

1st QUARTER REPORT 2026



J.K. SPINNING
MILLS LIMITED



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Company Information

Chairperson

Mrs. Farhat Jehan

Chief Executive

Mr. Faiq Jawed

Directors

Mr. Shaiq Jawed

Mrs. Nageen Faiq

Mrs. Sadaf Aamir Arshad

Mr. Muhammad Tayyab Zahid

Syed Sohaib Mansoor Naqvi

Audit Committee

Chairman Syed Sohaib Mansoor Naqvi

Members Mrs. Farhat Jehan

Mrs. Sadaf Aamir Arshad

HR Committee

Chairman Mr. Muhammad Tayyab Zahid

Members Mr. Shaiq Jawed

Syed Sohaib Mansoor Naqvi

Risk Management Committee

Chairman Mr. Faiq Jawed

Members Mr. Shaiq Jawed

Syed Sohaib Mansoor Naqvi

Nomination Committee

Chairperson Mrs. Farhat Jehan

Members Mr. Faiq Jawed

Mr. Shaiq Jawed

Sustainability Committee

Chairman Mr. Muhammad Tayyab Zahid

Members Mr. Shaiq Jawed

Mrs. Sadaf Aamir Arshad

Director Finance

Mr. Ghulam Muhammad

Chief Financial Officer

Khawaja Nadeem Abbas

Company Secretary

Mr. Ghulam Muhammad

Head of Internal Audit

Mr. Farhan Safdar

Auditors

Baker Tilly Mehmood Idrees Qamar

Chartered Accountants

Legal Advisor

Mahfooz Ahmad Khan Advocates

Registrar's and Share Registration office

CORPTEC Associates (Pvt.) Ltd.,

503-E, Johar Town, Lahore

Bankers

Standard Chartered Bank (Pakistan) Limited

The Bank of Punjab

Habib Bank Limited

National Bank of Pakistan

Meezan Bank Limited

BankIslami Pakistani Limited

Bank Alfalah Limited

United Bank Limited

Askari Bank Limited

Dubai Islamic Bank

The Bank of Khyber

JS Bank Limited

Samba Bank Limited

Al Baraka Bank Limited

Habib Metropolitan Bank Limited

Registered office

34-Falcon Enclave, Tufail Road, Lahore

Cantt. Lahore.

Head Office & Mills

29-KM, Sheikhpura Road, Khurrianwala

Faisalabad.

Zonal Office/ Department of Sales & Marketing

Office No. 411, 4th Floor, Haji Adam

Chamber, Altaf Hussain Road, Karachi.

Directors' Report to the Shareholders

In the name of Almighty Allah The Most Gracious, The beneficent, The Merciful

Dear Shareholders,

The Directors of your company feel pleasure to submit Un-audited Financial Statements of the company for the quarter ended September 30, 2026.

Financial Results and Operational Performance

During the period under review, the Company's sales increased to Rupees 12,247.398 million from Rupees 10,377.897 million in the corresponding period, registering a growth of 18.01%. Profit after tax stood at Rupees 512.443 million for the period ended September 30, 2026, yielding a profit margin of 4.18%, compared to Rupees 307.745 million and a margin of 2.97% in the corresponding period. Accordingly, earnings per share (EPS) improved to Rs. 5.01 from Rs. 3.01 in the corresponding period.

The increase in business activity, coupled with prevailing inflationary pressures, contributed to higher expenditure on stores and spares and loose tools consumed, packing materials, sea freight, repair and maintenance and operating expenses. Salaries and wages also increased following the annual increment policy of the company. Conversely, fuel and power costs declined due to lower electricity tariffs and the growing contribution of renewable energy to the Company's energy mix.

The Company continues to pursue its strategic focus on Balancing, Modernization and Replacement (BMR) of machinery and equipment across its production facilities. These initiatives are intended to strengthen operational efficiency, improve cost optimization, enhance production capabilities, and maintain the Company's competitiveness in an evolving business environment, while supporting its environmental objectives.

During the period under review, the Company expanded its solar power generation capacity from 7.5 MW to 15.5 MW, with the entire facility now fully operational. This milestone reflects the Company's commitment to sustainable energy, improved energy efficiency, and reduced reliance on conventional energy sources. The initiative is expected to help manage energy costs, reduce environmental impact, and strengthen the Company's long-term operational sustainability.

The summarized financial results of the company for the quarter ended September 30, 2026 are as under:

Particulars	Rupees in Million	
	Quarter Ended	
	30 September 2026	30 September 2025
Revenue	12,247.398	10,377.897
Cost of Sales	10,774.651	8,974.719
Gross Profit	1,472.747	1,403.178
Operating Expenses	733.811	576.170
Other Income	280.186	35.557
Profit From Operations	1,019.122	862.565
Finance Cost	242.249	377.856
Profit Before Levy And Taxation	776.873	484.709
Levy and Taxation	264.430	176.964
Profit After Taxation	512.443	307.745
Earnings Per Share - Rupees	5.01	3.01

Directors' Report to the Shareholders

In light of the current volatile market conditions, your board of directors has decided not to recommend any interim dividend.

