

DEWAN FAROOQUE SPINNING MILLS LIMITED

October 27, 2026

FORM-7

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

Subject: **Financial Results for the First Quarter ended September 30, 2026**

Dear Sirs,

We have to inform you that the Board of Directors of our Company in their meeting held on October 27, 2026 at 05:30 p.m. at Karachi, Pakistan, recommended the following:

(i) CASH DIVIDEND	Nil
AND/OR	
(ii) BONUS SHARES	Nil
AND/OR	
(iii) RIGHT SHARES	Nil
AND/OR	
(iv) ANY OTHER ENTITLEMENT/CORPORATE ACTION	Nil
AND/OR	
(v) ANY OTHER PRICE-SENSITIVE INFORMATION	Nil

The un-audited financial results of the Company for the First Quarter ended September 30, 2026, are as follows:

	Jul-Sep, 2026	Jul-Sep, 2025
	------(Rupees)-----	
Sales / Revenue - Net	55,818,715	70,540,150
Cost of sales / revenue	(113,939,368)	(134,844,461)
Gross (loss)	(58,120,653)	(64,304,311)
Operating expenses		
Administrative expenses	(6,645,575)	(5,148,752)
Selling and distribution expenses	(3,648,670)	(2,922,289)
	(10,294,245)	(8,071,041)
Operating (loss)	(68,414,898)	(72,375,352)
Other income	12,870,826	835,292
	(55,544,072)	(71,540,060)
Bank charges	(33,100)	(12,089)
(Loss) before taxation	(55,577,172)	(71,552,149)
Levies	(697,734)	(881,752)
Loss before income tax	(56,274,906)	(72,433,901)
Taxation - Net	12,654,134	14,007,460
(Loss) after taxation	(43,620,772)	(58,426,441)
(Loss) per share - basic and diluted	(0.45)	(0.60)

 **YD** A YOUSUF DEWAN COMPANY

DEWAN FAROOQUE SPINNING MILLS LIMITED

Registered Office: Dewan Centre, 3-A, Lalazar Beach Hotel, Road, Karachi - 74000 Pakistan
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DEWAN FAROOQUE SPINNING MILLS LIMITED

CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION AS AT 30TH SEPTEMBER, 2026

	Un-Audited Sep 30, 2026	Audited June 30, 2026
	------(Rupees)-----	
<u>EQUITY AND LIABILITIES</u>		
SHARE CAPITAL AND RESERVES		
Authorized share capital 100,000,000 (2026: 100,000,000) Ordinary shares of Rs.10/- each	1,000,000,000	1,000,000,000
Issued, subscribed and paid-up capital	977,507,260	977,507,260
Revenue reserve - accumulated losses	(2,221,497,458)	(2,208,857,496)
Capital reserve - revaluation surplus on property, plant and equipment	10,721,776,060	10,752,756,870
	9,477,785,862	9,521,406,634
NON-CURRENT LIABILITIES		
Long term loan	-	-
Deferred taxation	529,550,027	542,204,161
Deferred liability for staff gratuity	27,666,317	25,924,970
CURRENT LIABILITIES		
Trade and other payables	560,384,489	555,831,553
Accrued mark-up	390,303,597	390,303,597
Short term borrowings	465,955,401	467,864,219
Current & overdue portion of long term liabilities	428,181,550	432,165,925
Provision for taxation	-	-
	1,844,825,037	1,846,165,294
CONTINGENCIES AND COMMITMENTS		
	11,879,827,243	11,935,701,059
<u>ASSETS</u>		
NON-CURRENT ASSETS		
Property, plant and equipment	11,698,274,508	11,754,191,763
Long term deposits	52,587,272	52,587,272
CURRENT ASSETS		
Stores & spares	24,325,521	23,939,916
Stock in trade	15,516,540	15,516,540
Trade debts- unsecured, considered good	612,934	627,934
Loans and advances - unsecured, considered good	6,542,262	7,060,894
Trade deposits and other receivables - considered good	30,494,424	32,100,170
Taxes recoverable	47,876,444	46,444,887
Cash and bank balances	3,597,338	3,231,683
	128,965,463	128,922,024
	11,879,827,243	11,935,701,059



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CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED) FOR THE FIRST QUARTER ENDED 30TH SEPTEMBER 2026

