances	13	74,638,222	71,010,671
Tax refunds due from Government		90,964,332	111,861,137
Taxation - net	14	-	-
Cash and bank balances	15	171,169,603	64,658,609
		<u>2,100,728,282</u>	<u>1,300,691,971</u>
TOTAL ASSETS		<u><u>4,946,119,735</u></u>	<u><u>4,289,011,422</u></u>
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Share capital	18	378,738,210	378,738,210
Discount on issue of right shares	19	(180,795,726)	(180,795,726)
		<u>197,942,484</u>	<u>197,942,484</u>
Revaluation surplus on property, plant and equipment		1,201,961,278	1,201,961,278
Unappropriated profit		708,302,467	522,622,187
		<u>2,108,206,229</u>	<u>1,922,525,949</u>
NON CURRENT LIABILITIES			
Loan from related parties	20	36,164,472	118,740,891
Deferred liability	21	25,393,458	25,393,458
Deferred taxation		322,900,672	352,926,346
		<u>384,458,602</u>	<u>497,060,695</u>
CURRENT LIABILITIES			
Unclaimed dividend		3,189,224	3,189,224
Gas infrastructure development cess (GIDC)	22	240,522,165	129,395,113
Due to related parties	23	3,109,222	1,891,360
Contract liability	24	1,000,465,718	744,354,190
Trade and other payables	25	1,206,168,574	990,594,891
		<u>2,453,454,903</u>	<u>1,869,424,778</u>
TOTAL EQUITY AND LIABILITIES		<u><u>4,946,119,735</u></u>	<u><u>4,289,011,422</u></u>
CONTINGENCIES AND COMMITMENTS			
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The annexed notes from 1 to 29 form an integral part of these condensed interim financial statements



CHIEF FINANCIAL OFFICER



CHIEF EXECUTIVE OFFICER



DIRECTOR

FRONTIER CERAMICS LIMITED
CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS (UN-AUDITED)
FOR THE THIRD QUARTER AND NINE MONTHS PERIOD ENDED MARCH 31, 2026

	Nine Months Ended March 31,		Quarter Ended March 31,	
	2026	2025	2026	2025
Rupees.....			
Sales - net	3,593,693,416	3,258,536,494	1,178,674,832	1,189,514,297
Cost of sales	(3,296,795,306)	(3,050,649,113)	(1,061,318,852)	(1,092,082,204)
Gross Profit	296,898,110	207,887,381	117,355,980	97,432,093
Distribution cost	(11,788,223)	(11,015,717)	(3,996,682)	(3,618,483)
Administrative expenses	(37,963,234)	(33,416,613)	(12,466,853)	(10,993,895)
Other operating expenses	(24,331,322)	(23,719,617)	(9,915,375)	(12,026,758)
Operating profit	222,815,331	139,735,434	90,977,070	70,792,957
Finance cost	(23,084,986)	(22,243,981)	(7,818,062)	(850,800)
Other operating income	58,334,378	4,662,532	28,409,877	1,808,282
Profit before taxation	258,064,723	122,153,985	111,568,885	71,750,439
Taxation:				
-current	(104,337,446)	(62,047,298)	(36,923,136)	(25,576,483)
-Prior	1,927,329	-	-	-
-deferred	30,025,674	21,983,818	14,888,486	(6,775,991)
Profit after taxation	185,680,280	82,090,505	89,534,234	39,397,965
Earnings per share - basic and diluted	4.90	2.17	2.36	1.04

The annexed notes from 1 to 29 form an integral part of these condensed interim financial statements.

CHIEF FINANCIAL OFFICER

CHIEF EXECUTIVE OFFICER

DIRECTOR

FRONTIER CERAMICS LIMITED
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE THIRD QUARTER AND NINE MONTHS PERIOD ENDED MARCH 31, 2026

	Nine Months Ended March 31,		Quarter Ended March 31,	
	2026	2025	2026	2025
Rupees.....			
Profit after taxation	185,680,280	82,090,505	89,534,234	39,397,965
Other comprehensive income for the Period	-	-	-	-
Total comprehensive income for the Period	185,680,280	82,090,505	89,534,234	39,397,965

The annexed notes from 1 to 29 form an integral part of these condensed interim financial statements.