Future Outlook

The Company's future outlook remains influenced by domestic economic conditions and global geopolitical developments, particularly the US–Iran conflict and the closure of the Strait of Hormuz, which disrupted shipping activities and heightened uncertainty in international supply chains. These developments pose potential challenges in the form of increased energy prices, freight and marine insurance costs, and delays in export shipments, thereby placing additional pressure on the textile industry's cost structure and competitiveness.

In response, the Company remains focused on prudent cost management, operational efficiency, machinery modernization, and renewable energy investments to mitigate emerging risks and strengthen its competitive position. Management will continue to monitor these developments and adopt appropriate measures to maintain operational resilience and support sustainable growth.

Acknowledgement

The Board of Directors extends its sincere appreciation to the Company's valued customers and bankers for their continued cooperation and support throughout the period under review. The Board also acknowledges the dedication, commitment, and valuable contributions of the Company's employees and workers, whose efforts have played an important role in its ongoing operations. Furthermore, the Company expresses its gratitude to all stakeholders for their continued trust and confidence, which remain integral to its sustained progress and future growth.

For and on behalf of Board of Directors

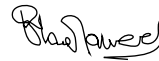
Faisalabad

October 29, 2026



Faiq Jawed

Chief Executive Officer



Shaiq Jawed

Director

ڈائریکٹرز رپورٹ برائے حصص یافتگان:

شروع آئندہ کے پاک نام سے جو بڑا ہمسرا ہاں نہایت رحم والا ہے۔

معزز حصص یافتگان،

آپ کی کمپنی کے ڈائریکٹرز سال کے پہلے کوارٹر کے اختتام 30 ستمبر 2026 کے بغیر آڈٹ کے مالیاتی حسابات پیش کرنے میں خوشی محسوس کرتے ہیں۔

مالیاتی نتائج اور آپریشنل کارکردگی

زیر جائزہ مدت کے دوران، کمپنی کی فروخت گروٹھ سال کی اسی مدت کے 10,377.897 ملین روپے سے بڑھ کر 12,247.398 ملین روپے ہو گئی، جو کہ 18.01 فیصد اضافہ ظاہر کرتی ہے۔ 30 ستمبر 2026 کو ختم ہونے والی مدت کے لیے بعد از ٹیکس منافع 512.443 ملین روپے رہا (منافع کا مارجن 4.18 فیصد)، جبکہ گروٹھ سال کی اسی مدت میں یہ منافع 307.745 ملین روپے (مارجن 2.97 فیصد) تھا۔ اس کے نتیجے میں، فی حصص آمدنی (EPS) گروٹھ سال کی اسی مدت کے 3.01 روپے سے بہتر ہو کر 5.01 روپے ہو گئی۔

کاروباری سرگرمیوں میں اضافے اور ساتھ ہی موجودہ افراط زر کے دباؤ کے باعث، اسٹورز اور اسٹینڈ پائرس، استعمال ہونے والے چھوٹے اوزاروں، پیکنگ کے سامان، سمندری مال برداری، مرمت و دیکھ بھال اور دیگر آپریٹنگ اخراجات میں اضافہ ہوا۔ کمپنی کی سالانہ اضافے کی پالیسی کے نتیجے میں تنخواہوں اور اجرتوں میں بھی اضافہ ہوا۔ اس کے برعکس، بجلی کے نرخوں میں کمی اور کمپنی کے توانائی کے ذرائع میں قابل تجدید توانائی کے بڑھتے ہوئے حصے کی بدولت، ایندھن اور بجلی کی مد میں اخراجات کم ہوئے۔

کمپنی اپنی پیداواری تنصیبات میں مشینری اور آلات کی ٹینٹنگ، جدید کاری اور تبدیلی (BMR) پر اپنی اسٹریٹجک توجہ مرکوز رکھے ہوئے ہے۔ ان اقدامات کا مقصد آپریشنل کارکردگی کو مضبوط بنانا، لاگت کو بہتر بنانا، پیداواری صلاحیتوں میں اضافہ کرنا، اور بدلتے ہوئے کاروباری ماحول میں کمپنی کی مسابقتی حیثیت کو برقرار رکھنا ہے، جبکہ ساتھ ہی کمپنی کے ماحولیاتی اہداف کی بھی حمایت کرنا ہے۔

زیر جائزہ مدت کے دوران، کمپنی نے اپنی شمسی توانائی (سولر پاور) پیدا کرنے کی صلاحیت کو 7.5 میگا واٹ سے بڑھا کر 15.5 میگا واٹ کر دیا ہے، اور اب یہ پورا نظام مکمل طور پر فعال ہے۔ یہ سنگ میل پائیدار توانائی، توانائی کے بہتر استعمال، اور رواستی توانائی کے ذرائع پر انحصار کم کرنے کے لیے کمپنی کے عزم کی عکاسی کرتا ہے۔ توقع ہے کہ اس اقدام سے توانائی کی لاگت کو منظم کرنے، ماحولیاتی اثرات کو کم کرنے، اور کمپنی کی طویل مدتی آپریشنل پائیداری کو مستحکم کرنے میں مدد ملے گی۔

