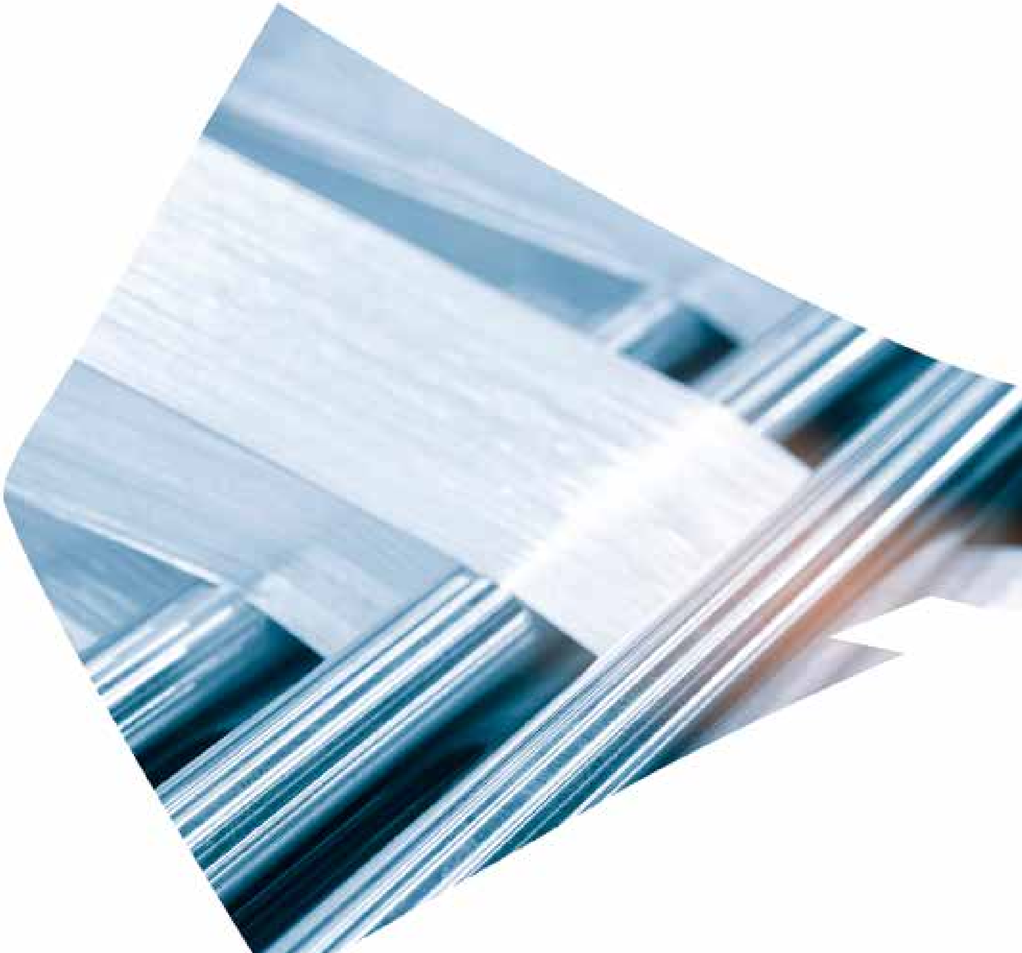
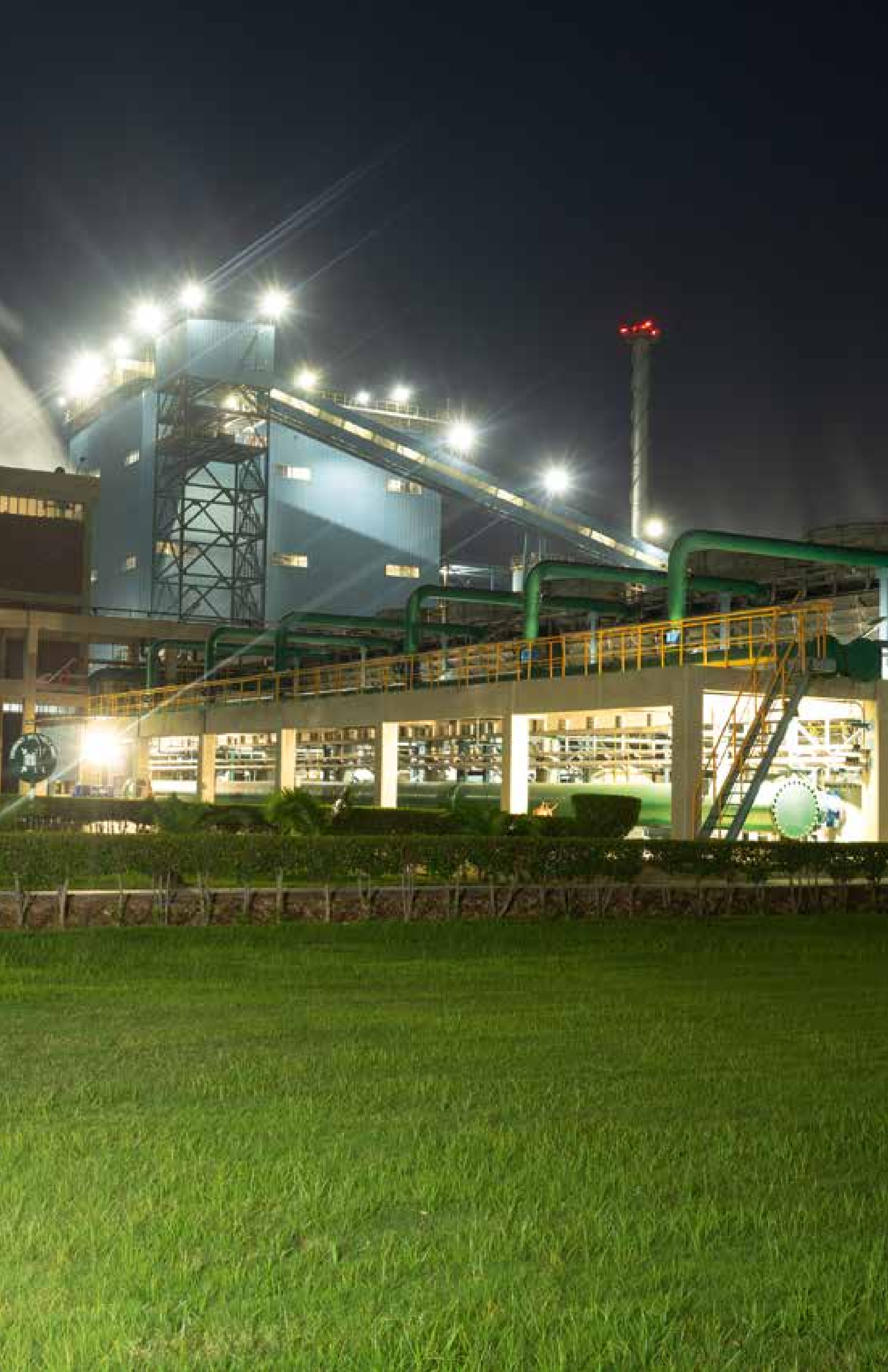