CHIEF FINANCIAL OFFICER

CHIEF EXECUTIVE OFFICER

DIRECTOR

FRONTIER CERAMICS LIMITED
CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY
FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2026 (UN-AUDITED)

	Issued, subscribed and paid up capital	Discount Issue of Right Shares	Revaluation surplus on property, plant and equipment	Unappropriated Profit	Total
Rupees.....				
Balance as at July 01, 2024 - (Audited)	378,738,210	(180,795,726)	1,161,971,530	242,169,885	1,602,083,899
<u>Impact of ratification of error</u>					
comprehensive Income for the period ended March 31, 2025			-	82,090,505	82,090,505
Transfer from surplus on revaluation of fixed assets incremental depreciation - net of deferred tax			-	-	-
Balance as at March 31, 2025	<u>378,738,210</u>	<u>(180,795,726)</u>	<u>1,161,971,530</u>	<u>324,260,390</u>	<u>1,684,174,404</u>
Balance as at July 01, 2025 - (Audited)	378,738,210	(180,795,726)	1,201,961,278	522,622,187	1,922,525,949
comprehensive Income for the Period ended Mar 31, 2026				185,680,280	185,680,280
Transfer from surplus on revaluation of fixed assets incremental depreciation - net of deferred tax			-	-	-
Balance as at March 31, 2026	<u>378,738,210</u>	<u>(180,795,726)</u>	<u>1,201,961,278</u>	<u>708,302,467</u>	<u>2,108,206,229</u>

The annexed notes from 1 to 29 form an integral part of these condensed interim financial statements.

CHIEF FINANCIAL OFFICER

CHIEF EXECUTIVE OFFICER

DIRECTOR

FRONTIER CERAMICS LIMITED
CONDENSED INTERIM STATEMENT OF CASH FLOWS
FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2026 (UN-AUDITED)

	Rupees	
	31-Mar-26 Un-Audited	31-Mar-25 Un-Audited
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	258,064,723	122,153,985
Adjustment for:		
Depreciation	142,927,998	160,522,428
Finance Cost	23,084,986	22,243,981
Profit before working capital changes	424,077,707	304,920,393
Changes in working capital:		
Decrease / (increase) in current assets		
Stores, spares and loose tools	37,941,128	23,139,482
Stock in trade	7,313,939	(14,454,306)
Trade debts	-	369,614
Other receivables	-	(1,088,640)
Short Term Lending	(756,049,638)	(4,236,538)
Advances	(3,627,551)	(3,800,758)
Increase / (decrease) in current liabilities		
Trade and other payables	215,573,683	180,289,308
Contract liability	256,111,528	140,696,954
Due to related parties	1,217,862	(36,056,741)
Current portion of liability against assets subject to finance	-	(8,597,683)
Current portion of long term financing	-	(13,097,821)
Current portion of GIDC payable	111,127,052	15,634
	(130,391,996)	263,178,505
Cash generated from operations	293,685,710	568,098,898
Taxes paid	(81,513,311)	(68,246,196)
Finance Cost Paid	(23,084,986)	(22,243,981)
Net cash generated / (Used in) from operating activities	189,087,413	477,608,722
CASH FLOWS FROM INVESTING ACTIVITIES		
Increase in long term advances	-	114,456
Advance for Land Purchase	-	(27,300,000)
Deferred liability	-	22,485,559
Net cash used in investing activities	-	(4,699,985)
CASH FLOWS FROM FINANCING ACTIVITIES		
Long term financing - net	(82,576,419)	(426,429,443)
Net cash used in financing activities	(82,576,419)	(426,429,443)
Net (decrease) / increase in cash and cash equivalents	106,510,994	46,479,294
Cash and cash equivalents at the beginning of the period	64,658,609	73,148,026
Cash and cash equivalents at the end of the period	171,169,603	119,627,319

The annexed notes from 1 to 29 form an integral part of these condensed interim financial statements.