30 ستمبر 2026 کو ختم ہونے والی سہ ماہی کے لیے کمپنی کے مالیاتی نتائج کا خلاصہ درج ذیل ہے:

تفصیلات	ملین روپے	ملین روپے
	اختتام کوارٹر	اختتام کوارٹر
30 ستمبر 2026	30 ستمبر 2025	
آمدنی	10,377.897	12,247.398
سیلز کے اخراجات	8,974.719	10,774.651
خام منافع	1,403.178	1,472.747
آپریٹنگ اخراجات	576.170	733.811
دیگر آمدنی	35.557	280.186
آپریٹنگ منافع	862.565	1,019.122
مالی لاگت	377.856	242.249
لیوی اور ٹیکس سے پہلے منافع	484.709	776.873
لیوی اور ٹیکس	176.964	264.430
منافع بعد از ٹیکس	307.745	512.443
فی شیئر آمدنی	3.01	5.01

ڈائریکٹرز رپورٹ برائے حصص یافتگان:

آپ کے ڈائریکٹرز نے غیر مستحکم مارکیٹ کے حالات کے پیش نظر کسی عبوری ڈیویڈنڈ کی سفارش نہیں کی ہے۔

مستقبل کا نقطہ نظر:

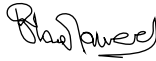
کمپنی کا مستقبل کا نقطہ نظر ملکی اقتصادی حالات اور عالمی جغرافیائی سیاسی پیش رفت سے متاثر رہتا ہے، خاص طور پر امریکہ۔ ایران تنازعہ اور آبنائے ہرمز کی بندش، جس نے جہاز رانی کی سرگرمیوں میں خلل ڈالا اور بین الاقوامی سپلائی چینز میں غیر یقینی صورتحال کو بڑھا دیا۔ یہ پیش رفت توانائی کی بڑھتی ہوئی قیمتوں، مال برداری اور سمندری انشورنس کے اخراجات، اور برآمدی ترسیل میں تاخیر کی صورت میں مکینڈ چیلجز کا باعث بنتی ہے، جس سے یکسٹائل کی صنعت کی لاگت کے ڈھانچے اور مسابقت پر اضافی دباؤ پڑتا ہے۔ اس کے جواب میں، کمپنی اُبھرتے ہوئے خطرات کو کم کرنے اور اپنی مسابقتی پوزیشن کو مضبوط بنانے کے لیے محتاط لاگت کے انتظام، آپریشنل کارکردگی، مشینری کی جدید کاری، اور قابل تجدید توانائی کی سرمایہ کاری پر مرکوز ہے۔ انتظامیہ ان پیش رفتوں کی نگرانی جاری رکھے گی اور آپریشنل چلک کو برقرار رکھنے اور پائیدار ترقی کی حمایت کے لیے مناسب اقدامات اپنائے گی۔

اعتراف:

بورڈ آف ڈائریکٹرز، زیر جائزہ مدت کے دوران کمپنی کے معزز صارفین اور بینکرز کی جانب سے مسلسل تعاون اور حمایت پر ان کا تہہ دل سے شکریہ ادا کرتا ہے۔ بورڈ کمپنی کے ملازمین اور کارکنان کی لگن، عزم اور گراں قدر خدمات کا بھی اعتراف کرتا ہے، جن کی کوششوں نے کمپنی کے جاری امور میں اہم کردار ادا کیا ہے۔ مزید برآں، کمپنی تمام اسٹیک ہولڈرز کا ان کے مسلسل اعتماد اور بھروسے پر شکریہ ادا کرتی ہے، جو کمپنی کی مستقبل ترقی اور مستقبل میں مزید وسعت کے لیے ناگزیر ہیں۔

منجانب بورڈ آف ڈائریکٹرز:

فیصل آباد: اکتوبر 29، 2026



شائق جاوید
ڈائریکٹر



فائق جاوید
چیف ایگزیکٹو

Financial Statements

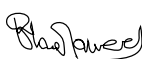
FOR THE QUARTER ENDED 30 SEPTEMBER 2026

Condensed Interim Statement of Financial Position (Un-Audited)

AS AT 30 SEPTEMBER 2026

	NOTE	Un-audited 30 September 2026 (RUPEES IN THOUSAND)	Audited 30 June 2026
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorized share capital			
200 000 000 (30 June 2026: 200 000 000)			
ordinary shares of Rupees 10 each		2,000,000	2,000,000
Issued, subscribed and paid up share capital		1,023,175	1,023,175
Reserves			
Capital reserves			
Surplus on revaluation of freehold land		551,378	551,378
Other capital reserves		350,540	350,540
		901,918	901,918
Revenue reserve - unappropriated profit		14,208,501	13,696,058
		15,110,419	14,597,976
TOTAL EQUITY		16,133,594	15,621,151
LIABILITIES			
NON-CURRENT LIABILITIES			
Long term financing	3	2,552,597	2,752,688
Lease liability		2,902	7,130
Deferred income tax liability		558,139	502,735
Deferred income - Government grant		62,010	77,964
		3,175,648	3,340,517
CURRENT LIABILITIES			
Trade and other payables		3,556,641	3,327,124
Contract liabilities		220,445	167,174
Accrued mark-up		170,986	162,422
Short term borrowings		10,085,065	7,905,617
Current portion of non-current liabilities		1,014,861	1,026,500
Unclaimed dividend		858	858
		15,048,856	12,589,695
TOTAL LIABILITIES		18,224,504	15,930,212
CONTINGENCIES AND COMMITMENTS	4		
TOTAL EQUITY AND LIABILITIES		34,358,098	31,551,363