Half Yearly Report

For the Period Ended June 30, 2026

Ibrahim Fibres Limited



Contents

02 Company Information

04 Directors' Review

06 Independent Auditor's Review Report

08 Condensed Interim Statement of Financial Position

09 Condensed Interim Statement of Profit or Loss

10 Condensed Interim Statement of Comprehensive Income

11 Condensed Interim Statement of Cash Flows

12 Condensed Interim Statement of Changes in Equity

13 Selected Explanatory Notes to the Condensed Interim Financial Statements

23 Directors' Review - Urdu

Company Information

Board of Directors

Mohammad Naeem Mukhtar
Chairman

Muhammad Waseem Mukhtar
Chief Executive Officer

Sarah Naeem
Abdul Hameed Bhutta
Saba Muhammd
Mohammad Waqar
Iftikhar Yasin

Chief Financial Officer

Mohammad Naeem Asghar

Company Secretary

Farhan Siddique

Auditors

Yousuf Adil
Chartered Accountants

Human Resource & Remuneration Committee

Saba Muhammd
Chairperson

Sarah Naeem
Member

Abdul Hameed Bhutta
Member / Secretary

Iftikhar Yasin
Member

Audit Committee

Iftikhar Yasin
Chairman

Mohammad Waqar
Member

Saba Muhammd
Member

Muhammad Iqbal Chaudhry
Secretary

Nomination Committee

Mohammad Naeem Mukhtar
Chairman

Muhammad Waseem Mukhtar
Member

Sarah Naeem
Member

Risk Management Committee

Muhammad Waseem Mukhtar
Chairman

Sarah Naeem
Member

Iftikhar Yasin
Member

Bankers

Al Baraka Bank (Pakistan) Limited
Allied Bank Limited
Askari Bank Limited
Bank Al Habib Limited
Bank Alfalah Limited
Bank Islami Pakistan Limited
Citibank, N.A.
Dubai Islamic Bank Pakistan Limited
Faysal Bank Limited
Habib Bank Limited
Habib Metropolitan Bank Limited
Industrial and Commercial Bank of China Limited
JS Bank Limited
MCB Bank Limited
Meezan Bank Limited
National Bank of Pakistan
Standard Chartered Bank (Pakistan) Limited
The Bank of Khyber
The Bank of Punjab
United Bank Limited

Registrar's & Shares Registration Office

CDC Share Registrar Services Limited
CDC House, 99 - B, Block - B, S.M.C.H.S.
Main Shahra-e-Faisal, Karachi - 74000, Pakistan

Registered Office

Ibrahim Centre
1 - Ahmed Block
New Garden Town
Lahore - 54600, Pakistan

Head Office

Ibrahim Centre
15 - Club Road
Faisalabad - 38000, Pakistan

Projects Location

38 - 40 Kilometers
Faisalabad - Sheikhupura Road
Faisalabad, Pakistan

Directors' Review

The Directors of your Company are pleased to present before you the unaudited financial results of the Company for the second quarter and half year ended June 30, 2026.

Operating Performance

During the half year under review, the Polyester Plant of your Company produced 112,706 tons of Polyester Staple Fibre (PSF) as against production of 122,057 tons of PSF during the corresponding period of previous year. Out of this production, 9,823 tons of PSF were consumed by the textile plants of your Company for production of blended yarns as against 12,182 tons consumed during the corresponding period of previous year.

The textile plants of your Company produced 17,967 tons of blended yarns of different counts during the half year under review as against production of 19,757 tons during the corresponding period of previous year.

Financial Performance

During the half year under review, your Company achieved net sales of Rs. 53,820 million as compared to Rs. 53,328 million during corresponding period of previous year.

Your Company earned gross profit of Rs. 4,298 million during the period under review as compared to Rs. 5,020 million during corresponding period of the previous year.

During the period under review, your Company had loss before levy & tax of Rs. 737 million and loss after levy & tax of Rs. 903 million as against profit before levy & tax of Rs. 2,248 million and profit after levy & tax Rs. 1,440 million during the corresponding period of previous year. This loss is primarily attributable to recognition of liability as a consequence of settlement agreement with Government of Sindh on account of Sindh Infrastructure Development Cess as explained in note 4.1 of the financial statements for the period ended 30th June 2026.

Industry Overview & Future Outlook

Global economic landscape remained clouded during the half year under review primarily due to escalated armed conflict in the Middle East. This resulted in very steep swings in global energy market, generating one-off inventory gains throughout the entire petrochemical chain during second quarter of the half year under review. So far as domestic economic affairs are concerned, dumping of textile products in hefty quantities, elevated energy prices and resurgence of inflationary trends have emerged as key vulnerabilities. All these factors badly affected economic activities especially across upstream textile sector.

Accordingly, domestic textile value chain is expected to remain under pressure in the foreseeable future as well. Moreover, security related uncertainties in the Middle East are expected to remain unsettled in the near future resulting in volatile global energy market.

In this evolving scenario, the management of your Company is striving hard to increase market share through effective marketing strategies and better operating results through prudent financial controls.

Earnings per share

Loss per share for the half year ended June 30, 2026 has come to Rs. 2.91 as compared to profit per share of Rs. 4.64 during the corresponding period of previous year.

On behalf of the Board

Lahore
August 21, 2026

Director

Director

INDEPENDENT AUDITOR'S REVIEW REPORT

To the members of Ibrahim Fibres Limited

Report on review of Interim Financial Statements

Introduction

We have reviewed the accompanying condensed interim statement of financial position of Ibrahim Fibres Limited as at June 30, 2026 and the related condensed interim statement of profit or loss, condensed interim statement of comprehensive income, condensed interim statement of changes in equity, and condensed interim statement of cash flows, and notes to the condensed interim financial statements for the six-month period then ended (here-in-after referred to as the "interim financial statements"). Management is responsible for the preparation and presentation of this interim financial statements in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on these financial statements based on our review.

Scope of Review

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim financial statements is not prepared, in all material respects, in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting.