CHIEF FINANCIAL OFFICER



CHIEF EXECUTIVE OFFICER



DIRECTOR

FRONTIER CERAMICS LIMITED
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
AS AT MARCH 31, 2026

1 STATUS AND NATURE OF BUSINESS

Frontier Ceramics Limited (the Company) was incorporated in July 1982 as a Public Limited Company with its shares quoted on Pakistan Stock Exchange Limited (formerly Karachi Stock Exchange Limited in which Lahore and Islamabad Stock Exchanges have merged). The principal activities of the Company are manufacturing of ceramic tiles, sanitary wares and related ceramic products.

The registered office and manufacturing unit of the Company is situated at 29-Industrial Estate, Jamrud Road, Peshawar Pakistan.

2 BASIS OF PREPARATION

2.1 Statement of compliance

These condensed interim financial statements are unaudited and being submitted to the shareholders as required under section 237 of the Companies Act, 2017.

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

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

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

These condensed interim financial statements do not include all the information and disclosures required for full annual financial statements and should be read in conjunction with the annual financial statements of the Company as at and for the year ended June 30, 2025, which have been prepared in accordance with approved accounting standards as applicable in Pakistan. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Company's financial position and performance since the last declared financial statements.

2.2 Basis of measurement

This condensed interim financial information has been prepared under the historical cost convention except for certain fixed assets which have been stated at revalued amount. This condensed interim financial information has been prepared following accrual basis of accounting except for cash flow information.

2.3 Functional and presentation currency

This condensed interim financial information has been presented in Pak Rupees, which is the functional and presentation currency of the Company.

3 MATERIAL ACCOUNTING POLICY INFORMATION

The accounting policies, significant judgements made in the application of accounting policies, key sources of estimations and methods of computation adopted in the preparation of these condensed interim financial statements are the same as those applied in the preparation of the financial statements for the year ended June 30, 2025.

4 CHANGES IN ACCOUNTING STANDARDS, INTERPRETATIONS AND PRONOUNCEMENTS

a) Amendments to published accounting and reporting standards which became effective during the period:

There were certain amendments to accounting and reporting standards which became mandatory for the Company during the period. However, the amendments did not have any significant impact on the financial reporting of the Company and, therefore, have not been disclosed in these condensed interim financial statements.

b) Amendments to published accounting and reporting standards that are not yet effective and have not been early adopted by the Company:

There are certain amendments to the accounting and reporting standards that will be mandatory for the Company's accounting period beginning on or after January 01, 2025, but are considered not to be relevant or to have any significant effect on the Company's operations and are, therefore, not detailed in these condensed interim financial statements.

5 TAXATION

The provision for taxation for the Nine Months and quarter ended March 31, 2026 has been made using the estimated effective tax rate applicable to expected total annual earnings.

6 KEY JUDGEMENTS AND ESTIMATES

The preparation of interim financial statements require 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. Actual results may differ from these estimates. The significant judgments made by management in applying the Company's accounting policies and key sources of estimation of uncertainty are the same as those that were applied to the financial statements for the year ended June 30, 2025, otherwise disclosed.

	March 31, 2026 Rupees (Unaudited)	June 30, 2025 Rupees (Audited)
7 PROPERTY, PLANT AND EQUIPMENT		
Opening written down value	2,431,024,130	2,645,028,257
Add:		
Additions	-	-
Revaluation	-	-
	<u>2,431,024,130</u>	<u>2,645,028,257</u>
Less:		
Depreciation charge	<u>(142,909,632)</u>	<u>(214,004,127)</u>
Closing written down value	<u><u>2,288,114,498</u></u>	<u><u>2,431,024,130</u></u>
	March 31, 2026 Rupees (Unaudited)	June 30, 2025 Rupees (Audited)
8 INVESTMENT PROPERTY		
Opening written down value	489,741	515,517
Additions	-	-
Depreciation charge	<u>(18,366)</u>	<u>(25,776)</u>
Closing written down value	<u><u>471,375</u></u>	<u><u>489,741</u></u>
Depreciation rate	5%	5%

- 8.1 This represents two offices having number 102 and 103 measuring 1200 Sqft each, situated at 1st floor, Kashif center, Shahrah e Faisal, Karachi owned by the Company. This has been held to earn rental income by letting out its office and disclosed in the financial statements as an investment property applying cost model in accordance with IAS 40 "Investment Property". Fair value of the investment property assessed by the management amounts to Rs. 7 million (June 2025: Rs. 7 million) at period end.