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


Faiq Jawed
Chief Executive Officer

Shaiq Jawed
Director

Khawaja Nadeem Abbas
Chief Financial Officer

Condensed Interim Statement of Financial Position (Un-Audited)

AS AT 30 SEPTEMBER 2026

	NOTE	Un-audited 30 September 2026 (RUPEES IN THOUSAND)	Audited 30 June 2026
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	5	12,003,163	11,822,938
Right-of-use asset		35,934	37,826
Long term investment		-	-
Long term deposits		209,391	209,391
		12,248,488	12,070,155
CURRENT ASSETS			
Stores, spare parts and loose tools		606,652	613,466
Stock-in-trade		11,178,107	10,211,589
Trade debts		5,067,587	4,349,487
Advances		188,946	158,822
Short term deposits and prepayments		91,568	39,192
Other receivables		551,184	447,816
Sales tax refundable		2,381,732	2,305,080
Taxation and levy - net		2,482	71,702
Short term investments	6	1,638,579	827,024
Cash and bank balances		402,773	457,030
		22,109,610	19,481,208
TOTAL ASSETS		34,358,098	31,551,363

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



Faiq Jawed
Chief Executive Officer



Shaiq Jawed
Director



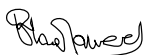
Khawaja Nadeem Abbas
Chief Financial Officer

Condensed Interim Statement of Profit or Loss (Un-Audited)

FOR THE QUARTER ENDED 30 SEPTEMBER 2026

	NOTE	Quarter ended	
		30 September 2026	30 September 2025
		(RUPEES IN THOUSAND)	
Revenue		12,247,398	10,377,897
Cost of sales	7	(10,774,651)	(8,974,719)
Gross profit		1,472,747	1,403,178
Distribution cost		(487,977)	(295,274)
Administrative expenses		(184,963)	(158,087)
Other expenses		(60,871)	(122,809)
		(733,811)	(576,170)
		738,936	827,008
Other income		280,186	35,557
Profit from operations		1,019,122	862,565
Finance cost		(242,249)	(377,856)
Profit before levy and taxation		776,873	484,709
Levy		(18)	(61,704)
Profit before taxation		776,855	423,005
Taxation		(264,412)	(115,260)
Profit after Taxation		512,443	307,745
Earnings per share - basic and diluted (Rupees)		5.01	3.01

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


Faiq Jawed
Chief Executive Officer

Shaiq Jawed
Director

Khawaja Nadeem Abbas
Chief Financial Officer

Condensed Interim Statement of Comprehensive Income (Un-Audited)

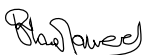
FOR THE QUARTER ENDED 30 SEPTEMBER 2026

	Quarter ended	
	30 September 2026	30 September 2025
	(RUPEES IN THOUSAND)	
Profit after taxation	512,443	307,745
Other comprehensive income:		
Items that will not be reclassified to statement of profit or loss in subsequent periods	-	-
Items that may be reclassified to statement of profit or loss in subsequent periods	-	-
Other comprehensive income for the period	-	-
Total comprehensive income for the period	512,443	307,745

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



Faiz Jawed
Chief Executive Officer



Shaiq Jawed
Director



Khawaja Nadeem Abbas
Chief Financial Officer

FOR THE QUARTER ENDED 30 SEPTEMBER 2026

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

Faiq Jawed
Chief Executive Officer

Shaiq Jawed
Director

Khawaja Nadeem Abbas
Chief Financial Officer

CONDENSED INTERIM STATEMENT OF CASH FLOWS (UN-AUDITED)

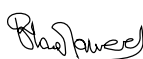
FOR THE QUARTER ENDED 30 SEPTEMBER 2026

		Quarter ended	
	NOTE	30 September 2026 (RUPEES IN THOUSAND)	30 September 2025
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash used in operations	8	(388,275)	(572,985)
Finance cost paid		(233,070)	(273,618)
Mark-up paid on leases liabilities		(649)	(1,291)
Income tax and levy paid		(139,806)	(205,687)
Net cash used in operating activities		(761,800)	(1,053,581)
CASH FLOWS FROM INVESTING ACTIVITIES			
Capital expenditure on property, plant and equipment		(451,763)	(95,391)
Proceeds from sale of property, plant and equipment		1,530	14,853
Proceeds from sale of investments		-	2,402
Investments made		(799,517)	(68,529)
Profit on saving accounts and term deposit receipts received		10,209	12,847
Net cash used in investing activities		(1,239,541)	(133,818)
CASH FLOWS FROM FINANCING ACTIVITIES			
Repayment of long term financing		(228,185)	(211,166)
Repayment of lease liabilities		(3,693)	(1,877)
Short term borrowings - net		2,179,448	1,313,877
Net cash from financing activities		1,947,570	1,100,834
NET DECREASE IN CASH AND CASH EQUIVALENTS		(53,771)	(86,565)
Net foreign exchange difference on translating bank balances		(486)	(2,512)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD		457,030	472,879
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD		402,773	383,802