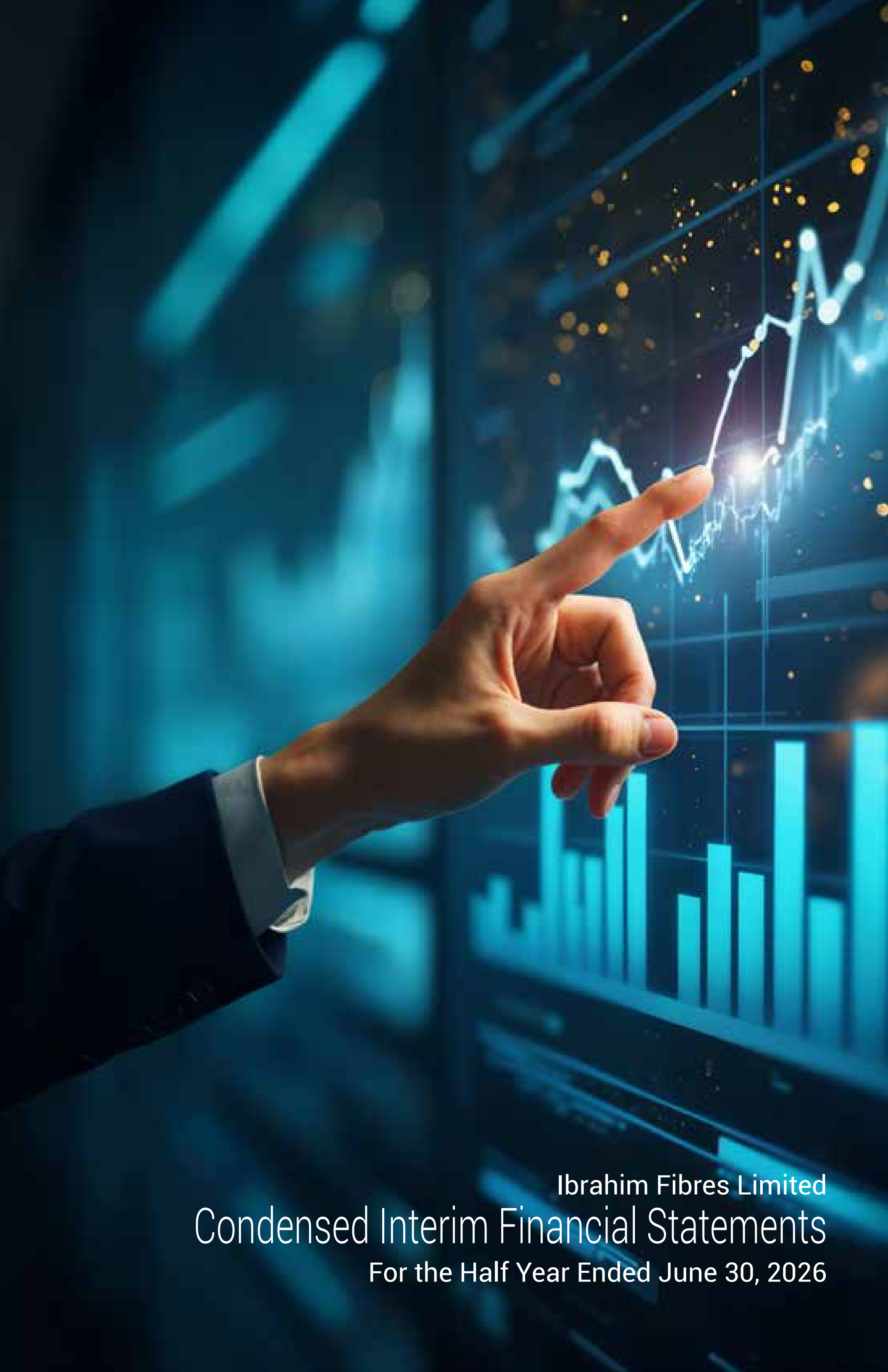
Other Matter

Pursuant to requirement of Section 237 (1) (b) of the Companies Act, 2017, only cumulative figures for the half year, presented in the second quarter accounts are subject to a limited scope review by the statutory auditors of the Company. Accordingly, the figures of the condensed interim statement of profit or loss and condensed interim statement of comprehensive income for the second quarter ended June 30, 2026 have not been reviewed by us.

The engagement partner on the audit resulting in this independent auditor's report is Muhammad Sufyan.

Yousuf Adil
Chartered Accountants

Lahore
Date: August 21, 2026
UDIN: RR202610180ivH30toXs



Ibrahim Fibres Limited

Condensed Interim Financial Statements

For the Half Year Ended June 30, 2026

Condensed Interim Statement of Financial Position

As at June 30, 2026

	Note	Unaudited June 30, 2026 Rupees	Audited December 31, 2025 Rupees
Non - Current Assets			
Property, plant and equipment	3	40,017,628,123	41,333,120,597
Intangible assets		118,336,533	119,559,055
Long term loans		150,268,149	138,428,427
Long term deposits		12,019,916	11,773,490
		40,298,252,721	41,602,881,569
Current Assets			
Stores, spare parts and loose tools		10,971,093,989	10,960,400,887
Stock in trade		23,163,694,512	27,241,663,728
Trade debts		4,248,082,817	3,263,546,670
Advance income tax		3,047,799,217	3,303,528,031
Loans and advances		982,604,263	563,360,210
Prepayments and other receivables		724,286,743	804,842,522
Refunds due from Government		7,101,897,251	9,153,814,970
Cash and bank balances		167,786,757	104,106,902
		50,407,245,549	55,395,263,920
Current Liabilities			
Trade and other payables		4,301,177,073	5,308,564,784
Mark up / interest payable		393,368,188	432,878,439
Short term bank borrowings		10,462,197,498	13,690,862,688
Current portion of non - current liabilities		1,762,926,776	1,225,362,273
Unclaimed dividend		26,990,960	26,990,960
Levy payable		1,453,527,074	779,443,457
Provision for taxation - income tax		1,013,189,602	3,699,111,911
		19,413,377,171	25,163,214,512
Working capital		30,993,868,378	30,232,049,408
Total capital employed		71,292,121,099	71,834,930,977
Non - Current Liabilities			
Long term financing		4,734,840,649	5,222,104,136
Deferred taxation		5,705,660,403	6,301,455,122
Other deferred liabilities	4	4,050,647,609	2,590,612,960
		14,491,148,661	14,114,172,218
Contingencies and Commitments	5	–	–
Net worth		56,800,972,438	57,720,758,759
Represented by:			
Share Capital and Reserves			
Share capital		3,105,069,950	3,105,069,950
Capital reserves		1,072,017,550	1,072,017,550
Revenue reserves		52,623,884,938	53,543,671,259
		56,800,972,438	57,720,758,759

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

Director

Director

Chief Financial Officer

Condensed Interim Statement of Profit or Loss (Unaudited)
For the Half Year Ended June 30, 2026