		March 31, 2026 Rupees (Unaudited)	June 30, 2025 Rupees (Audited)
9	LONG TERM ADVANCES		
	Advance against land	9.1 550,836,594	550,836,594
	Others	43,536	43,536
		<u>550,880,130</u>	<u>550,880,130</u>

- 9.1 The Board of Directors of the Company in their meeting held on January 07, 2021 decided in principal to avail the opportunity of initially acquiring 1,031 kanals of land, off CPEC highway & Jand-Mianwali Road, Mouza Masan, Tehsil and District Mianwali, from a related party Mr. Nadeem Khalid (Chief Executive Officer) at payment terms over the period of five years. During the year, the Company reassessed its future expansion plans and determined that the market is already saturated, making it unfeasible to expand operations by setting up a new business unit and land purchase agreement should be withdrawn with the approval of the Board. Subsequent to year end, the Board approved the withdrawal of the said agreement and Rs. 200 million will be paid by the counterparty by May 2026, while the remaining payment will be paid after June 30, 2026 with mutual agreement between the parties.

		March 31, 2026 Rupees (Unaudited)	June 30, 2025 Rupees (Audited)
10	STORES, SPARE PARTS AND LOOSE TOOLS		
	Stores	190,060,627	232,676,267
	Spare parts and loose tools	5,690,932	1,016,420
		10.1 <u>195,751,559</u>	<u>233,692,687</u>

- 10.1 Stores, spare parts and loose tools includes items which may result in capital expenditure but are not distinguishable at the time of purchase. However, the stores and spares consumption resulting in capital expenditure are capitalized in cost of respective assets.

		March 31, 2026 Rupees (Unaudited)	June 30, 2025 Rupees (Audited)
11	STOCK IN TRADE		
	Raw materials	371,463,973	175,622,674
	Work in process	27,416,682	60,627,122
	Finished goods	154,974,863	324,919,661
		<u>553,855,518</u>	<u>561,169,457</u>

		March 31, 2026 Rupees (Unaudited)	June 30, 2025 Rupees (Audited)
12 DUE FROM RELATED PARTIES			
Khalid and Khalid Holdings (Private) Limited			
Balance at start of the period / year		36,469,796	(3,445,876)
Payments made during the period / year		806,827,549	145,127,502
Mark up		50,272,089	2,422,964
Amount received during the period / year		(101,050,000)	(107,634,794)
Balance at end of the period / year	12.1	792,519,434	36,469,796
Current portion of long term advances	9	200,000,000	200,000,000
		<u>992,519,434</u>	<u>236,469,796</u>

12.1 This represents amount advanced to the related parties due to common directorship. The advance is unsecured and interest is charged at Kibor + 3.25% per annum.

		March 31, 2026 Rupees (Unaudited)	June 30, 2025 Rupees (Audited)
13 ADVANCES AND DEPOSITS			
Advances to / against:			
- suppliers		3,668,885	3,668,885
- letter of credit		4,610,386	17,218,727
- letter of credit margin		21,277,038	12,071,696
- letter of guarantee		33,622,762	31,904,062
- salaries		3,745,799	4,971,004
- expenses		78,265	73,051
		<u>67,003,136</u>	<u>69,907,425</u>
Security deposit		1,103,246	1,103,246
Rent receiveable		6,531,840	-
		<u>74,638,222</u>	<u>71,010,671</u>

