Interloop Limited
Registered Office
15-A, Peoples Colony No. 1,
Faisalabad, Pakistan
Ph: +92 41 4360400

FORM-25

Ref: ILP/PSX/28/2026
Date: 12/08/2026

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

Subject: **VIS Reaffirms Entity Ratings of Interloop Limited**

Dear Sir,

In accordance with Section 96 of the Securities Act, 2015 and Clause 5.6.1(a) of PSX Regulations, we hereby convey the following information:

The VIS Credit Rating Company Ltd. (VIS), a 'Full Service' rating agency providing independent rating services in Pakistan in its Press Release of August 11, 2026 has reaffirmed the entity ratings of 'AA-/A1' (Double A minus/A one) assigned to Interloop Limited (ILP). The copy of the above-mentioned Press Release is attached. Please use below link to see the complete report.

https://docs.vis.com.pk/RatingReports/OP_01053101006_00010531.pdf

You may please inform the TRE Certificate Holders of the Exchange accordingly.

Yours Sincerely,

For **INTERLOOP LIMITED**

INTERLOOP LIMITED Faisalabad

(Rana Ali Raza)
Company Secretary

Cc: Executive Director / HOD -for information
Offsite-II Department, Supervision Department
Securities & Exchange Commission of Pakistan
63, NIC Building, Jinnah Avenue, Blue Area,
Islamabad

Press Release

VIS Reaffirms Entity Ratings of Interloop Limited

Karachi, August 11, 2026: VIS Credit Rating Company Limited (VIS) reaffirms entity ratings of Interloop Limited at 'AA-/A1' (Double A minus/A one). Medium- to long-term rating of 'AA-' indicates High credit quality; Protection factors are strong. Risk is modest but may vary slightly from time to time because of economic conditions. Short term rating of 'A1' indicates Strong likelihood of timely repayment of short-term obligations with excellent liquidity factors. Outlook on the assigned ratings remains 'Stable'. Previous rating action was announced on August 04, 2025.

Interloop Limited ('ILP' or 'the Company') is a vertically integrated textile composite specializing in hosiery, denim, knitted apparel, seamless activewear, and yarns, supported by a well-diversified export base and long-standing relationships with major international retailers. The Company employs approximately 40,000 individuals from 15 nationalities and operates across six countries. The ILP has an extensive industrial infrastructure includes manufacturing facilities in Pakistan and Sri Lanka, a manufacturing facility and sourcing office in China, and marketing services offices in the USA, Europe, and Japan. The Company's registered office is located at 15-A Peoples Colony No. 1, Faisalabad. Moreover, ILP has a subsidiary, Top Circle Hosiery Mills Co., Inc. ('Top Circle'), located at 329 Franklin St., Weissport, PA, USA, with its manufacturing facility located at 800 Quyang Road, Shanghai, China.

The assigned ratings reflect ILP's strong market position, vertically integrated operations, and sustained revenue growth. The Company continues to pursue capacity expansion and product diversification, particularly across the denim and apparel segments. While the hosiery business remains the principal earnings contributor, consolidated profitability came under pressure during FY25 owing to margin compression in the apparel segment during its scale-up phase, although profitability has shown signs of recovery during 9MFY26. Elevated capital expenditure associated with expansionary initiatives resulted in higher leverage during FY25; however, capitalization indicators improved during 9MFY26 as major projects neared completion and debt levels moderated. Liquidity remains adequate, while debt and cash flow coverage metrics remain strong.

The ratings are further underpinned by management's continued focus on enhancing operational efficiencies, maintaining a disciplined approach towards debt levels, and achieving long-term cost optimization through sustainability initiatives. Nevertheless, exposure to fluctuations in global cotton prices and evolving U.S. tariff policies will continue to pose key external risks going forward.

For further information on this ratings announcement, please contact on 021-35311861-64 or email at info@vis.com.pk.

Applicable Rating Criteria:

Industrial Corporates
https://docs.vis.com.pk/docs/CorporateMethodology.pdf

VIS Issue/Issuer Rating Scale
https://docs.vis.com.pk/docs/VISRatingScales.pdf