		Quarter Ended June 30,		Half Year Ended June 30,	
	Note	2026 Rupees	2025 Rupees	2026 Rupees	2025 Rupees
Sales - net		24,933,436,412	25,606,989,379	53,820,144,906	53,328,471,983
Cost of goods sold	6	(21,965,188,476)	(23,677,498,971)	(49,522,538,721)	(48,308,163,194)
Gross profit		2,968,247,936	1,929,490,408	4,297,606,185	5,020,308,789
Selling and distribution expenses		(185,185,890)	(172,007,378)	(363,175,195)	(359,572,451)
Administrative expenses		(738,118,704)	(659,887,868)	(1,386,681,515)	(1,276,969,166)
Other operating expenses		(2,546,256,084)	(59,719,409)	(2,561,023,563)	(613,960,208)
Finance cost		(295,925,578)	(266,965,888)	(738,987,740)	(553,887,194)
		(3,765,486,256)	(1,158,580,543)	(5,049,868,013)	(2,804,389,019)
		(797,238,320)	770,909,865	(752,261,828)	2,215,919,770
Other income		6,696,059	10,892,764	15,393,177	32,492,539
(Loss) / profit before levy and taxation		(790,542,261)	781,802,629	(736,868,651)	2,248,412,309
Levy		(407,895,422)	–	(674,083,617)	–
(Loss) / profit before taxation		(1,198,437,683)	781,802,629	(1,410,952,268)	2,248,412,309
Reversal of / (provision for) taxation		615,424,381	(417,755,574)	507,749,759	(808,101,356)
(Loss) / profit for the period		(583,013,302)	364,047,055	(903,202,509)	1,440,310,953
Earnings per share - basic and diluted		(1.88)	1.17	(2.91)	4.64

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

Director

Director

Chief Financial Officer

Condensed Interim Statement of Comprehensive Income (Unaudited)

For the Half Year Ended June 30, 2026

	Quarter Ended June 30,		Half Year Ended June 30,	
	2026 Rupees	2025 Rupees	2026 Rupees	2025 Rupees
(Loss) / profit for the period	(583,013,302)	364,047,055	(903,202,509)	1,440,310,953
Other comprehensive income for the period				
Item that will not be reclassified subsequently to profit or loss				
Impact of change in tax rate	(16,583,812)	–	(16,583,812)	–
Total comprehensive income for the period	(599,597,114)	364,047,055	(919,786,321)	1,440,310,953

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

Director

Director

Chief Financial Officer

Condensed Interim Statement of Cash Flows (Unaudited)
For the Half Year Ended June 30, 2026

		Note	Half Year Ended June 30, 2026 Rupees	2025 Rupees
a)	**Cash flows from operating activities**			
	Operating cash flows before working capital changes	7	4,191,342,733	5,222,043,028
	Changes in working capital			
	(Increase) / decrease in current assets			
	Stores, spare parts and loose tools		(10,693,102)	(511,882,290)
	Stock in trade		4,077,969,216	4,101,309,622
	Trade debts		(984,536,147)	(140,236,976)
	Loans and advances		(412,788,632)	(429,975,319)
	Prepayments and other receivables		80,555,779	401,527,209
	Refunds due from Government		1,040,261,410	1,129,934,497
	Decrease in current liabilities			
	Trade and other payables		(1,017,214,530)	(828,086,825)
			2,773,553,994	3,722,589,918
	Cash generated from operations		6,964,896,727	8,944,632,946
	Long term loans - net		(18,295,143)	(12,858,218)
	Finance cost paid		(778,497,991)	(681,615,501)
	Levy and income tax paid - net		(1,523,165,958)	(906,052,299)
	Staff retirement gratuity paid		(121,167,749)	(28,289,082)
	Net cash from operating activities		4,523,769,886	7,315,817,846
b)	**Cash flows from investing activities**			
	Additions in:			
	Property, plant and equipment		(662,498,224)	(5,732,422,254)
	Intangible assets		(23,631,369)	(42,338,137)
	Proceeds from disposal of property, plant and equipment		5,767,283	44,823,023
	Long term deposits		(246,426)	(275,777)
	Profit on deposits		210,468	388,063
	Net cash used in investing activities		(680,398,268)	(5,729,825,082)
c)	**Cash flows from financing activities**			
	Long term financing obtained		–	3,000,000,000
	Repayment of long term financing		(551,026,573)	(551,026,573)
	Dividend paid		–	(3,681)
	Net cash (used in) / from financing activities		(551,026,573)	2,448,969,746
	Net increase in cash and cash equivalents (a+b+c)		3,292,345,045	4,034,962,510
	Cash and cash equivalents at the beginning of the period		(13,586,755,786)	(8,535,431,155)
	Cash and cash equivalents at the end of the period	8	(10,294,410,741)	(4,500,468,645)

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

Director

Director

Chief Financial Officer

Condensed Interim Statement of Changes in Equity (Unaudited)
For the Half Year Ended June 30, 2026

	Share Capital	Capital Reserves		Revenue Reserves		Total
		Share premium	Merger reserve	General reserve	Unappropriated profit	
	Rupees					
Balance as at January 01, 2025	3,105,069,950	1,000,000,000	72,017,550	4,089,673,099	48,581,580,755	56,848,341,354
Total comprehensive income for the period						
Profit for the period	-	-	-	-	1,440,310,953	1,440,310,953
Other comprehensive income	-	-	-	-	-	-
	-	-	-	-	1,440,310,953	1,440,310,953
Balance as at June 30, 2025	3,105,069,950	1,000,000,000	72,017,550	4,089,673,099	50,021,891,708	58,288,652,307
Total comprehensive income for the period						
Loss for the period	-	-	-	-	(507,396,551)	(507,396,551)
Other comprehensive income	-	-	-	-	(60,496,997)	(60,496,997)
	-	-	-	-	(567,893,548)	(567,893,548)
Balance as at December 31, 2025	3,105,069,950	1,000,000,000	72,017,550	4,089,673,099	49,453,998,160	57,720,758,759
Total comprehensive income for the period						
Loss for the period	-	-	-	-	(903,202,509)	(903,202,509)
Other comprehensive income	-	-	-	-	(16,583,812)	(16,583,812)
	-	-	-	-	(919,786,321)	(919,786,321)
Balance as at June 30, 2026	3,105,069,950	1,000,000,000	72,017,550	4,089,673,099	48,534,211,839	56,800,972,438

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

Director

Director

Chief Financial Officer

Selected Explanatory Notes to the Condensed Interim Financial Statements (Unaudited)

For the Half Year Ended June 30, 2026

1. Status and Activities

1.1 Ibrahim Fibres Limited (the Company) was incorporated in Pakistan as a public limited company and is listed on Pakistan Stock Exchange. The principal business of the Company is manufacture and sale of polyester staple fibre and textile yarns. The registered office of the Company is located at 1 - Ahmad Block, New Garden Town, Lahore. The manufacturing units are located at Faisalabad - Sheikhupura Road, in the Province of Punjab.