		March 31, 2026 Rupees (Unaudited)	June 30, 2025 Rupees (Audited)
14	TAXATION - NET		
	Balance at start of the period / year	-	28,490,906
	Prior year adjustment	-	(11,362,058)
		-	17,128,848
	Transferred to tax refunds due from government	20,896,805	51,089,128
		20,896,805	68,217,976
	Taxation / levy	(102,410,117)	(157,710,095)
	Advance income tax	81,513,312	89,492,119
	Balance at end of the period / year	-	-
15	CASH AND BANK BALANCES		
	Cash in hand	138,493	112,750
	Cash at bank - local currency		
	Current accounts		
	- conventional	108,451,443	31,828,070
	- under shariah arrangements	2,168,651	2,265,271
	- PD account	9,235	-
	Saving account		
	- under shariah arrangements	60,401,781	30,452,517
		171,169,603	64,658,609

15.1 It represents personal deposit custom account used for the payments of duty and taxes on imports.

16 SHARIAH DISCLOSURES UNDER CLAUSE VII OF PART I OF SCHEDULE IV OF THE COMPANIES ACT, 2017

As per the requirements of the fourth schedule to the Act, Shariah compliant companies and companies listed on the Islamic Index shall disclose the following:

	March 31, 2026 Rupees Un-audited	June 30, 2025 Rupees Audited
FINANCING STRUCTURE / MODE		
Conventional mode:		
Assets		
Due from related parties	992,519,434	236,469,796
Bank Balances	108,451,443	31,828,070
	<u>1,100,970,877</u>	<u>268,297,866</u>
Liabilities		
Loan from related parties	<u>36,164,472</u>	<u>118,740,891</u>
Shariah compliant mode:		
Assets		
Short-term lending	-	-
Bank Balances	62,570,431	32,717,788
	<u>62,570,431</u>	<u>32,717,788</u>
Liabilities		
Loan/advances obtained as per Islamic mode:		
Loans	-	-
Contract liabilities	1,000,465,718	744,354,190
Trade and other payables	1,206,168,574	990,594,891
	<u>1,206,168,574</u>	<u>990,594,891</u>

March 31,2026			March 31,2025		
Un-audited			Un-audited		
Conventional	Shariah Compliant	Total	Conventional	Shariah Compliant	Total
.....(Rupees).....		(Rupees).....		

17 Statement of Profit or Loss

Sales - net	-	3,593,693,416	3,593,693,416	-	3,258,536,494	3,258,536,494
Other income						
Profit earned from conventional loan - Short term lending	50,272,089	-	50,272,089	1,184,641	-	1,184,641
Rental Income	-	2,903,040	2,903,040	-	1,088,640	1,088,640
Reversal of provision for doubtful debts	-	3,628,800	3,628,800	-	-	-
Profit earned from shariah compliant bank deposit	-	-	-	-	-	-
Exchange gain earned	-	1,530,449	1,530,449	-	-	-
Others	-	-	-	-	2,389,251	2,389,251
Gain/loss or dividend earned from shariah compliant investments	-	-	-	-	-	-
Finance costs	23,084,986	-	23,084,986	20,798,288	1,445,692	22,243,981
Markup paid on Islamic mode of financing - Ijarah	-	85,128	85,128	-	4,611,353	4,611,353
	<u>73,357,075</u>	<u>3,601,840,833</u>	<u>3,675,197,908</u>	<u>21,982,929</u>	<u>3,268,071,430</u>	<u>3,290,054,360</u>

Relationship with shariah compliant banks:

Name

Bank Al Habib Islamic Limited
Bank Alfalah Islamic Limited
Silk Emaan Islamic Bank Limited
Faysal Bank Limited
Meezan Bank Limited
UBL Ameen Limited

Relationship

Bank balance and financing
Bank balance
Bank balance
Bank balance
Bank balance
Bank balance

From associated companies - unsecured

- Rawal Industrial Equipment (Private) Limited

Opening balance		5,651,834	253,556,959
Additions during the period		-	14,072,182
Markup		783,718	1,806,873
Payments made during the period		(160,000)	(263,784,180)
Closing balance	20.2	6,275,552	5,651,834

	Note	March 31, 2026 Rupees (Unaudited)	June 30, 2025 Rupees (Audited)
- Toyota Rawal Motors (Private) Limited			
Opening balance		8,843,260	173,085,943
Additions during the period		41,200,000	149,088,969
Markup		883,642	6,070,796
Payments made during the period		(38,722,460)	(319,402,448)
Closing balance	20.2	12,204,442	8,843,260
		36,164,472	118,740,891

20.1 This represents interest bearing unsecured loan and accumulated markup thereon received from Chief Executive of the Company for working capital requirements. The loan carries mark up at the rate at KIBOR plus 2 % per annum. The loan was restructured on June 30, 2021. As per the revised terms, the Company is accruing interest over the loan amount while interest is payable after the final payment of principal amount.