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



Faiz Jawed
Chief Executive Officer



Shaiq Jawed
Director



Khawaja Nadeem Abbas
Chief Financial Officer

Selected Notes To The Condensed Interim Financial Statements (Un-Audited)

FOR THE QUARTER ENDED 30 SEPTEMBER 2026

1. THE COMPANY AND ITS ACTIVITIES

J.K. Spinning Mills Limited (the Company) is a public limited company incorporated in Pakistan on 07 January 1987 under the repealed Companies Ordinance, 1984 (Now Companies Act, 2017) and listed on Pakistan Stock Exchange Limited on 24 September 1990. Its registered office is situated at 34-Falcon Enclave, Tufail Road, Lahore Cantt. The head office and factory premises of the Company are located at 29-Kilometers, Sheikhpura Road, Faisalabad. A sales office is located at Montgomery Bazar, Opposite Habib Bank Limited, Near Clock Tower, Faisalabad. The zonal office is situated at Office No. 411, 4th Floor, Haji Adam Chamber, Altaf Hussain Road, Karachi. The Company is engaged in business of textile manufacturing which comprises spinning, weaving, processing, stitching, buying, selling and otherwise dealing in yarn, fabrics and other goods.

2. BASIS OF PREPARATION

2.1 Statement of compliance

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

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

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

2.2 These condensed interim financial statements do not include all the information required for annual financial statements and should be read in conjunction with the annual financial statements of the Company for the year ended 30 June 2026.

2.3 Material accounting policy information

The material accounting policy information and methods of computation adopted in the preparation of these condensed interim financial statements are same as those applied in the preparation of the annual audited financial statements of the Company for the year ended 30 June 2026.

2.4 Critical accounting estimates and judgments

The preparation of these condensed interim financial statements requires management to make estimates, assumptions and use judgments that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. The estimates, assumptions and judgments are continually evaluated and are based on historical experience and other factors including reasonable expectations of future events. Revisions to accounting estimates are recognized prospectively commencing from the period of revision.

Judgements and estimates in the preparation of these condensed interim financial statements are the same as those that were applied to the annual audited financial statements of the Company for the year ended 30 June 2026.

2.5 Financial risk management

The Company's financial risk management objectives and policies are consistent with those disclosed in the annual audited financial statements of the Company for the year ended 30 June 2026.

Selected Notes To The Condensed Interim Financial Statements (Un-Audited)

FOR THE QUARTER ENDED 30 SEPTEMBER 2026

	Un-audited 30 September 2026 (RUPEES IN THOUSAND)	Audited 30 June 2026
3. LONG TERM FINANCING		
From banking companies - secured		
Opening balance	3,686,925	3,889,894
Add:		
Obtained during the period / year	-	651,913
Amortization during the period / year	21,870	97,640
	3,708,795	4,639,447
Less: Repaid during the period / year	228,185	952,522
	3,480,610	3,686,925
Less: Current portion shown under current liabilities	928,013	934,237
	2,552,597	2,752,688

4. CONTINGENCIES AND COMMITMENTS

a) Contingencies

There is no significant change in the status of contingencies as disclosed in Note 17 to the annual audited financial statements of the Company for the year ended 30 June 2026, except as mentioned below:

- i) Post dated cheques of Rupees 6,088.371 million (30 June 2026: Rupees 6,082.881 million) have been issued to custom authorities in respect of duties on imported materials availed on the basis of consumption and export plans and to First Habib Modaraba against loan and mark-up on diminishing musharkah. If documents of exports / rentals are not provided / paid on due dates, issued cheques shall be encashable.

b) Commitments

- i) Letters of credit for capital expenditure are of Rupees 1,262.129 million (30 June 2026: Rupees 465.390 million).
- ii) Letters of credit other than for capital expenditure are of Rupees 3,176.332 million (30 June 2026: Rupees 798.393 million).
- iii) Outstanding foreign currency forward contracts are of Rupees 15,179.418 million (30 June 2026: Rupees 14,317.072 million).
- iv) Commitments arising from short term lease to be recognised on a straight line basis as expense under the practical expedient applied by the Company with respect to IFRS 16 are of Rupees 2.250 million (30 June 2026: Rupees 3 million).