1.2 Pursuant to scheme of arrangement approved by the Honourable Lahore High Court (LHC), Lahore, assets, liabilities and reserves of Ibrahim Textile Mills Limited, A. A. Textiles Limited, Zainab Textile Mills Limited and Ibrahim Energy Limited were merged with the assets, liabilities and reserves of the Company with effect from October 01, 2000.

1.3 Ibrahim Holdings (Private) Limited is the parent company and its registered office is in Pakistan.

1.4 These condensed interim financial statements are presented in Pak Rupee, which is the Company's functional and presentation currency.

2. Material Accounting Policy Information

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 Application of new and revised IFRS Accounting Standards

2.2.1 Standards, amendments to standards and interpretations becoming effective during the period

There were certain new standards, amendments to the approved accounting standards and interpretations which became effective during the period and are mandatory for accounting periods of the Company beginning on or after January 01, 2026 but are considered not to be relevant or not to have any significant effect on the Company's operations and are, therefore, not disclosed in these condensed interim financial statements.

2.2.2 Standards, amendments to standards and interpretations becoming effective in future periods

There are certain new standards, amendments to the approved accounting standards and interpretations that will become effective in future accounting periods but are considered not to be relevant or are not expected to have any significant effect on the Company's operations and are, therefore, not disclosed in these condensed interim financial statements except for the "IFRS 18 - Presentation and Disclosure in the Financial Statements" for which the management will ascertain its applicability and impact for implementation.

2.3 Basis of preparation

These condensed interim financial statements have been prepared under the "historical cost convention" except staff retirement gratuity carried at present value. These condensed interim financial statements do not include all the information required for complete set of financial statements and should be read in conjunction with the Company's published audited financial statements for the year ended December 31, 2025.

2.4 Accounting policies and methods of computation

The accounting policies and methods of computation followed in the preparation of these condensed interim financial statements are the same as those applied in the preparation of the published audited financial statements for the year ended December 31, 2025. 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 were the same as those that applied in the preceding published audited financial statements for the year ended December 31, 2025.

2.5 Financial risk management

The Company's risk management objectives and policies are consistent with those objectives and policies which were disclosed in financial statements of the Company for the year ended December 31, 2025.

	Unaudited June 30, 2026 Rupees	Audited December 31, 2025 Rupees
3. Property, Plant and Equipment		
Operating assets	39,220,323,974	40,435,513,178
Capital work in progress	797,304,149	897,607,419
	40,017,628,123	41,333,120,597

	Half Year Ended June 30, 2026		Half Year Ended June 30, 2025	
	Acquisitions / Transfers Rupees	Disposals / Transfers Rupees	Acquisitions / Transfers Rupees	Disposals / Transfers Rupees
3.1 Acquisitions and disposals including transfers - at cost				
Operating assets				
Freehold land	–	–	21,209,336	3,640,805
Building on freehold land	2,777,757	107,620	–	–
Plant and machinery	672,234,801	16,153,640	390,641,657	3,224,857
Furniture and fixture	21,202,105	–	21,594,651	11,042
Office equipment	75,962,347	11,144,010	69,378,680	14,789,219
Vehicles	1,332,025	11,082,572	186,887,804	36,295,144
Capital work in progress				
Building on freehold land	30,456,992	2,777,757	644,326,282	61,815,237
Plant and machinery	196,066,260	359,913,913	5,147,232,979	645,020,363
Other	42,914,845	7,049,697	67,679,840	72,676,307
	1,042,947,132	408,229,209	6,548,951,229	837,472,974

	Note	Unaudited June 30, 2026 Rupees	Audited December 31, 2025 Rupees
4. Other Deferred Liabilities			
Staff retirement gratuity		2,376,935,532	2,306,184,695
Deferred government grant		230,499,437	284,428,265
Payable against Sindh Infrastructure Development Cess (SIDC)	4.1	1,443,212,640	–
		4,050,647,609	2,590,612,960

	Note	Unaudited June 30, 2026 Rupees	Audited December 31, 2025 Rupees
4.1 Payable against SIDC			
Settlement agreed	4.1.1	3,750,000,000	–
Less: Paid at the time of signing settlement		(562,500,000)	–
Total liability		3,187,500,000	–
Less: Finance cost component		(1,196,888,599)	–
Net present value of obligation		1,990,611,401	–
Less: Current portion		(547,398,761)	–
Non - current portion		1,443,212,640	–

4.1.1 This pertains to the imposition of infrastructure cess. SIDC was levied by the Excise and Tax Department of Government of Sindh (GoS) on goods entering or leaving the province through air or sea at prescribed rate under Sindh Finance Ordinance, 2001. The levy was challenged by various companies in Honourable Sindh High Court. The Company became party to the suit on October 10, 2011. Accordingly, the Company became entitled to release of import consignments against bank guarantees as per an earlier interim order passed by the Court dated May 31, 2011.

During the period, the GoS enacted the Sindh Development and Maintenance of Infrastructure Cess (Amendment) Act, 2026. The Company opted to avail the settlement framework under sections 10A to 10F of the amended Act and signed the agreement with GoS under which 15% of the outstanding liability is payable by April 20, 2026, 15% by October 15, 2026,15% by July 15, 2027, and the remaining balance in forty-eight equal quarterly installments commencing from July 15, 2028. As required under the settlement framework, the Company has withdrawn all pending litigation and waived related claims against the GoS. Accordigly, previously furnished bank guarantees have been released after payment of first instalment due on April 20, 2026.

The Company has measured its liability under the settlement agreement at its present value using the pre-tax rate that reflects current market assessment of the time value of the money and risk specific to the liability, giving due consideration to the latest available information and the expected timing of the settlement.

5. Contingencies and Commitments

5.1 Contingencies

There is no change in contingent liabilities since the date of published audited financial statements for the year ended December 31, 2025 except the following:

(i) Guarantees issued in favour of The Director, Excise and Taxation, Karachi against imposition of infrastructure cess as mentioned in note 20.1.1 (ii). During the period, the matter has been settled and bank guarantees have been released.

(ii) The Company filed Intra Court Appeal for assailing the imposition of Super Tax for the tax years 2015 and 2016 before LHC which was rejected as mentioned in note 20.1.9 to the above referred financial statements. The Company had filed Civil Petition for Leave to Appeal against judgment of LHC before the Honourable Supreme Court of Pakistan (SCP). SCP passed interim order dated November 26, 2020 for staying recovery. Besides, tax department issued orders regarding Super Tax for tax years 2015 and 2016 and created demand of Rs. 41.161 million and Rs. 42.582 million respectively, aggregating to Rs. 83.744 million. The Company filed appeals to Commissioner Inland Revenue (Appeals) (CIR-A) against the orders of tax year 2015 and tax year 2016 passed by Commissioner Inland Revenue (CIR). CIR-A passed orders dated February 26, 2021 and reduced the demands for tax years 2015 and 2016 upto Rs. 40.844 million and Rs. 42.228 million, aggregating to Rs. 83.074 million. Appeal was filed for tax year 2016 in Appellate Tribunal Inland Revenue (ATIR) dated May 06, 2021. During the period, ATIR has passed order dated March 03, 2026 regarding appeal and remanded back the matter to assessing officer. Further, the petitions related to Super Tax were transferred to Federal Constitution Court (FCC). The FCC passed an order dated January 27, 2026 and upheld the provision of section 4B. Accordingly, the amount has been recognised in these financial statements.