	Issued, subscribed and paid-up capital	Revenue reserve	Capital reserve	Total
		Accumulated losses	Revaluation surplus on property, plant & equipment	
(Rupees)				
Balance as at July 01, 2025	977,507,260	(2,136,334,737)	10,889,933,378	9,731,105,901
Total comprehensive loss for the period				
(Loss) for the period	--	(58,426,441)	--	(58,426,441)
Other comprehensive income	--	--	--	--
	--	(58,426,441)	--	(58,426,441)
Transfer to accumulated loss in respect of incremental depreciation - net of tax	--	34,294,127	(34,294,127)	--
Balance as at September 30, 2025	977,507,260	(2,160,467,051)	10,855,639,251	9,672,679,460
Balance as at July 01, 2026	977,507,260	(2,208,857,496)	10,752,756,870	9,521,406,634
Total comprehensive loss for the period				
(Loss) for the period	--	(43,620,772)	--	(43,620,772)
Other comprehensive income	--	--	--	--
	--	(43,620,772)	--	(43,620,772)
Transfer to accumulated loss in respect of incremental depreciation - net of tax	--	30,980,810	(30,980,810)	--
Balance as at September 30, 2026	977,507,260	(2,221,497,458)	10,721,776,060	9,477,785,862



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CONDENSED INTERIM STATEMENT OF CASH FLOWS (UN-AUDITED) FOR THE FIRST QUARTER ENDED 30TH SEPTEMBER 2026

	July-Sept, 2026	July-Sept, 2025
	------(Rupees)-----	
CASH FLOW FROM OPERATING ACTIVITIES		
(Loss) before taxation	(55,577,172)	(71,552,149)
Adjustments for non cash and other items:		
Gain on sale of fixed assets	(12,870,826)	(835,292)
Depreciation	52,607,581	57,835,579
Financial charges	33,100	12,088
Provision for gratuity	2,118,284	1,871,495
Cash flow before working capital changes	(13,689,033)	(12,668,279)
Working Capital changes		
<i>(Increase) / Decrease in current assets:</i>		
Stores & spares	(385,605)	1,428,894
Trade debts	15,000	223,504
Loans & advances	518,632	(2,555,147)
Trade deposits & other receivables	1,605,746	(1,077,044)
<i>Increase / (Decrease) in current liabilities:</i>		
Trade and other payables	4,552,936	23,582,549
Cash generated from / (used in) operations	(7,382,324)	8,934,477
Payments for:		
Taxes paid	(2,129,291)	(4,486,646)
Gratuity paid	(376,937)	(304,559)
Financial charges paid	(33,100)	(12,089)
	(9,921,652)	4,131,183
CASH FLOW FROM INVESTING ACTIVITIES		
Capital expenditure incurred	(319,500)	(5,410,985)
Sale proceeds on disposal of fixed assets	16,500,000	850,000
Long term deposits	-	(909,200)
Net cash outflow from investing activities	16,180,500	(5,470,185)
CASH FLOW FROM FINANCING ACTIVITIES		
Long term loan	(3,984,375)	(1,328,125)
Short term borrowings	(1,908,818)	-
Net cash inflow / (out flow) from financing activities	(5,893,193)	(1,328,125)
Net increase / (decrease) in cash and cash equivalents	365,655	(2,667,127)
Cash and Cash equivalents at the beginning of the period	3,231,683	4,990,375
Cash and Cash equivalents at the end of the period	3,597,338	2,323,248



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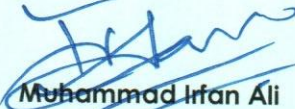
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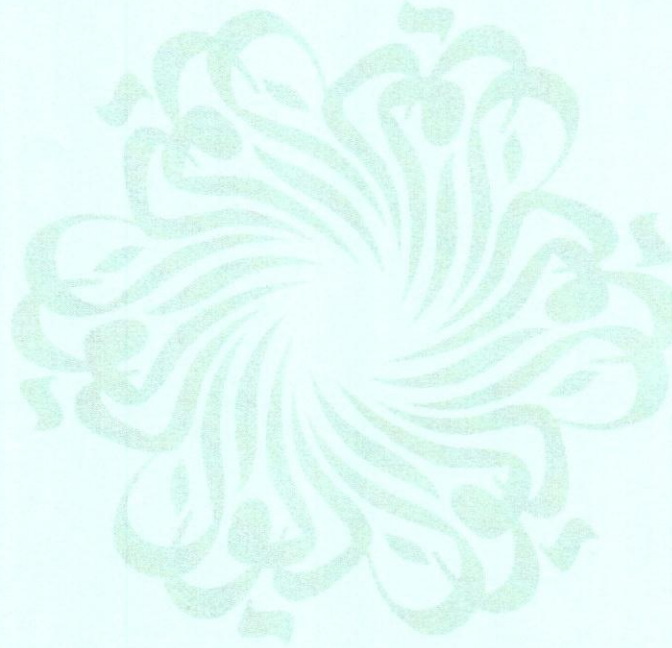
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The Quarterly Report of the Company for the period ended September 30, 2026 will be transmitted through PUCARS separately, within the specified time.

Yours faithfully,


Muhammad Irfan Ali
Chief Financial Officer


Syed Maqbool Ali
CEO & Director



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