20.2 This represents interest bearing unsecured loans and accumulated markup thereon received from related parties, Rawal Industrial Equipment (Private) Limited and Toyota Rawal Motors (Private) Limited for working capital of the Company and acquisition of the equipment. The loan was restructured on June 30, 2021. It carries mark up at the rate at KIBOR plus 2 % per annum. As per the revised terms, the Company is accruing interest over the loan amount while interest is payable after the final payment of principal amount.

	Note	March 31, 2026 Rupees (Unaudited)	June 30, 2025 Rupees (Audited)
21 DEFERRED LIABILITY			
Staff retirement benefits - gratuity		25,393,458	25,393,458
		25,393,458	25,393,458

22 GAS INFRASTRUTURE DEVELOPMENT CESS

Accumulated present value of GIDC	240,522,165	129,395,113
Less: current portion of GIDC	(240,522,165)	(129,395,113)
22.1	<u>-</u>	<u>-</u>

22.1 In 2011, GIDC was imposed on natural gas consumers including companies with effect from January 01, 2012 to finance the cost of laying the overland gas pipeline. In 2013, the Peshawar High Court declared the GIDC Act, 2011 as ultra vires the constitution and struck down the GIDC Act, 2011. In August 2014, Supreme Court of Pakistan dismissed the appeal filed by the Federal Government of Pakistan deciding that GIDC is a fee and not a tax and could not be imposed by money bill. In September 2014, the GIDC Ordinance was promulgated by the President of Pakistan with retrospective effect with original imposition. In October 2016, the Sindh High Court declared the levy to be un-constitutional. In August 2020, the Honourable Supreme Court of Pakistan held that GIDC is validly levied and allowed the Government to collect the amount in 24 equal instalments. Further, in November 2020, the Supreme Court dismissed the review petition seeking review of its order (issued in August 2020). Supreme Court in its judgement on the review petitions noted that Government is agreeing to recover the arrears for GIDC in 48 monthly instalments (instead of 24 months, as mentioned in August 2020 order of the Supreme Court). The Federal Government had started the recovery of this fee and the Company had recorded the liability amounting to Rs. 119.353 million in this regard after receiving bill of Rs. 129.395 million from the SNGPL at fair value in accordance with IFRS 9 by discounting the future cash payments required to be made in 48 instalments, to settle the liability for GIDC. Balance unwinding is Rs. 240.522 million and payment was due on December 31, 2025, however no payments have been made during the year. The Company has taken a collective decision along with ceramics industry to delay payments and will start payments once there is a consensus reached within the sector.

	March 31, 2026 Rupees (Unaudited)	June 30, 2025 Rupees (Audited)
23 DUE TO RELATED PARTIES		
Rawal Industrial Equipment (Private) Limited	1,147,808	1,147,808
Toyota Rawal Motors (Private) Limited	1,961,414	743,552
	<u>3,109,222</u>	<u>1,891,360</u>
24 CONTRACT LIABILITY		
Opening balance	744,354,190	836,755,119
Advance received during the period / year	4,558,795,396	5,167,530,972
Transferred to revenue during the period / year	(4,302,683,868)	(5,259,931,901)
Closing balance	<u>1,000,465,718</u>	<u>744,354,190</u>

24.1 This represents amounts received from customers which will be recognized as revenue upon the completion of performance obligation of the Company.