Selected Notes To The Condensed Interim Financial Statements (Un-Audited)

FOR THE QUARTER ENDED 30 SEPTEMBER 2026

	NOTE	(Un-audited) 30 September 2026 (RUPEES IN THOUSAND)	Audited 30 June 2026
5. PROPERTY, PLANT AND EQUIPMENT			
Operating fixed assets	5.1	11,229,464	11,036,850
Capital work-in-progress	5.2	773,699	786,088
		12,003,163	11,822,938
5.1 Operating fixed assets			
Opening book value		11,036,850	10,745,841
Add: Cost of additions during the period / year	5.1.1	464,152	1,452,848
		11,501,002	12,198,689
Less: Book value of deletions during the period / year	5.1.2	1,476	25,112
		11,499,526	12,173,577
Less: Depreciation charged during the period / year		270,062	1,136,727
		11,229,464	11,036,850
5.1.1 Cost of additions during the period / year			
Freehold land		-	121,004
Buildings on freehold land		-	13,411
Plant and machinery		229,686	1,115,971
Factory tools and equipment		-	19,565
Electric installations and appliances		209,013	31,416
Vehicles		25,453	151,481
		464,152	1,452,848
5.1.2 Book value of deletions during the period / year			
Vehicles		1,476	25,112
		1,476	25,112

Selected Notes To The Condensed Interim Financial Statements (Un-Audited)

FOR THE QUARTER ENDED 30 SEPTEMBER 2026

NOTE	(Un-audited)	Audited
	30 September	30 June
	2026	2026
	(RUPEES IN THOUSAND)	
5.2 Capital work-in-progress		
Freehold land	83	83
Buildings on freehold land	438,692	284,099
Plant and machinery	244,755	204,662
Electric installations and appliances	-	272,113
Vehicles	90,169	25,131
	773,699	786,088
6. SHORT TERM INVESTMENTS		
At amortized cost	1,628,857	816,811
At Fair Value Through Profit or Loss (FVTPL)	9,722	10,213
	1,638,579	827,024
	(Un-audited)	
	Quarter ended	
	30 September	30 September
	2026	2025
	(RUPEES IN THOUSAND)	
7. COST OF SALES		
Raw materials consumed	6,614,805	5,044,188
Stores, spare parts and loose tools consumed	517,385	474,290
Packing materials consumed	255,943	183,139
Processing, sizing and conversion charges	1,034,904	1,124,730
Fuel and power	852,976	977,575
Salaries, wages and other benefits	665,235	610,258
Repair and maintenance	17,698	9,438
Insurance	13,794	13,900
Other factory overheads	9,298	3,190
Depreciation on property, plant and equipment	243,096	247,579
	10,225,134	8,688,287
Work-in-process		
Opening stock	1,312,012	1,260,764
Closing stock	(1,423,713)	(1,205,217)
	(111,701)	55,547
Cost of goods manufactured	10,113,433	8,743,834
Finished goods		
Opening stock	3,403,051	4,253,464
Closing stock	(2,741,833)	(4,022,579)
	661,218	230,885
	10,774,651	8,974,719

Selected Notes To The Condensed Interim Financial Statements (Un-Audited)

FOR THE QUARTER ENDED 30 SEPTEMBER 2026

		(Un-audited)	
		Quarter ended	
	NOTE	30 September 2026	30 September 2025
(RUPEES IN THOUSAND)			
8.	CASH USED IN OPERATIONS		
	Profit before taxation and levy	776,873	484,709
	Adjustments for non-cash charges and other items:		
	Depreciation on property, plant and equipment	270,062	273,976
	Depreciation on right-of-use asset	1,892	2,364
	Finance cost	242,249	377,856
	Net unrealized exchange loss / (gain)	1,538	(7,159)
	Allowance for expected credit losses - net	-	3,309
	Provision for workers' welfare fund	16,354	9,694
	Provision for workers' profit participation fund	40,841	23,756
	Gain on sale of property, plant and equipment	(54)	(187)
	Gain on sale of investments at FVTPL	-	(750)
	Profit on saving accounts and term deposit receipts	(22,247)	(18,399)
	Unrealized gain on remeasurement of investments at FVTPL	(491)	(2,536)
	Working capital changes	8.1 (1,715,292)	(1,719,618)
		(388,275)	(572,985)
8.1	Working capital changes		
	(Increase) / decrease in current assets:		
	Stores, spare parts and loose tools	6,814	10,792
	Stock-in-trade	(966,518)	(233,867)
	Trade debts	(719,152)	(807,863)
	Advances	(30,124)	(50,900)
	Short term deposits and prepayments	(51,885)	(50,617)
	Other receivables	(103,368)	(33,188)
	Sales tax refundable	(76,652)	(289,123)
		(1,940,885)	(1,454,766)
	Inrease / (Decrease) in current liabilities:		
	Trade and other payables	172,322	(79,942)
	Contract liabilities	53,271	(184,910)
		225,593	(264,852)
		(1,715,292)	(1,719,618)

Selected Notes To The Condensed Interim Financial Statements (Un-Audited)

FOR THE QUARTER ENDED 30 SEPTEMBER 2026

9. TRANSACTIONS WITH RELATED PARTIES

The related parties comprise the associate, other related parties, employees' provident fund trust and key management personnel. The Company in the normal course of business carried out transactions with various related parties. Detail of transactions with related parties along with period end balances are as follows:

	(Un-audited) Quarter ended	
	30 September 2026	30 September 2025
	(RUPEES IN THOUSAND)	
i) Transactions		
Associate		
J.K. Tech (Private) Ltd (JKTPL)		
Service charges	750	720
Rental income	675	660
Expenses paid on behalf of JKTPL	230	-
Other related parties		
Company's contribution to Employees' Provident Fund Trust	21,380	18,650
Remuneration paid to Chief Executive Officer, directors and executives	51,710	44,972
Vehicles sold to executives	1,427	14,271
	(Un-audited)	(Audited)
	30 September 2026	30 June 2026
	(RUPEES IN THOUSAND)	
ii) Period end balances		
Associate		
Trade and other payables	-	35
Advances	120	-
Other related parties		
Trade and other payables	3,444	-
Advances	999	1,791

Selected Notes To The Condensed Interim Financial Statements (Un-Audited)

FOR THE QUARTER ENDED 30 SEPTEMBER 2026

10. SEGMENT INFORMATION

	Spinning		Fabric		Elimination of inter-segment transactions (Un-audited)		Total Company	
	(Un-audited)	Quarter ended	(Un-audited)	Quarter ended	Quarter ended	Quarter ended	(Un-audited)	Quarter ended
	30 September 2026	30 September 2025	30 September 2026	30 September 2025	30 September 2026	30 September 2025	30 September 2026	30 September 2025
(RUPEES IN THOUSAND)								
Revenue	5,065,877	3,167,283	7,181,521	7,210,614	-	-	12,247,398	10,377,897
External Intersegment	895,295	1,450,683	-	-	(895,295)	(1,450,683)	-	-
Cost of sales	5,961,172	4,617,966	7,181,521	7,210,614	(895,295)	(1,450,683)	12,247,398	10,377,897
Gross profit	(5,041,167)	(3,857,625)	(6,628,779)	(6,567,777)	895,295	1,450,683	(10,774,651)	(8,974,719)
Distribution cost	920,005	760,341	552,742	642,837	-	-	1,472,747	1,403,178
Administrative expenses	(122,940)	(53,261)	(365,037)	(242,013)	-	-	(487,977)	(295,274)
Profit before levy, taxation, unallocated income and expenses	(110,659)	(98,879)	(74,304)	(59,208)	-	-	(184,963)	(158,087)
Unallocated income and expenses	(233,599)	(152,140)	(439,341)	(301,221)	-	-	(672,940)	(453,361)
Other income	686,406	608,201	113,401	341,616	-	-	799,807	949,817
Finance cost							(60,871)	(122,809)
Levy							280,186	35,557
Taxation							(242,249)	(377,856)
Profit after taxation							(18)	(61,704)
							(264,412)	(115,260)
							512,443	307,745

10.1 Reconciliation of reportable segment assets and liabilities:

	Spinning		Fabric		Total Company	
	(Un-audited)	(Audited)	(Un-audited)	(Audited)	(Un-audited)	(Audited)
	30 September 2026	30 June 2026	30 September 2026	30 June 2026	30 September 2026	30 June 2026
(RUPEES IN THOUSAND)						
Total assets for reportable segments	21,133,189	19,084,474	10,840,695	10,090,107	31,973,884	29,174,581
Sales tax refundable					2,381,732	2,305,080
Taxation and levy - net					2,482	71,702
Total assets as per condensed interim statement of financial position					34,358,098	31,551,363
Total liabilities for reportable segments	9,615,406	7,847,158	8,050,959	7,426,051	17,666,365	15,273,209
Unallocated liabilities						
Deferred income tax liability					558,139	502,735
Other unallocated liabilities					-	154,268
Total liabilities as per condensed interim statement of financial position					18,224,504	15,930,212

All segment liabilities are allocated to reportable segments other than corporate liabilities.

FOR THE QUARTER ENDED 30 SEPTEMBER 2026

FOR THE QUARTER ENDED 30 SEPTEMBER 2026

The Company's revenue from external customers by geographical locations is detailed below:

10.3 The Company's revenue from external customers in respect of products is detailed below:

Yarn	5010411	2,719,754	30,691	2,943	5,041,102	2,722,697
Fabric	-	-	1,723,709	147,8654	1,723,709	1,478,554
Made ups	-	-	5,409,010	5,711,995	5,409,010	5,711,995
Processing income	-	-	11,608	17,022	6,503	17,022
Waste	55466	447,529	1,608	-	67,074	447,529
	5065877	3,167,283	7,181,521	7,210,614	12,247,398	10,377,897

Selected Notes To The Condensed Interim Financial Statements (Un-Audited)

FOR THE QUARTER ENDED 30 SEPTEMBER 2026

11. RECOGNIZED FAIR VALUE MEASUREMENTS - FINANCIAL INSTRUMENTS

Fair value hierarchy

Judgements and estimates are made in determining the fair values of the financial instruments that are recognized and measured at fair value in these condensed interim financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into following three levels. An explanation of each level follows underneath the table:

	Level 1	Level 2	Level 3	Total
	----- (Rupees in thousand) -----			
Recurring fair value measurements				
FINANCIAL ASSETS:				
At 30 September 2026 - (Un-audited)				
At fair value through profit or loss	9,722	-	-	9,722
Derivative financial assets	-	449,677	-	449,677
	9,722	449,677	-	459,399
At 30 June 2026 - (Audited)				
At fair value through profit or loss	10,213	-	-	10,213
Derivative financial assets	-	360,559	-	360,559
	10,213	360,559	-	370,772

The above table does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amounts are a reasonable approximation of fair value. Due to the short term nature, carrying amounts of certain financial assets and financial liabilities are considered to be the same as their fair value. For the majority of the non-current receivables, the fair values are also not significantly different to their carrying amounts.