(iii) The Additional Commissioner Inland Revenue (ACIR) passed an order disallowing some of the administrative expenses and charging tax on undistributed profits for the tax year 2017 as mentioned in note 20.1.13 to the above referred financial statements. The Company filed an appeal with CIR-A who made partial decision in favour of the Company. The Company and CIR filed appeals against order of CIR-A with ATIR on May 14, 2019 and May 16, 2019 respectively. ATIR decided the appeal filed by CIR dated July 09, 2024 and made decision in favour of the Company. During the period, ATIR has passed order dated February 02, 2026 and decided the appeal filed by the Company in favour of the Company.

(iv) The Deputy Commissioner Inland Revenue (DCIR) passed an order in respect of reduced rate supplies made by the Company as mentioned in note 20.1.16 to the above referred financial statements. The Company filed an appeal dated December 02, 2019 with CIR-A. CIR-A remanded back the case to Officer Inland Revenue with the directions to verify the supporting documents and decide the case afresh. The Company filed an appeal to ATIR on September 29, 2020 against the order of CIR-A. During the period, ATIR passed an order dated March 17, 2026 and decided the case in favour of the Company.

(v) DCIR passed order dated October 25, 2024 and created sales tax demand against the Company as mentioned in note 20.1.24 to the above referred financial statements. The Company paid alleged amount under protest on dated October 18, 2024 and filed Appeal before CIR-A on dated November 26, 2024 against order of DCIR. CIR-A passed order dated December 26, 2025 and decided the case partially in favour of the Company and partially against the Company. During the period, The Company filed appeal in ATIR dated January 21, 2026 against order of CIR-A.

(vi) DCIR passed an order dated July 28, 2025 for the tax period of July 2022 to June 2023 for violation of Section 8 of the Sales Tax Act, 1990 and created demand as mentioned in note 20.1.25 to the above referred financial statements. The Company filed Appeal dated August 26, 2025 before CIR-A. CIR-A subsequently passed an order and decided the case in favour of the Company. DCIR filled appeal in ATIR against order of CIR-A dated February 02, 2026.

(vii) Post dated cheques issued in favour of Sui Northern Gas Pipelines Limited, as mentioned in note 20.1.26, has been increased to Rs. 370.538 million.

	Unaudited June 30, 2026 Rupees in million	Audited December 31, 2025 Rupees in million
5.2 Commitments		
5.2.1 Under contracts for capital expenditure:		
Land and building	231.743	198.888
Plant and machinery	142.711	4.820
5.2.2 Under letters of credit for:		
Plant and machinery	1,604.161	1,680.227
Raw materials, stores and spare parts	6,498.654	4,002.035

Selected Explanatory Notes to the Condensed Interim Financial Statements (Unaudited)

For the Half Year Ended June 30, 2026

	Quarter Ended June 30, 2026 Rupees	Quarter Ended June 30, 2025 Rupees	Half Year Ended June 30, 2026 Rupees	Half Year Ended June 30, 2025 Rupees
6. Cost of Goods Sold				
Raw materials consumed	17,148,909,724	16,108,369,245	36,328,721,139	35,274,802,362
Packing materials	222,192,103	210,879,446	451,296,684	464,997,947
Salaries, wages and benefits	835,947,739	770,540,114	1,671,900,317	1,511,875,988
Staff retirement benefits	63,310,818	59,414,958	126,621,625	118,829,988
Stores and spare parts	724,601,578	835,392,025	1,578,347,086	1,523,042,835
Fuel and power	3,016,314,033	2,669,597,951	6,060,000,692	5,890,983,581
Insurance	43,728,148	42,169,498	87,456,505	84,236,347
Depreciation of property, plant and equipment	898,614,001	801,512,356	1,789,316,922	1,597,942,325
Amortisation of intangible assets	3,389,338	3,293,088	6,778,677	6,586,177
Other	270,182,517	279,403,660	700,237,790	652,142,094
	23,227,189,999	21,780,572,341	48,800,677,437	47,125,439,644
Work in process				
Opening stock	1,119,982,057	1,009,419,121	984,843,106	1,108,365,514
Closing stock	(1,019,070,768)	(855,509,883)	(1,019,070,768)	(855,509,883)
	100,911,289	153,909,238	(34,227,662)	252,855,631
Cost of goods manufactured	23,328,101,288	21,934,481,579	48,766,449,775	47,378,295,275
Finished goods				
Opening stock	7,352,719,702	9,602,587,219	9,471,721,460	8,789,437,746
Closing stock	(8,715,632,514)	(7,859,569,827)	(8,715,632,514)	(7,859,569,827)
	(1,362,912,812)	1,743,017,392	756,088,946	929,867,919
	21,965,188,476	23,677,498,971	49,522,538,721	48,308,163,194

	Half Year Ended June 30, 2026 Rupees	Half Year Ended June 30, 2025 Rupees
7. Operating Cash Flows Before Working Capital Changes		
(Loss) / profit before levy and taxation	(736,868,651)	2,248,412,309
Adjustments for:		
Depreciation / amortisation of property, plant and equipment	1,975,111,046	1,786,532,706
Amortisation of intangible assets	24,853,891	23,295,770
Provision for staff retirement gratuity	191,037,864	184,048,460
Payable against SIDC	1,990,611,401	–
Balance written off	–	436,968,192
Loss / (gain) on disposal of property, plant and equipment	7,819,910	(10,723,223)
Profit on deposits	(210,468)	(378,380)
Finance cost	738,987,740	553,887,194
	4,191,342,733	5,222,043,028

	As at June 30, 2026 Rupees	As at June 30, 2025 Rupees
8. Cash and Cash Equivalents		
Cash and bank balances	167,786,757	100,672,841
Short term bank borrowings	(10,462,197,498)	(4,601,141,486)
	(10,294,410,741)	(4,500,468,645)

9. Aggregate Transactions with Related Parties

The Company in the normal course of business carries out transactions with various related parties which comprise of associated undertakings and key management personnel. Significant transactions with related parties are as under:

Relationship and nature of transaction	Unaudited June 30, 2026 Rupees	Audited December 31, 2025 Rupees
Associated undertaking		
Short term bank borrowings payable	–	2,702,749,114
Mark up / interest payable on short term bank borrowings	16,388,370	88,022,326
Unretired letters of credit	122,871,956	61,663,310
Bank balance	72,478,322	783,503