	March 31, 2026 Rupees (Unaudited)	June 30, 2025 Rupees (Audited)
25 TRADE AND OTHER PAYABLES		
Trade creditors	462,725,640	408,897,551
Accrued liabilities	365,839,264	318,823,025
Old labour dues	3,256,878	3,256,878
Sales tax payable	28,859,898	10,093,963
Withholding income tax payable	53,681,026	17,394,984
Workers' profit participation fund	130,445,251	104,495,274
Workers' welfare fund	21,106,968	13,712,876
Provident Fund Payable	140,253,651	113,920,340
	<u>1,206,168,574</u>	<u>990,594,891</u>

26 CONTINGENCIES AND COMMITMENTS

26.1 Contingencies

a) Legal case against the Company:

There has been no significant change in the status of contingent liabilities disclosed as at June 30, 2025.

b) Tax contingencies:

There has been no significant change in the status of tax contingencies disclosed as at June 30, 2025.

	March 31, 2026 Rupees (Unaudited)	June 30, 2025 Rupees (Audited)
26.2 COMMITMENTS		
The Company has following commitments:		
- in respect of letter of credit		
- against import of raw materials	62,009,175	113,746,555
- against import of stores and spare parts	69,892,430	-
26.2.1	<u>131,901,605</u>	<u>113,746,555</u>

26.2.1 This amount represents future letter of credit commitments which will be fulfilled in respect of import of raw material, stores and spare parts and plant and machinery.

27 TRANSACTION WITH RELATED PARTIES

The related parties and associated undertakings of the Company comprise of group companies, other associate companies, directors and key management personnel. Transactions with related parties and associated undertakings during the period are as follows :

Name of the related party	Relationship	Transactions during the period	Nine months ended		Three months ended	
			March 31,		March 31,	
			2026	2025	2026	2025
----- (Rupees) -----						
			(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
Toyota Rawal Motors (Private) Limited	Associated company by virtue of common directorship	Interest on short term borrowings	-	-	-	-
		Rental for building	1,127,862	1,025,328	375,954	341,776
		Utilities	90,000	90,000	30,000	30,000
		Long term financing - received	41,200,000	140,088,969	24,500,000	88,588,969
		Long term financing - repayment	38,722,460	235,844,863	18,022,460	88,600,000
		Interest on long term financing	883,642	1,184,641	216,490	253,403
		Closing balance	12,204,442	371,776	12,204,442	371,776
Rawal Industrial Equipment (Private) Limited	Associated company by virtue of common directorship	Long term financing - repayment	160,000	149,795,170	-	-
		Long term financing - received	-	5,772,182	-	-
		Interest on long term financing	783,718	1,896,994	260,413	-
		Closing balance	6,275,552	1,410,237	6,275,552	1,410,237
Mr. Nadeem Khalid	Chief Executive	Long term financing - loan repaid	98,625,087	2,244,000	-	700,000
		Long term financing - received	12,060,000	1,800,000	-	-
		Interest on long term financing	3,768	313,092	730	95,047
		Advance for land purchase	-	27,300,000	-	7,300,000
		Closing balance	17,684,478	106,489,066	17,684,478	106,489,066
Khalid & Khalid Holdings	Associated company by virtue of common directorship	Short term Lending - Paid	806,827,549	93,603,005	67,919,910	67,919,910
		Short term Lending - Received	101,050,000	93,109,153	60,237,409	60,237,409
		Interest on short term borrowings	50,272,089	1,184,641	253,403	253,403
		Closing balance	792,519,434	1,678,493	792,519,434	1,678,493
Chief Executive, Directors and Executives	Key management personnel	Remuneration and other benefits	17,274,784	17,176,043	5,561,427	5,561,427

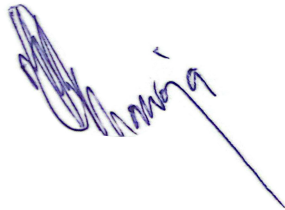
27.1 Balances receivable/payable to related parties are disclosed in respective notes.

28 DATE OF AUTHORIZATION

These condensed interim financial information were authorized for issue on **April 30, 2026** by the Board of Directors of the Company.

29 GENERAL

Figures have been rounded off to the nearest rupee.



CHIEF FINANCIAL OFFICER



CHIEF EXECUTIVE OFFICER



DIRECTOR



PRINTED MATTER

If not delivered, please return to:

Frontier Ceramics Limited

29- Industrial Estate, Jamrud Road, Peshawar, K.P.K.

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