There were no transfers between levels 1 and 2 for recurring fair value measurements during the period. Further there was no transfer out of level 3 measurements.

The Company's policy is to recognize transfers into and transfers out of fair value hierarchy levels as at the end of the reporting period.

Level 1: The fair value of financial instruments traded in active markets (such as publicly traded derivatives and equity securities) is based on quoted market prices at the end of the reporting period. The quoted market price used for financial assets held by the Company is the current bid price. These instruments are included in level 1.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities.

Selected Notes To The Condensed Interim Financial Statements (Un-Audited)

FOR THE QUARTER ENDED 30 SEPTEMBER 2026

12. SHARIAH DISCLOSURES UNDER CLAUSE VII OF PART 1 OF SCHEDULE IV OF THE COMPANIES ACT, 2017

Description	(Un-audited)	(Audited)
	30 September	30 June
	2026	2026
	(RUPEES IN THOUSAND)	
Financing (long-term, short-term, or lease financing) obtained as per Islamic mode		
Short term borrowings	2,522,619	9,622,598
Long term financing	-	316,980
Interest or mark-up accrued on any conventional loan or advance		
Short term borrowings	88,267	593,462
Long term financing	79,168	254,351
Long-term and short-term Shariah compliant Investments		
Short term investments	5,681	6,356
Shariah-compliant bank deposits, bank balances, and TDRs	102,690	173,201
	(Un-audited)	
	Quarter ended	
	30 September	30 September
	2026	2025
	(RUPEES IN THOUSAND)	
Revenue earned from shariah compliant business segment	12,247,398	10,377,897
Gain or loss or dividend earned on Shariah compliant investments or share of profit from Shariah-compliant associates		
Unrealized gain on remeasurement of investments at FVTPL	-	1,794
Realized gain on sale of investments	-	750
Profit earned from Shariah Compliant bank deposits, bank balances or TDRs	23	10
Exchange gain earned from actual currency	163,818	-
Profit paid on Islamic mode of financing	53,471	79,412

Selected Notes To The Condensed Interim Financial Statements (Un-Audited)

FOR THE QUARTER ENDED 30 SEPTEMBER 2026

	(Un-audited)	
	Quarter ended	
	30 September 2026	30 September 2025
	(RUPEES IN THOUSAND)	
Source and detailed breakup of other income, including breakup of other or miscellaneous portions of other income into Shariah-compliant and non-compliant income		
Shariah-compliant		
Unrealized gain on remeasurement of investments at FVTPL	-	1,794
Gain on sale of investments at FVTPL	-	750
Profit on saving accounts and TDRs	23	10
Net exchange gain - net	144,741	-
Reversal of allowance for expected credit losses	-	3,309
Rental income	675	660
Scrap sales	4,196	-
Gain on disposal of operating fixed assets - net	53	187
Non-compliant		
Profit on saving accounts and TDRs	22,224	18,389
Dividend income on investments at FVTPL	79	90
Unrealized gain on remeasurement of investments at FVTPL	-	1,492
Unrealised exchange gain on forward contracts	89,118	12,935
Exchange gain earned using conventional derivative financial instruments - net	19,077	-

There was no late payment or liquidated damages during the period.

Relationship with Shariah-compliant financial institutions, including banks, takaful operators and their windows, etc

Name	Relationship
Meezan Bank Limited	Bank balances, long term financing and short term borrowings
Dubai Islamic Bank Pakistan Limited	Bank balance and short term borrowings
BankIslami Pakistan Limited	Bank balance and short term borrowings
First Habib Modaraba	Long term financing
Al Baraka Bank (Pakistan) Limited	Bank balance and short term borrowings
United Bank Limited	Bank balance and short term borrowings
Habib Metropolitan Bank Limited	Bank balance and short term borrowings
The Bank of Khyber	Bank balance and short term borrowings

Selected Notes To The Condensed Interim Financial Statements (Un-Audited)

FOR THE QUARTER ENDED 30 SEPTEMBER 2026

13. DATE OF AUTHORIZATION FOR ISSUE

These condensed interim financial statements were approved and authorized for issue on October 29, 2026 by the Board of Directors of the Company.

14. CORRESPONDING FIGURES

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

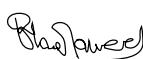
Corresponding figures have been re-arranged, wherever necessary, for the purpose of comparison. However, no significant re-arrangements have been made.

15. GENERAL

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



Faiz Jawed
Chief Executive Officer



Shaiq Jawed
Director



Khawaja Nadeem Abbas
Chief Financial Officer



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