Relationship and nature of transaction	Half Year Ended June 30, 2026 Rupees	Half Year Ended June 30, 2025 Rupees
Associated undertakings		
Rent charged	6,026,034	5,941,848
Mark up / interest charged on short term bank borrowings	53,652,221	2,116,299
Profit on deposits	41,482	93,369
Bank charges and commission	711,368	747,818
Rental income	6,000	6,000
Consultancy fee paid	7,656,000	–
Purchases	–	733,731,015
Key management personnel		
Remuneration	42,000,000	66,600,000
Reimbursable expenses	3,844,678	3,611,741
Reconciliation of bank accounts including running finance maintained with Associated Company:		
Opening balance	(2,701,965,611)	(21,409,831)
Transfers in during the period	64,556,048,768	38,795,200,393
Transfers out during the period	(61,781,604,835)	(38,781,643,216)
Closing balance	72,478,322	(7,852,654)

Following are the related parties with whom the Company has entered into transactions or have arrangements / agreements in place.

Name	Country of Incorporation	Basis of relationship	Aggregate % of shareholding
Ibrahim Holdings (Private) Limited	Pakistan	Parent Company	91.8134%
Allied Bank Limited	Pakistan	Common directorship	–
Ibrahim Agencies (Private) Limited	Pakistan	Common directorship	–
Wickford International Pte. Ltd.	Singapore	Common directorship	–
Polytek Associates (Private) Limited	Pakistan	Common directorship	–
Mohammad Naeem Mukhtar		Key management personnel	0.0016%
Muhammad Waseem Mukhtar		Key management personnel	0.0008%
Sarah Naeem		Key management personnel	0.0002%
Abdul Hameed Bhutta		Key management personnel	0.0003%

10. Disclosure Requirement for Companies Not Engaged in Shariah Non-Permissible Business Activities

Following information has been disclosed as required under amended part I clause VII of Fourth Schedule to the Companies Act, 2017 as amended via S.R.O.1278(I)/2024 dated August 15, 2024:

	Unaudited June 30, 2026 Rupees	Audited December 31, 2025 Rupees
Statement of Financial Position		
Liabilities		
Long term financing as per Islamic mode	6,180,868,101	6,731,894,674
Short term bank borrowings as per Islamic mode	8,531,063,488	9,731,365,354
Interest or mark-up accrued on conventional loans	47,792,809	105,433,673
Assets		
Shariah compliant bank balances	1,736,944	340,018

Selected Explanatory Notes to the Condensed Interim Financial Statements (Unaudited)

For the Half Year Ended June 30, 2026

	Half Year Ended June 30, 2026 Rupees	2025 Rupees
Statement of Profit or Loss		
Sales - net (Shariah compliant)	53,820,144,906	53,328,471,983
Profit paid on Islamic mode of financing	754,479,956	467,253,335
Profit on deposits		
Shariah compliant bank deposits	–	–
Conventional bank deposits	210,468	499,513
Exchange gain		
Shariah compliant	–	299,583
Shariah non-compliant	–	–
Scrap sales		
Shariah compliant	12,848,361	18,521,514
Shariah non-compliant	–	–
Rental income		
Shariah compliant	6,000	6,000
Shariah non-compliant	–	–
Other income - other		
Shariah compliant	2,328,348	2,178,343
Shariah non-compliant	–	–

Relationship with Shariah-compliant financial institutions:

Name	Relationship
Faysal Bank Limited	Short term borrowings and Long term financing
Meezan Bank Limited	Short term borrowings
United Bank Limited	Bank Balance and Short term borrowings
Al Baraka Bank (Pakistan) Limited	Bank Balance
BankIslami Pakistan Limited	Bank Balance
The Bank of Khyber	Bank Balance
The Bank of Punjab	Bank Balance
Dubai Islamic Bank Pakistan Limited	Bank Balance

Selected Explanatory Notes to the Condensed Interim Financial Statements (Unaudited)

For the Half Year Ended June 30, 2026

11. Segment Information

	Polyester		Textile spinning		Inter - segment elimination		Total	
	Half Year Ended June 30,		Half Year Ended June 30,		Half Year Ended June 30,		Half Year Ended June 30,	
	2026	2025	2026	2025	2026	2025	2026	2025
	Rupees							
Sales - net								
Revenue from contracts with customers - net	38,100,039,245	37,947,723,148	15,720,105,661	15,380,748,835	–	–	53,820,144,906	53,328,471,983
Inter - segment	3,203,418,445	3,635,036,456	–	–	(3,203,418,445)	(3,635,036,456)	–	–
	41,303,457,690	41,582,759,604	15,720,105,661	15,380,748,835	(3,203,418,445)	(3,635,036,456)	53,820,144,906	53,328,471,983
Cost of goods sold	(37,301,571,187)	(37,572,084,904)	(15,424,385,979)	(14,371,114,746)	3,203,418,445	3,635,036,456	(49,522,538,721)	(48,308,163,194)
Gross profit	4,001,886,503	4,010,674,700	295,719,682	1,009,634,089	–	–	4,297,606,185	5,020,308,789
Selling and distribution expenses	(230,501,279)	(222,699,402)	(132,673,916)	(136,873,049)	–	–	(363,175,195)	(359,572,451)
Other operating expenses	–	–	(20,590)	–	–	–	(20,590)	–
Finance cost	(4,163,084)	(4,925,284)	(238,649,865)	(125,382,834)	–	–	(242,812,949)	(130,308,118)
	(234,664,363)	(227,624,686)	(371,344,371)	(262,255,883)	–	–	(606,008,734)	(489,880,569)
	3,767,222,140	3,783,050,014	(75,624,689)	747,378,206	–	–	3,691,597,451	4,530,428,220
Other income	12,907,004	36,558,910	–	1,588,280	–	–	12,907,004	38,147,190
Profit / (loss) before unallocated income and expenses	3,780,129,144	3,819,608,924	(75,624,689)	748,966,486	–	–	3,704,504,455	4,568,575,410
Unallocated income and expenses:								
Administrative expenses							(1,386,681,515)	(1,276,969,166)
Other operating expenses							(2,561,002,973)	(613,960,208)
Finance cost							(496,174,791)	(423,579,076)
Other income							2,486,173	(5,654,651)
Levy							(674,083,617)	–
Reversal of / (provision for) taxation							507,749,759	(808,101,356)
Loss / (profit) for the period							(903,202,509)	1,440,310,953

11.1 Reconciliation of reportable segment assets and liabilities:

	Polyester		Textile spinning		Total	
	Unaudited June 30, 2026	Audited December 31, 2025	Unaudited June 30, 2026	Audited December 31, 2025	Unaudited June 30, 2026	Audited December 31, 2025
	Rupees					
Total assets for reportable segment	27,099,121,648	25,658,177,421	37,145,150,377	42,583,114,838	64,244,272,025	68,241,292,259
Unallocated assets					26,461,226,245	28,756,853,230
Total assets as per statement of financial position					90,705,498,270	96,998,145,489
Total Liabilities for reportable segment	6,659,710,435	6,933,328,078	7,283,416,887	7,578,778,795	13,943,127,322	14,512,106,873
Unallocated Liabilities					19,961,398,510	24,765,279,857
Total Liabilities as per statement of financial position					33,904,525,832	39,277,386,730

Selected Explanatory Notes to the Condensed Interim Financial Statements (Unaudited)

For the Half Year Ended June 30, 2026

12. The provisions for taxation, workers' profit participation fund and workers' welfare fund made in these condensed interim financial statements are subject to adjustments in annual financial statements.

13. **Date of Authorisation for Issue**

These condensed interim financial statements were authorised for issue on August 21, 2026 by the Board of Directors of the Company.

14. **General**

14.1 There is no unusual item included in these condensed interim financial statements which is affecting assets, liabilities, profit, comprehensive income, cash flows or equity of the Company.

14.2 Figures have been rounded off to the nearest Rupee unless otherwise stated.

Director | Director | Chief Financial Officer

ڈائریکٹرز کا جائزہ

آپ کے ادارے کے ڈائریکٹرز انتہائی مسرت کے ساتھ ادارے کی 30 جون 2026 کو اختتام پذیر ہونے والی دوسری سہ ماہی اور ششماہی کے غیر مصدقہ (unaudited) مالیاتی نتائج آپ کے سامنے پیش کرتے ہیں۔

کاروباری کارکردگی

زیرِ نظر ششماہی میں آپ کے ادارے کے پولیسٹر سٹیپل فائبر کے کارخانے نے 112,706 ٹن پولیسٹر سٹیپل فائبر بنایا جبکہ پچھلے سال کی متعلقہ ششماہی میں 122,057 ٹن پولیسٹر سٹیپل فائبر بنایا تھا۔ اس پیداوار میں سے 9,823 ٹن پولیسٹر سٹیپل فائبر مختلف اقسام کا آمیزشی دھاگہ بنانے کے لئے آپکے ادارے کے اپنے کارخانوں میں صرف ہوا جبکہ پچھلے سال کی متعلقہ ششماہی میں یہ کھپت 12,182 ٹن رہی تھی۔

آپ کے ادارے کے دھاگے کے کارخانوں نے اس ششماہی میں 17,967 ٹن مختلف اقسام کا آمیزشی دھاگہ بنایا جبکہ پچھلے سال کی متعلقہ ششماہی میں یہ پیداوار 19,757 ٹن رہی تھی۔

مالیاتی کارکردگی

زیرِ نظر ششماہی میں آپ کے ادارے کی خالص فروخت 53,820 ملین روپے رہی جبکہ پچھلے سال کی متعلقہ ششماہی میں یہ فروخت 53,328 ملین روپے رہی تھی۔

آپ کے ادارے نے زیرِ نظر دورانیہ میں 4,298 ملین روپے کا خام منافع کمایا جبکہ پچھلے سال کے متعلقہ دورانیہ میں 5,020 ملین روپے کا خام نفع ہُوا تھا۔

آپ کے ادارے کو زیرِ نظر دورانیہ میں 737 ملین روپے قبل از لیوی و ٹیکس اور 903 ملین روپے بعد از لیوی و ٹیکس نقصان ہوا۔ اس کے برعکس پچھلے سال کے متعلقہ دورانیہ میں 2,248 ملین روپے اور 1,440 ملین روپے بالترتیب قبل از لیوی و ٹیکس اور بعد از لیوی و ٹیکس نفع ہوا تھا۔ یہ نقصان بنیادی طور پر حکومت سندھ کے ساتھ سندھ انفراسٹرکچر ڈیویلپمنٹ سیس کے حوالے سے طے پانے والے معاہدے کے نتیجے میں واجب الادا رقم کو تسلیم کرنے کی وجہ سے ہوا ہے جسکی تفصیل 30 جون 2026 کے مالیاتی گوشواروں کے نوٹ نمبر 1.4 میں دی گئی ہے۔

صنعتی جائزہ اور مستقبل پہ نقطہ نظر

زیرِ نظر ششماہی میں عالمی اقتصادی منظرنامے پر غیر یقینی صورتحال چھائی رہی جسکی بنیادی وجہ مشرقِ وسطیٰ کا بہت کشیدہ مسلح تنازعہ ہے۔ اس کے نتیجے میں عالمی توانائی کی منڈی میں بہت زیادہ تبدیلی آئی جس کی وجہ سے زیرِ نظر ششماہی کی دوسری سہ ماہی کے دوران پوری پیٹروکیمیکل چین کے مال تجارت کی مالیت میں یک بارگی نفع ہوا۔ جہاں تک ملکی اقتصادی امور کا تعلق ہے تو کپڑے کی صنعت سے متعلقہ مصنوعات کی بے حد مقدار میں ڈمپنگ، توانائی کی قیمتوں میں اضافہ اور مہنگائی کے رجحانات کا دوبارہ ابھرنا اہم خطرات کے طور پر سامنے آئے ہیں۔ ان تمام عوامل نے بالخصوص اپ سٹریم کپڑے کی صنعت کی اقتصادی سرگرمیوں کو برے طریقے سے متاثر کیا ہے۔

اس صورتحال کے پیشِ نظر ملکی کپڑے کی صنعت کا مستقبل میں بھی اقتصادی دباؤ میں رہنے کا امکان ہے۔ مزید برآں، مشرقِ وسطیٰ میں سیکورٹی کی غیر یقینی صورتحال میں جلد بہتری کی کوئی توقع نہیں ہے جس کے نتیجے میں عالمی توانائی کی منڈی غیر مستحکم رہے گی۔

اس بدلتے ہوئے تناظر میں آپ کے ادارے کی انتظامیہ مالیاتی نظم و نسق اور مؤثر کاروباری حکمتِ عملی کو بروئے کار لاتے ہوئے منڈی میں اپنے حصے اور نفع کو مزید بہتر بنانے کے لئے انتھک محنت جاری رکھے ہوئے ہے۔

فی حصہ آمدنی

30 جون 2026 کو اختتام پذیر ہونے والی ششماہی میں آپ کے ادارے کو 2.91 روپے فی حصہ نقصان ہوا جبکہ پچھلے سال کی متعلقہ ششماہی میں 4.64 روپے فی حصہ نفع ہوا تھا۔

منجانب بورڈ آف ڈائریکٹرز

ڈائریکٹر

ڈائریکٹر

لاہور

21 اگست 2026

Notes

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VANTAGE